

Q2 PERFORMANCE REPORT

2025/26

FINANCIAL YEAR



JOHANNESBURG DEVELOPMENT AGENCY (SOC) LIMITED OR JDA



a world class African city



JOHANNESBURG DEVELOPMENT AGENCY

COMPANY INFORMATION:

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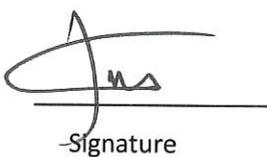
Fax number : +27 (0) 11 688 7851

Website : www.jda.org.za

Bankers : Standard Bank of SA Limited

Auditors : Auditor-General

APPROVAL

<p>Mr. Sinovuyo Mpakama Name & Surname Chief Financial Officer</p>	 Signature	<p>Date of approval: <u>20 January 2026</u></p>
<p>Mr Themba Mathibe Name & Surname Chief Executive Officer</p>	 Signature	<p>Date of approval: <u>21/01/26</u></p>
<p>Mr. Julias Maputla Name & Surname Chairperson of the Board</p>	 Signature	<p>Date of approval: <u>22/01/26</u></p>
<p>Ms. Eunice Mgcina Name & Surname MMC</p>	 Signature	<p>Date of approval: <u>26/01/2026</u></p>

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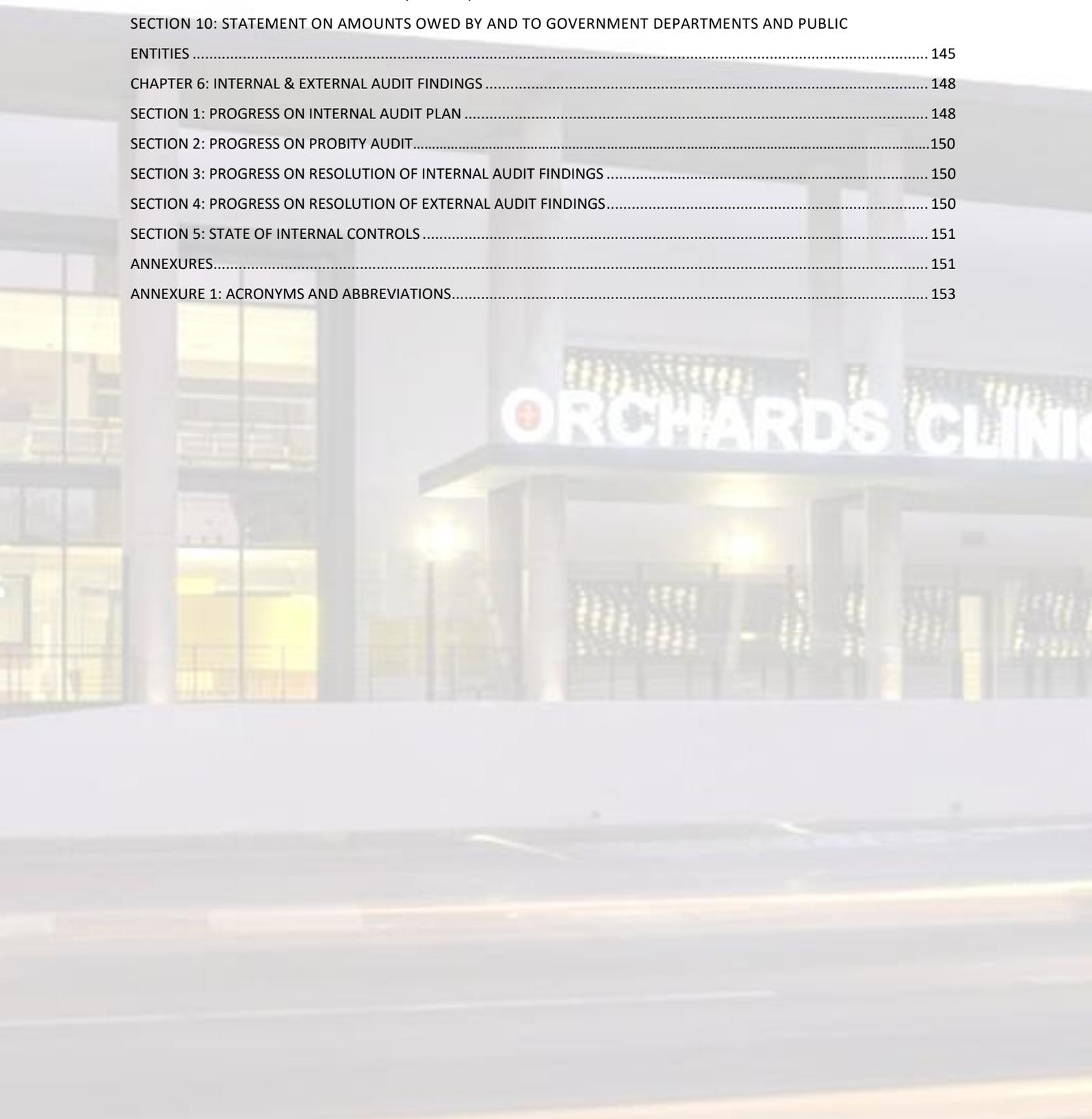
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CHAPTER 1: JDA LEADERSHIP AND CORPORATE PROFILE

SECTION 1: CHAIRPERSON'S FOREWORD

This Foreword presents the key governance, financial, and performance highlights of the Johannesburg Development Agency (JDA) for Quarter 2 of the 2025/26 financial year, prepared in alignment with Section 121 of the MFMA. The quarter represented a critical phase in stabilising governance structures, closing out the 2024/25 audit cycle, and strengthening the Agency's financial sustainability outlook.

Institutional Governance and Oversight

Quarter 2 commenced with the reappointment of the Board, ensuring continuity, institutional stability, and strengthened oversight at a pivotal time in the JDA's governance cycle. The Board reaffirmed its commitment to ethical leadership, accountability, and compliance with MFMA, Companies Act, and King IV principles. Oversight efforts focused on reinforcing disciplined governance conduct, promoting constructive engagement with assurance partners, and ensuring transparent, orderly decision-making.

Financial Performance, Audit Close-Out and Sustainability

Quarter 2 was marked by intensive review of financial performance and audit close-out activities. The Auditor-General confirmed an unqualified audit opinion with findings, consistent with the prior year. The period also exposed several concerns, including material misstatements requiring correction, weaknesses in internal controls, MFMA non-compliance, expenditure-management inefficiencies, creditor-payment delays, and rising interest costs driven by sweeping-account deficits and delayed City payments.

The Board reviewed the AFS, Management Report, and Audit Report, approving them subject to further AGSA quality reviews. Management was directed to accelerate corrective actions, improve the credibility of financial reporting, and implement reforms to stabilise the Agency's financial position.

Service Delivery and Organisational Performance

The JDA sustained a strong performance trajectory, closing the 2024/25 cycle with 91% achievement of annual predetermined objectives. Quarter 2 demonstrated continued progress in compliance, planning, monitoring, and support services. Persistent challenges included delays in supplier payments, performance gaps in selected node-development projects, misalignment between project budgets and cash-flow realities, and delays in responding to audit-related findings.

The Performance Management Report for the prior year was finalised and considered during Quarter 2. Following independent moderation, the Board approved the payment of performance bonuses within the approved R10 million provisions, noting a final quantum of approximately R9.5 million.

Risk, Assurance and Internal Control Environment

Risk and assurance activities intensified in the quarter. The Audit and Risk Committee raised concerns regarding recurring audit findings, weaknesses in control monitoring, and gaps in financial and project oversight. Management committed to strengthening internal controls, improving ICT systems, including ERP modernisation, and enhancing consequence-management practices. The Board also welcomed the Auditor-General's decision to become a standing invitee to ARC meetings, recognising the value this would add to assurance coordination.

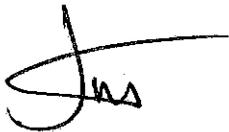
Strategic Priorities for the Remainder of the Year

The Board's priorities for the second half of the year include reinforcing financial discipline, improving internal controls, advancing ICT modernisation, strengthening project-delivery efficiency and contract management, enhancing cash-flow management, and integrating audit action plans into performance agreements and organisational monitoring cycles. These steps are essential to safeguard institutional performance and uphold MFMA-aligned governance standards.

Appreciation

The Board expresses its appreciation to members, management, and staff for their commitment during a demanding quarter. The JDA remains focused on accountability, transparency, and governance excellence as it advances its developmental mandate for the City of Johannesburg.

Mr Julia Maputla



Board Chairperson

SECTION 2: CHIEF EXECUTIVE OFFICER'S REPORT

This is the 2nd Quarter Performance Report for 2025/26 financial year, covering the period October 2025 to December 2025. I am once again proud to lead the Johannesburg Development Agency (JDA), the Entity that continues to excel in performance and sustains governance principles.

The Entity's Business Plan contains a Scorecard with 20 KPI's and there are 19 KPI's that are due for reporting in the 2nd Quarter. Of the 19 KPIs there are 18 (94%) KPI's that have been achieved and 1 (6%) KPI's that is not achieved. Significant progress has been made of various projects as follows:

- Jabulani Phase 5: Bolani Road Traffic reached practical completion on 3 October 2025. This comes after some years where there was noticeable traffic congestion. The completion of this traffic circle is enabling seamless mobility around the Jabulani Mall and Theatre.
- Sandton CBD roadways that included the rehabilitation and strengthening of Katherine Street and Rivonia Drive. These streets were strengthened to receive bus traffic as part of the soon-to-be operationalised Sandton Loop. These roads completion were prioritised as part of the G-20 Summit, prior anticipated practical completion.
- Rea Vaya Phase 1C was launched on the 24th October 2025. This section of the BRT includes 13 stations, dedicated bus lanes with synchronised traffic signals that prioritises public transport mobility along the corridor.

Despite this outstanding performance, there are still factors that continue to affect projects including stoppages due to non-payment since CoJ has the cash flow problem. Some projects that were meant to commence during this financial year have been subsequently put on hold due to prioritisation by Clients. Budget allocated for this financial year is being closely monitored and JDA has received formal expenditure management letters to ensure that all projects remain within budget.

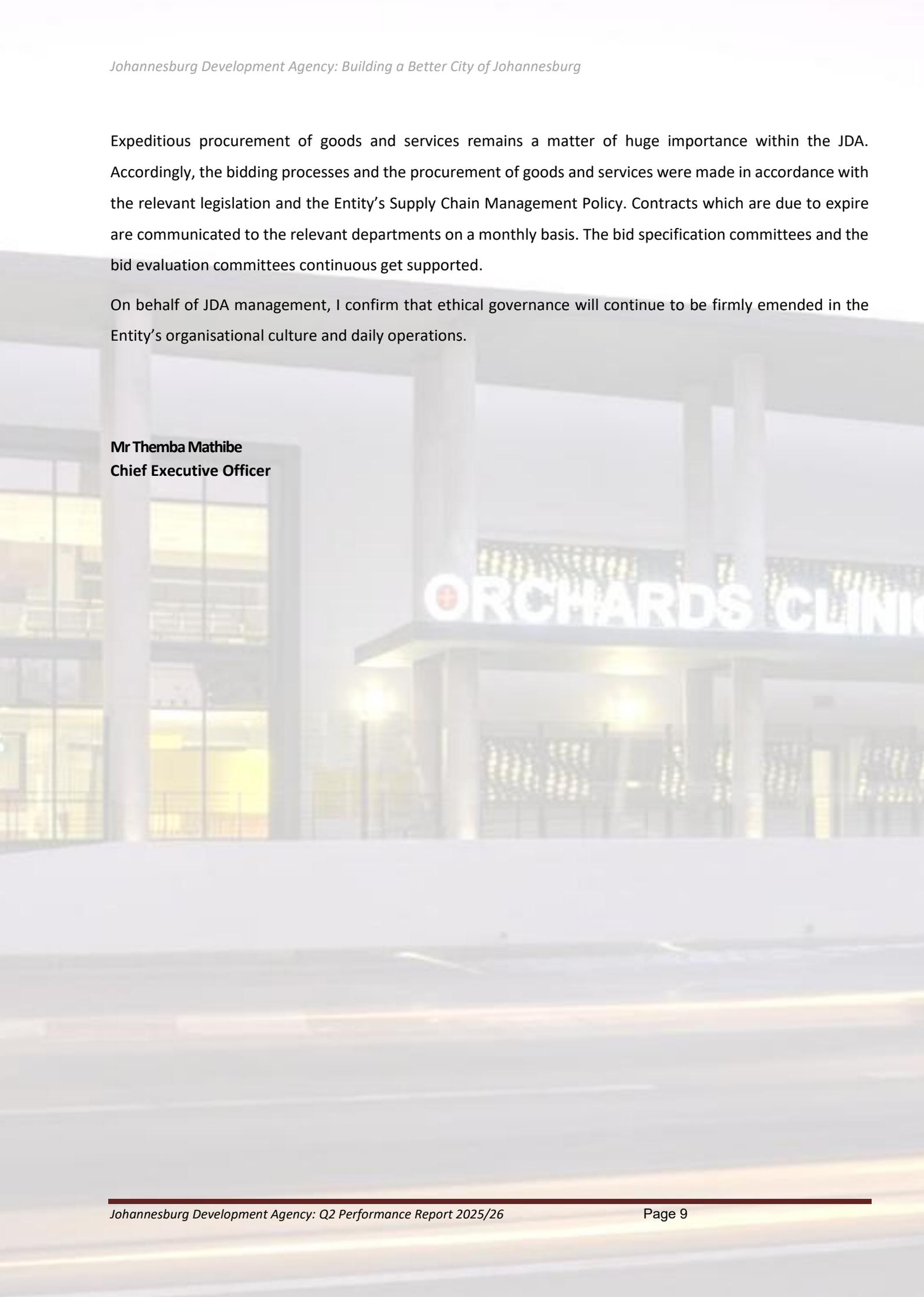
As part of the key strategic goals and initiatives the SAGE ERP implementation programme continues to progress well, with both SAGE Intacct and SAGE 300 People advancing through key milestones. Overall completion levels remain ahead of plan, with SAGE Intacct exceeding its projected target for the 2nd quarter of 80% and SAGE 300 People surpassing its target of 50%.

On institutional matters, management has taken a decision to continue to use the Bus Factory for its office. A professional team has been appointed for the design development and construction supervision. Detailed designs are underway, and a phased approach is being rationalised.

Expeditious procurement of goods and services remains a matter of huge importance within the JDA. Accordingly, the bidding processes and the procurement of goods and services were made in accordance with the relevant legislation and the Entity's Supply Chain Management Policy. Contracts which are due to expire are communicated to the relevant departments on a monthly basis. The bid specification committees and the bid evaluation committees continuous get supported.

On behalf of JDA management, I confirm that ethical governance will continue to be firmly emended in the Entity's organisational culture and daily operations.

Mr Themba Mathibe
Chief Executive Officer



ORCHARD'S CLINIC

SECTION 3: CHIEF FINANCIAL OFFICER

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 five months ended 30 November 2025 the JDA had earned total revenue of R67.8 million (2024/25: R74.7 million) and incurred total expenditure of R113.2 million (2024/25: of R107.6 million) which resulted in an overall deficit of R45.5 million (2024/25: Deficit of R32.9 million).

The organisation achieved 91% (2024/25 110%) 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 151% (2024/25: 158% overall against target). The operational expenditure includes interest of R57.5 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 2024	YTD Actual R'000	YTD Budget R'000	Variance R'000	% of actual against budget
Revenue	R74,758	R67,780	R74,761	R6,982	91%
Operating costs (before interest)	(R67,921)	(R55,716)	(R70,590)	R14,874	79%
Interest expense	(39,764)	(57,570)	(R4,172)	(R53,399)	1380%
Total operating costs	(R107,685)	(R113,286)	(R74,761)	(R68,273)	151%
Surplus/(Deficit)	(R32, 927)	(R45, 506)	(Rnil)	(R45 506)	

Actual capital expenditure for the six months ended 30 November 2025 was R386 million (2024/25: R418. million) against an annual budget of R1 billion (2024/25: R934 million). This represents 37% (2024/25: 45 %) of the overall annual budget. There are still various factors that continue to affect projects including stoppages due to non-payment since COJ has cash flow problem, however, the basis of the 50% targeted capital expenditure is based on a city-wide performance indicator and not necessarily aligned to each project milestone and progress.

The organization's total assets exceeded the total liabilities. The total net deficit of assets on 30 November 2025 was (R446 million (2024/25: R25.9 million)).

The table below reflects the financial performance ratio of the organization for the period ending November 2025.

TABLE 1: FINANCIAL RATIOS

Key Performance Area		Actual 31 December 2024	Actual 31 December 2025
Current ratio	Above 1.5: 1	0.94:1	0.79:1
Solvency ratio	Above 2: 1	0.97:1	0.44:1
Salaries to expenditure ratio	Below 60%	47%	46%
Revenue	R74.7 million	74.7 million	67.8 million
Expenditure (including taxation)	R74 .7 million	R107.6 million	R113.2 million
Surplus / (Deficit)	R nil	(R25 million)	(R45.5 million)
Total net assets	R15.4 million	(32.9 million)	(446 million)
Capital expenditure	40%	45%	37%

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 R51.9. million over total expenditure of R113 million, which results in 46% of the expenditure.

Sinovuyo Mpakama
Chief Financial Officer

SECTION 4: CORPORATE PROFILE AND OVERVIEW

Johannesburg Development Agency (JDA): Strategic Overview

Established in 2002, the Johannesburg Development Agency (JDA) is a municipal entity of the City of Johannesburg Metropolitan Municipality. Mandated through its Memorandum of Incorporation, the JDA's core purpose is to promote socio-economic development by facilitating the creation of sustainable, efficient, and inclusive spatial environments. The agency is specifically tasked with regenerating decaying urban areas, thereby enhancing their contribution to the City's economic growth and improving the quality of life for residents.

Operating on behalf of the City, the JDA is responsible for the conceptualisation, design, facilitation, and implementation of targeted capital and non-capital projects and programmes that contribute to urban renewal and strategic area development.

Strategic and Policy Alignment

Since its inception, the role of the JDA has evolved in response to the City's shifting developmental priorities. The agency's work is firmly guided by a suite of national, provincial, and municipal development frameworks, including:

- The National Development Plan (NDP)
- Gauteng Vision 2055
- The Growth and Development Strategy (GDS) 2040
- The Integrated Development Plan (IDP)
- The Spatial Development Framework (SDF)

The JDA's strategic direction is strongly aligned with the GDS 2040's key principles of resilience, liveability, and sustainability, underpinned by the understanding that a resilient city must be adaptive and robust in addressing complex and unforeseen challenges.

Evolution of Focus and Development Approach

Over the past two decades, the JDA has progressively shifted its developmental focus. Initially centred on achieving triple-bottom-line outcomes—economic, social, and environmental—within the inner city and marginalized communities, the agency now places greater emphasis on creating resilient, sustainable, and liveable urban areas, particularly within transit-oriented nodes and strategic development corridors.

Central to the JDA's implementation model is its precinct-based development approach, which entails working collaboratively with local stakeholders to identify and respond to area-specific challenges and opportunities. These developments are supported by comprehensive development facilitation functions, both in the pre-

development and post-development phases, to maximise the socio-economic impact and ensure the long-term sustainability of capital investments

Organisational Growth and Impact

In its 21 years of operation, the JDA has implemented over 600 projects across all seven administrative regions of the City of Johannesburg. In the last five years alone, the agency has experienced significant organisational and financial growth:

- Staff satisfaction has increased by nearly 100%, from 50 to 96 employees.
- Capital expenditure (Capex) allocation has grown to over R5 billion, reflecting an expanded mandate and increased project delivery capacity.

This growth underscores the JDA's critical role in shaping Johannesburg's urban landscape and its continued contribution to driving inclusive urban development across the city.

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 Johannesburg Development Agency (JDA) operates under the strategic and political oversight of the Department of Development Planning and the Member of the Mayoral Committee (MMC) for Development Planning, to whom the agency is accountable. The MMC exercises political oversight, ensuring that the JDA's activities are aligned with the City's development priorities and broader policy objectives.

In fulfilling its mandate, the JDA relies on the Department of Development Planning for guidance on the execution of its contractual obligations, as stipulated in the Service Delivery Agreement (SDA). This partnership ensures that the agency's programmes and projects are strategically aligned with the City's spatial development and planning frameworks. The JDA submits regular compliance and performance reports to the Department and the MMC, measured against an agreed performance scorecard.

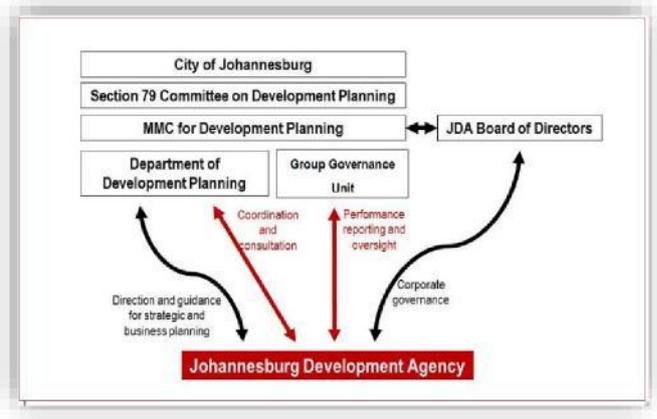


FIGURE 1: JDA GOVERNANCE SYSTEM

This reporting mechanism ensures transparency, accountability, and continuous performance monitoring. In addition, the Group Governance Unit of the City of Johannesburg provides the JDA with essential corporate governance support, including oversight on issues related to compliance, risk management, and financial sustainability. This integrated governance framework ensures that the JDA maintains high standards of accountability, operational integrity, and alignment with the City's strategic development agenda.

The Johannesburg Development Agency (JDA) operates within a well-defined governance and accountability framework that ensures strategic alignment, operational efficiency, and political oversight. At the political level, the JDA is accountable to the Member of the Mayoral Committee (MMC) for Development Planning, who provides strategic and political direction to the entity. The agency also submits regular compliance and performance reports to the MMC and the Department of Development Planning, in accordance with the Service Delivery Agreement (SDA).

Further political oversight is provided by the City of Johannesburg's Section 79 Portfolio Committee on Development Planning, which monitors the JDA's performance and ensures alignment with the City's development priorities. In addition, the agency forms part of the Economic Growth Mayoral Cluster Committee, a strategic forum that promotes integration and coordination among departments and entities responsible for spatial transformation and economic growth within the City.

From a corporate governance perspective, the JDA is overseen by a Board of Directors, which holds fiduciary responsibility for the organisation and is accountable for both strategic direction and operational oversight. The JDA's executive management reports to the Board and is responsible for the execution of its mandate in compliance with relevant legislative, regulatory, and policy frameworks. The Group Governance Unit of the City of Johannesburg provides additional support in areas such as governance compliance, risk management, and financial sustainability. In delivering its mandate, the JDA maintains close coordination with the Department of Development Planning on area-based development and catalytic urban interventions. The agency also actively engages with client departments across the City to support the design and construction of infrastructure assets, ensuring integrated service delivery and sustainable urban development.

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.

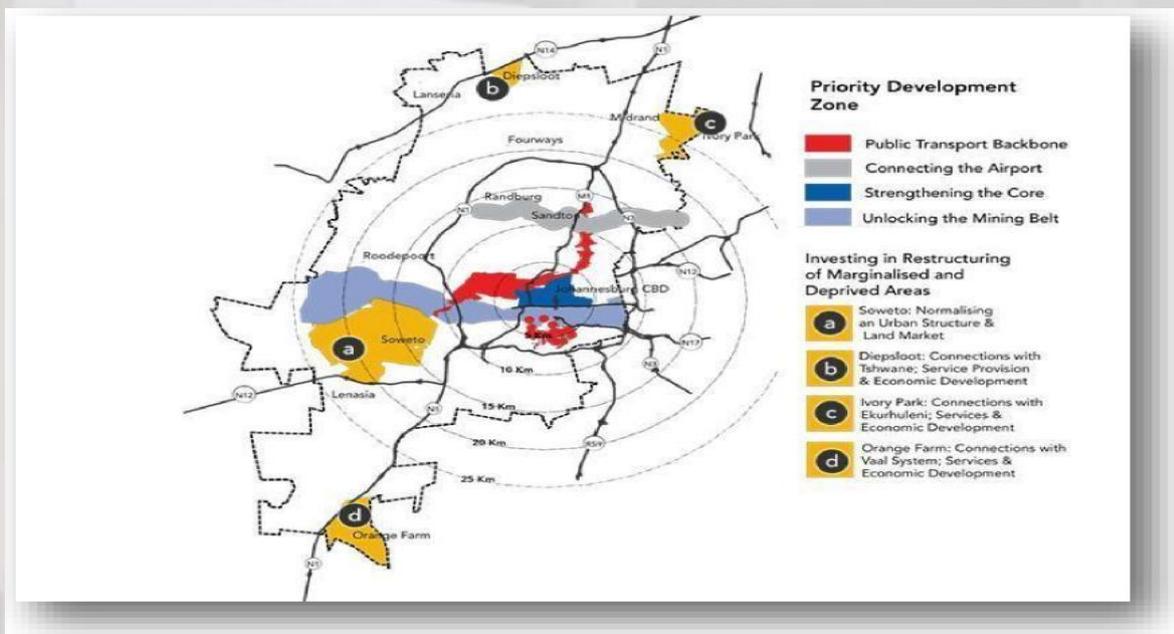


FIGURE 2: SDF 2040 PRIORITY ZONES

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).	Programme 1: Strategic Economic Node Delivery Programme.
Unlocking Soweto	Greater Soweto (including Lenasia, Eldorado Park, Nancefield)	Programme 2: Accelerated Infrastructure Delivery Programme.
Consolidating public transport backbone	The Transit-Oriented Development Corridors: Empire-Perth Corridor and Louis	Programme 3: Economic Empowerment Programme.
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 37% of its allocated Capital budget in the second quarters of the financial year against the target of 40%.
- A total of 172 EPWP work opportunities were reported as at end of the 2nd Quarter.

TABLE 4: OPERATING BUDGET MANAGEMENT

	Actual Prior year 31 December 2024	YTD Actual R'000	YTD Budget R'000	Variance R'000	% of actual against budget
Revenue	R74,758	R67,780	R74,761	R6,982	91%
Operating costs (before interest)	(R67,921)	(R55,716)	(R70,590)	R14,874	79%
Interest expense	(39,764)	(57,570)	(R4,172)	(R53,399)	1380%
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Surplus/(Deficit)	(R32, 927)	(R45, 506)	(Rnil)	(R45 506)	

Actual capital expenditure for the six months ended 30 November 2025 was R386 million (2024/25: R418. million) against an annual budget of R1 billion (2024/25: R934 million). This represents 37% (2024/25: 45 %) of the overall annual budget.

TABLE 5: CAPEX SPENT

Programme	2024/25 Annual Budget	Target YTD	Actual YTD	Target %	% Actual /annual budget
	R' 000	R' 000	R'000	%	%
Capex for 2025/26 FY	1145 939 522	572 969 761	427 749 240	40%	37.33%
Total	1145 939 522	572 969 761	427 749 240	40%	37.33%

CHAPTER 2: CORPORATE GOVERNANCE

SECTION 1: CORPORATE GOVERNANCE STATEMENT

Governance as a Driver of Sustainable Value

1. Governance and Value Creation

At the Johannesburg Development Agency (JDA), strong governance is the cornerstone of creating and sustaining value for the City of Johannesburg and its communities. It ensures that the organisation fulfils its mandate with integrity, promotes accountability in the use of public resources, drives the achievement of sustainable development goals, and builds public trust. The Board recognises that effective governance is vital in balancing competing priorities, aligning immediate objectives with long-term developmental aspirations, and safeguarding the interests of all stakeholders.

2. Governance Architecture

The JDA functions within a governance framework shaped by legislative, regulatory, and best-practice requirements, including:

- The Municipal Finance Management Act (MFMA).
- The Municipal Systems Act, with specific reference to Section 93L on the Code of Conduct for Directors.
- The Companies Act.
- The City of Johannesburg's Corporate Governance Framework and Protocol; and
- The King IV Report on Corporate Governance, applied where appropriate.

This framework is embedded across the organisation's structures and operations, reinforcing transparency, accountability, and sound stewardship.

3. Board Leadership and Ethical Governance

Since its establishment in 2001, the Johannesburg Development Agency has been governed by a Board that consistently upholds the highest standards of accountability, fairness, responsibility, and transparency. The Board exercises ethical leadership and provides strategic guidance that safeguards the interests of the City of Johannesburg and its citizens. Ethical governance is firmly embedded in the Board's ethos and conduct, underpinning its fiduciary duties, oversight responsibilities, and decision-making processes. In so doing, the Board enables the JDA to advance its mandate of sustainable urban development while maintaining disciplined adherence to established risk governance parameters.

4. Board Oversight and Accountability

The Board ensures full compliance with statutory obligations while also taking into account applicable non-binding governance codes and standards. Oversight of internal controls, risk management, and compliance is effected through its sub-committees, most notably the Audit and Risk Committee (ARC).

The Company Secretary is responsible for certifying statutory compliance, including the submission of returns to the Registrar of Companies in accordance with Section 268(d) of the Companies Act. Complementing this role, the Risk and Compliance Unit undertakes quarterly compliance assessments, the results of which are tabled before the ARC to strengthen assurance and reinforce governance oversight.

5. Stakeholder Engagement and Participatory Governance

Legislative Compliance

In line with its public service mandate, the JDA prioritises stakeholder engagement and community participation, consistent with the provisions of the Municipal Systems Act, 2000 (Sections 16–17), which require municipalities and their entities to foster a culture of participatory governance. These processes are facilitated through City-coordinated structures, ensuring that the Agency's strategies and projects remain responsive to the priorities and needs of local communities.

Governance Alignment

The JDA's approach to stakeholder engagement is also informed by King IV's Principle 16, which emphasises proactive stakeholder relationships as a foundation for sustainable value creation. By integrating statutory requirements with governance best practice, the Agency strengthens accountability, responsiveness, and transparency in the fulfilment of its developmental mandate.

Practical Implementation

Community participation is embedded within the JDA's area-based planning framework through structured engagement activities, including public forums, stakeholder consultations, and community-initiated precinct planning. In addition, the Agency partners with ward councillors, ward committees, and residents' associations to facilitate inclusive dialogue and collaborative decision-making, thereby ensuring that development outcomes are participatory and community driven.

Through this integrated framework, the JDA ensures that urban development initiatives are not only compliant with legislative and governance requirements but also meaningfully informed by the voices and aspirations of the communities it serves.

6. Integration of Environmental, Social and Governance (ESG) Principles

The JDA integrates Environmental, Social, and Governance (ESG) considerations into both its strategic priorities and operational decision-making. The Board and management recognise that embedding ESG principles is essential to advancing resilient, sustainable, and inclusive urban environments. This approach is consistent with King IV's emphasis on the "triple context"—the interdependence of the economy, society, and the natural environment—as a foundation for sustainable value creation.

- **Environmental:** Proactively addressing climate-related risks, enhancing energy efficiency, promoting water conservation, and implementing measures to mitigate pollution and reduce waste.
- **Social:** Promoting employment equity, safeguarding occupational health and safety, respecting human rights, advancing B-BBEE objectives, and contributing to community development.
- **Governance:** Strengthening anti-corruption measures, ensuring compliance with applicable legislation and regulations, enhancing Board effectiveness, fostering stakeholder inclusivity, and maintaining transparent disclosure practices.

By embedding ESG practices in line with both legislative requirements and best-practice governance standards, the JDA ensures that its infrastructure investments deliver enduring socio-economic and environmental value for the City of Johannesburg and its communities.

7. Commitment to Governance Excellence

The Board remains steadfast in its commitment to continuously strengthening governance practices. Regular evaluations are undertaken to enhance internal control frameworks, align systems and processes with evolving governance developments, and reinforce the principles of ethical leadership. In pursuit of best practice, the JDA continues to work towards full alignment with the recommendations of King IV, thereby entrenching governance as a foundational pillar for the sustainable delivery of value to the City of Johannesburg and its stakeholders.

Looking ahead, the Board will continue to prioritise governance innovation, ensuring that oversight practices remain adaptive and responsive to emerging risks, opportunities, and the evolving expectations of stakeholders.

8. Composition of the Board and Governance Framework

Composition and Structure

The Johannesburg Development Agency's Board of Directors is constituted in line with its Memorandum of Incorporation (MOI) and the Group Governance Policy. Directors are appointed at the Annual General Meeting (AGM), with selection based on qualifications, expertise, and professional experience necessary to provide strategic leadership and effective oversight. The JDA operates under a unitary Board structure, comprising both executive and non-executive directors, with a balanced mix of skills spanning finance, law, business management, human resources, marketing, construction, and urban development.

Accountability Framework

The Board is accountable to the City of Johannesburg, the JDA's sole shareholder, and ultimately to the residents of the City. This accountability is anchored in a formal Shareholder Compact and a Service Delivery Agreement, in compliance with the Municipal Systems Act. Through these instruments, the JDA submits regular performance and service delivery reports to the City, ensuring transparency, alignment with governance expectations, and responsiveness to stakeholder needs.

Independent Oversight

Independent oversight is strengthened through the role of non-executive directors, whose independence of judgement enhances the quality of Board deliberations and decision-making. A clear division of responsibilities between the Chairperson and the Chief Executive Officer (CEO) ensures effective governance and strategic oversight. Directors have unrestricted access to the Company Secretary for governance support and may, where necessary, seek independent professional advice to inform their duties.

Board Evaluations and Leadership

To foster continuous improvement, the Board and its committees are subject to annual performance evaluations that assess effectiveness, leadership, and governance practices. These evaluations support the Board's commitment to accountability, ethical leadership, and the progressive strengthening of governance systems.

Current Composition

As of 31 July 2024, following the AGM, the Board was constituted of independent, diverse, and experienced professionals. Collectively, the directors provide ethical leadership and strategic guidance,

enabling the JDA to deliver on its mandate of advancing sustainable, infrastructure-led urban development that responds to the needs of Johannesburg's communities and stakeholders.

Board Members as at 31 July 2024:

- **Mr. Julias Maputla** – Non-Executive Director and Chairperson
- **Ms. Mally Hilda Mokoena** – Non-Executive Director
- **Mr. Mongezi Ntanga** – Non-Executive Director
- **Ms. Daliwe Oliphant** – Non-Executive Director
- **Ms. Morwesi Ramonyai** – Non-Executive Director
- **Ms. Nomakhosazana Ella Veyi** – Non-Executive Director
- **Mr. Thabo Sibeko** – Non-Executive Director
- **Mr. Vukile Hlongwa** – Non-Executive Director
- **Mr. Boitumelo Molelekeng** – Non-Executive Director
- **Mr. Siyabonga Masiza** – Non-Executive Director
- **Mr. Tshepo Nawane** – Non-Executive Director

Enhancement of Executive Leadership Capacity

In order to strengthen strategic execution and drive operational excellence, two critical executive appointments were effected during 2024:

- **Mr. Themba Mathibe** was appointed **Chief Executive Officer**, effective **1 June 2024**. He brings to the JDA extensive expertise in infrastructure development and public sector transformation.
- **Mr. Sinovuyo Mpakama** assumed the role of **Chief Financial Officer** on **1 January 2024**, reinforcing the Agency's financial governance, accountability systems, and optimisation of resources.

These appointments have significantly bolstered the JDA's executive leadership capacity, thereby enhancing organisational performance and supporting the delivery of sustainable value creation.

Audit and Risk Oversight

As at **31 July 2024**, the independent members of the **Audit and Risk Committee (ARC)** were:

- **Ms. Winie Nozuko Yawa** – Independent Member
- **Ms. Ellen Rakodi** – Independent Member (*resigned 15 April 2025*)
- **Mr. Dalton Radimetja Ramaoma** – Independent Member (*resigned 26 August 2025*)
- **Mr. Oupa Madala Galane** – Independent Member (*resigned 2 April 2025*)

The JDA's governance framework, through the ARC and other oversight structures, is designed to entrench transparency, reinforce accountability, build stakeholder confidence, and advance the Agency's developmental mandate in a sustainable manner.



TABLE 6: BOARD COMPOSITION

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Age	Knowledge/Skill	Experience	Board Committee Membership
Mr. Julias Maputla	Chairperson (Non-executive)	Black	Male	48	LLB degree Public administration certificate (Unisa) Advanced Community development theories certificate (WITS-NFQ7)	10 Years' experience in community development	Development and Investment Committee
Ms. Daliwe Oliphant	Non-executive	Black	Female	50	Master's Business Leadership Post Graduate Diploma in Management Bachelor of Science in Chemistry	18 years' experience in banking, retail, and the public sector.	Audit and Risk Committee (Chair)
Ms. Morwesi Ramonyai	Non-executive	Black	Female	44	Executive MBA Bachelor of Commerce Higher diploma in computer auditing	Business Management Risk Management Climate Advisor Professional sustainability practitioner, a renewable energy project developer, experienced in sustainability reporting, social impact, and corporate governance.	Audit and Risk Committee and Development & Investment Committee

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Age	Knowledge/Skill	Experience	Board Committee Membership
Mr. Mongezi Ntanga	Non-executive	Black	Male	51	BProc HDip Tax Law Post Grad Dip: Drafting & Interpretation of Contract Master of Laws	Legal Practicing as an attorney with more than twenty years of post-admission experience. Practiced as a civil litigation and commercial attorney, company secretary, and have experience in corporate governance. Served as a company secretary. and, as director if a few entities, including Trusts and Johannesburg Social Housing Company	Social & Ethics, Human Resources and Remuneration Committee
Ms. Ella Veyi	Non-executive	Black	Female	71	Bachelor of arts in nursing science	Health practitioner and community-based activist and operated as a senior manager for more than 20 years.	Social Ethics, Human Resources, and Remuneration Committee

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Age	Knowledge/Skill	Experience	Board Committee Membership
Ms. Mally Mokoena	Non-executive	Black	Female	74	Bachelor of Arts BA Honors in Labour Relations	Human Resources 26 Years Service as a City of Johannesburg Councillor and served as Member of the Mayoral Committee in three departments: Development Planning & Transport, Group Corporate and Shared Services, as well as Public Safety.	Social & Ethics, Human Resources and Remuneration Committee (Chair)
Mr. Thabo Sibeko	Non-executive	Black	Male	46	Diploma Operations	Operations	Audit and Risk Committee

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Age	Knowledge/Skill	Experience	Board Committee Membership
Mr. Vukile Hlongwa	Non-executive	Black	Male	43	Chartered Global Management Accountant (CGMA, ACMA) CIMA Advanced Diploma, Management Accounting Post Graduate Diploma in Higher Education, Education Management Certificate, Broad Based Black Economic Empowerment, Management Development Programme Professional Accountant, Accounting CIMA Diploma, Management Accounting Bachelor of Commerce, Management Accounting	Leadership, Interpersonal, and Presentation People Management planning, organising, and controlling. Communication and collaboration Problem-solving Negotiation. Strategic mindset Analytical/business intelligence aptitude Risk assessment Ethical sound	Audit and Risk Committee

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Age	Knowledge/Skill	Experience	Board Committee Membership
Mr. Siyabonga Masiza	Non-executive	Black	Male	44	Post Graduate Diploma: Public Administration. (NQF Level 8)	<p>Commerce</p> <p>Governance Officer Council secretary of committees with extensive experience in overseeing and monitoring the development and implementation of strategies and models that are integrated with the organisation's strategic goals.</p> <p>Well-versed in overseeing the formulation of Strategic Planning, Risk management strategies, monitoring, and evaluation tools.</p>	Social & Ethics, Human Resources, & Remuneration Committee

Board member	Capacity: Executive/ Non-Executive	Race	Gender	Age	Knowledge/Skill	Experience	Board Committee Membership
Mr. Boitumelo Molelekeng	Non-executive	Black	Male	37	Master of Business Administration Master of commerce in marketing management B. Com honours in entrepreneurship and marketing.	More than 10 years' experience in the banking sector	Development and Investment Committee
Tshepo Nawane	Non-executive	Black	Male	46	LLB Bachelor of Art	More than 10 years' experience in the banking sector	Development and Investment Committee (Chair) & Audit and Risk Committee

Board Skills and Expertise

The JDA Board is constituted of individuals with a wide-ranging and complementary mix of skills, knowledge, and professional experience, which collectively enhance its capacity to fulfil the Agency's developmental mandate. Directors bring expertise across key disciplines, including accounting, finance, law, business management, human resources, labour relations, marketing, construction, and development planning. This diversity of expertise strengthens the Board's ability to guide strategic direction, address complex challenges, and contribute to sustainable, long-term value creation.

Oversight and Accountability

The Board convenes regularly and exercises comprehensive oversight over the Agency's operations. A structured framework for reporting and accountability enables directors to monitor the implementation of strategic programmes by the executive team, ensuring that organisational performance remains aligned with the JDA's mandate and strategic priorities. This oversight role reflects King IV Principle 7, which emphasises appropriate governance structures and delegation to support effective control and accountability.

Strategic and Governance Role

In discharging its responsibilities, the Board not only determines the strategic trajectory of the JDA but also evaluates organisational performance to ensure that value is delivered to the City of Johannesburg and its stakeholders. To reinforce sound governance, all Board Committees are chaired by non-executive directors, whose independence enhances the objectivity and integrity of oversight. This practice aligns with King IV Principle 10, which underscores the importance of ongoing performance evaluation to strengthen governance effectiveness and stakeholder trust.

1.2. Board Committees

Board Meeting Attendance

The Board and its Committees operate under the Group Governance Policy issued by the shareholder, which defines the roles, responsibilities, and operating parameters applicable to the Boards of all City entities. These requirements are further detailed in the respective Board Charters. In line with the policy, the Board must convene at least four scheduled meetings each financial year, with additional special meetings called only where duly justified. The table below reflects the attendance record for meetings held during the second quarter.

TABLE 7: BOARD AND BOARD COMMITTEE MEETINGS & ATTENDANCE FOR 01 JULY 2025 TO 31 DECEMBER 2025

Name	Board Meetings = Total of 4 Meetings				Audit & Risk Committee Total of 4 Meetings				Social & Ethics/ HR & Remuneration Committee = Total Of 3				Development Committee = Total of 2			
	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent
Julias Maputla (Chairperson)	4	3	1	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	2	0	0
Daliwe Oliphant	4	4	0	0	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	NA
Mally Mokoena	4	4	0	0	N/A	N/A	N/A	N/A	3	3	0	0	N/A	N/A	N/A	N/A
Mongezi Ntanga	4	4	0	0	N/A	N/A	N/A	N/A	3	3	0	0	N/A	N/A	N/A	N/A
Morwesi Ramonyai	4	4	0	0	4	4	N/A	N/A	N/A	N/A	N/A	N/A	2	2	0	0
Vukile Hlongwa	4	4	0	0	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Siyabonga Masiza	4	2	2	0	N/A	N/A	N/A	N/A	3	2	1	0	N/A	N/A	N/A	N/A
Tshepo Nawane	4	4	0	0	4	4	0	0	N/A	N/A	N/A	N/A	2	2	0	0
Boitumelo Molelekeng	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2	2	0	0
Ella Veyi	4	4	0	0	N/A	N/A	N/A	N/A	3	3	0	0	N/A	N/A	N/A	N/A
Thabo Sibeko	4	4	0	0	4	4	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Winnie Nozuko Yawa (IAC)	N/A	N/A	N/A	N/A	4	1	3	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
* Mthobisi Malinga (IAC) (Secondment as of 13 November 2025)	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
*Praise Ragimana (IAC) (Secondment as of 13 November 2025)	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Name	Board Meetings = Total of 4 Meetings				Audit & Risk Committee Total of 4 Meetings				Social & Ethics/ HR & Remuneration Committee = Total Of 3				Development Committee = Total of 2			
	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent

ORCHARDS CLINIC

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 31 DECEMBER 2025

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 <p>Independent Committee Members</p> <ul style="list-style-type: none"> • Nozuko Yawa • Ellen Rakodi (Resigned on 15 April 2025) • Dalton Ramaoma (Resigned on 26 August 2025) • Oupa Galane (Resigned on 2 April 2025) 	<p>The committee has specific responsibility for ensuring that all activities of the JDA are subject to independent and objective review and financial performance oversight. The Audit and Risk Committee has a Charter with clear terms of reference as guided by the provisions of Section 166 of the MFMA. The Committee has the following responsibilities:</p> <p>Reviewing JDA's internal controls, publishing financial reports for statutory compliance and against standards of best practice, and recommending appropriate disclosures to the Board.</p> <p>Reviewing reports from management, internal and external auditors to provide reasonable assurance that control procedures are in place and are being followed.</p> <p>Reviewing the half-yearly and annual financial statements before submission to the Board, focusing particularly on any changes in accounting policies and practices.</p>
Social and Ethics / Human Resources and Remuneration Committee	
<p>In line with the best practice of corporate governance, the Board maintains a Human Resources & Remuneration Committee/Social & Ethics Committee (HR & REMCO/Social & Ethics), comprising of 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</p>	<p>The committee meets not less than 4 (four) times a year. The executive directors are excluded from the HR & Remuneration Committee/Social & Ethics Committee when matters relating to their remuneration are discussed. The committee ensures that the remuneration of the Chief Executive Officer and senior management are within the upper limits as determined by the City of Johannesburg following the provisions of Section 89(a) of the MFMA.</p> <p>The remuneration of the Chairperson, the non-executive directors and independent audit committee members is determined by the City of Johannesburg.</p>

Composition	Mandate and Quarterly Activities
<p>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 	
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>

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.

1.4 Governance Oversight and Remuneration

Board’s Role in Driving Value Creation

The Johannesburg Development Agency (JDA) Board plays a pivotal role in advancing the organisation’s mandate of promoting sustainable, inclusive, and infrastructure-led urban development within the City of Johannesburg. Through ethical leadership and strategic oversight, the Board ensures that the Agency’s operations are aligned with the shareholder’s expectations while remaining responsive to the needs of stakeholders and communities.

Responsibility	Contribution to Value Creation
Oversight and Accountability	Promotes ethical, transparent, and responsible conduct in the public interest.
Legislative Compliance	Ensures full adherence to applicable legislation, the Service Delivery Agreement, and policies issued by the shareholder.
Shareholder Engagement	Facilitates open, constructive, and ongoing engagement with the City of Johannesburg on all material and strategic matters.

Responsibility	Contribution to Value Creation
Strategic Direction	Defines the organisation's purpose, values, and strategic intent, guided by the Integrated Development Plan (IDP) and shareholder mandates.
Financial Oversight	Reviews and approves financial targets, capital allocations, and major expenditure in line with shareholder directives.
Board Effectiveness	Ensures the Board maintains the skills, expertise, and diversity necessary to discharge its governance responsibilities effectively.

Through these responsibilities, the Board reinforces governance as a cornerstone of sustainable value creation, ensuring that the JDA consistently delivers on its mandate in a manner that is accountable, transparent, and aligned with the long-term interests of the City of Johannesburg and its stakeholders.

Governance Framework and Board Charter

Purpose of the Charter

The Board operates in terms of a formal Charter, which sets out its powers, roles, and responsibilities. The Charter also establishes the Board's accountability to the City of Johannesburg, as sole shareholder, and promotes ethical, transparent, and accountable governance throughout the organisation.

Alignment with Governance Codes

The Charter incorporates the City of Johannesburg's Corporate Governance Protocol and is guided by the principles of the King Code of Corporate Governance. In alignment with King IV Principle 1, the Charter reinforces the Board's responsibility to provide ethical and effective leadership as the foundation of good governance. Furthermore, consistent with King IV Principle 6, the Charter defines the governing body's primary role and responsibilities, ensuring clarity of mandate, accountability, and effective oversight.

Review and Continuous Improvement

The Charter is reviewed periodically to ensure continued alignment with legislative requirements, evolving governance standards, and recognised best practice. This process reinforces the Board's commitment to governance excellence and the continuous strengthening of oversight structures.

Remuneration Oversight

The remuneration of non-executive directors and independent members of the Audit and Risk Committee (ARC) is governed by a policy approved by the shareholder. Remuneration levels are determined by the City of Johannesburg and are reviewed periodically to ensure consistency with shareholder directives and prevailing market benchmarks. Compensation is attendance-based and payable for participation in scheduled meetings, in accordance with a special resolution adopted at the Annual General Meeting (AGM).

Executive directors and prescribed officers are remunerated solely in terms of the JDA’s internal employee remuneration framework and do not receive additional fees for participation in Board or Committee activities. This approach is consistent with King IV Principle 14, which emphasises fair, responsible, and transparent remuneration practices that support long-term value creation and safeguard stakeholder confidence.

A summary of the total Board and Committee fees incurred during the reporting period is presented in the table below.

TABLE 9: EXECUTIVE DIRECTORS, SENIOR MANAGEMENT AND NON-EXECUTIVE DIRECTORS & INDEPENDENT AUDIT COMMITTEE MEMBERS REMUNERATION AND ALLOWANCES AS AT 31 DECEMBER 2025

Name	Designation	Salary/Board Fee/Pension		Acting allowance	Bonus/Board Retention Fees	Travel allowance	Non-Pensionable Gratuity	Total
Executive Directors & Senior Management -								
T Mathibe	CEO	R 629 921.91	R 98 221.80	R 0	R 0	R60 000.00		R 788 143.71
S Mpakama	CFO	R 499 813.20	R 77 934.00	R 0	R 0	R 0		R 577 747.20
T Msane	Company Secretary	R 396 195.48	R 61 777.35	R 0	R 0	R 0		R 457 972.83
O Nkoane	EM: Development Planning and Facilitation	R 144 156.96	R 0	R 0	R 0	R 0		R 144 156.96
M Mazibuko	EM: Corporate Services	R 445 762.32	R 69 506.10	R 0	R 0	R60 000.00		R 575 268.42
T Maota	Chief Audit Executive	R 451 519.59	R 70 404.12	R 0	R 0	R 0		R 521 923.71
Sub-Total		R 2 423 212.50	R 377 843.37	R 0	R 0	R 120 000.00		R 2 921 055.87
01 October 2025 to 10 December 2025								
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)	R128 770	N/A	N/A	N/A	N/A	N/A	R128 770
Ms Mally Mokoena	Board Member (SEHR Chair)	R89 060	N/A	N/A	N/A	N/A	N/A	R89 060
Mr Mongezi Ntanga	Board Member	R82 880	N/A	N/A	N/A	N/A	N/A	R82 880
Ms Morwesi Ramonyai	Board Member	R107 600	N/A	N/A	N/A	N/A	N/A	R107 600
Mr Vukile Hlongwa	Board Member	R82 880	N/A	N/A	N/A	N/A	N/A	R82 880
Mr Siyabonga Masiza	Board Member	N/A	N/A	N/A	N/A	N/A	N/A	0.00
Mr Tshupo Nawane	Board Member	R111 690	N/A	N/A	N/A	N/A	N/A	R111 690

Name	Designation	Salary/Board Fee/Pension		Acting allowance	Bonus/Board Retention Fees	Travel allowance	Non-Pensionable Gratuity	Total
Mr Boitumelo Molelekeng	Board Member	R74 520	N/A	NA	N/A	N/A	N/A	R74 520
Mr Thabo Sibeko	Board Member	R91 240	N/A	N/A	N/A	N/A	N/A	R91 240
Ms Ella Veyi	Board Member	R82 880	N/A	N/A	N/A	N/A	N/A	R82 880
Ms Nozuko Yawa	Independent Audit & Risk member	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mr Mthobisi Malinga	Independent Audit & Risk member	R8 360	N/A	N/A	N/A	N/A	N/A	R8 360
Mr Praise Ragimana	Independent Audit & Risk member	R8 360	N/A	N/A	N/A	N/A	N/A	R8 360
Sub total		R868 240		R 0.00	R 0.00	R 0.00		R868 240
				R 0.00	R 0.00	R 0.00		

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.

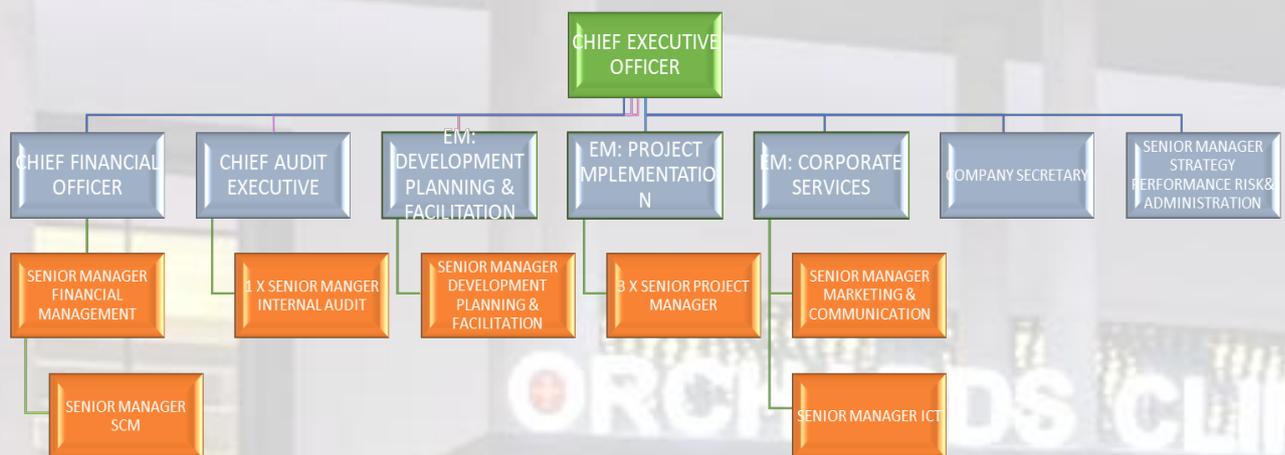


FIGURE 4: HIGH LEVEL ORGANISATION STRUCTURE

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 2025/26 was approved by the ARC. There are seventeen (17) KPI’s implemented in the first (Q1) and second (Q2) quarter of the current financial year (2025/26). These KPI’s that has been implemented are as follows:

- Operational Risk Assessments.

- Strategic Risk Management Report.
- Operational Risk Management Report.
- Compliance Assessment to URR.
- Conducted compliance awareness workshops (incl POPIA).
- Collation of Employees Declaration of Interests (2025/26).
- Assessment of Risk Management Maturity Level as per adopted framework.
- Create awareness of the Approved Business Continuity Policy.
- Updating of Policies/Frameworks.
- Conduct Ethics and Fraud Risks Assessment.
- UIFW Write-Off.
- Fraud Risk Monitoring.
- Insurance Renewal.
- Business Continuity Webinar- Policy Awareness.
- Reviewed the Risk Maturity Framework.
- Revised the inherent risk heat map to align to the JDA Enterprise Risk Management Framework.
- Adjusted the Strategic Risk Register 2025/26.

3.2 Status on the Strategic Risk Management Mitigation Plans

quarter.

There are three (3) committed strategic future mitigation plans scheduled to be implemented in the second quarter of 2025/26 financial year. Of the total planned action plans, all three (3) which translate to 100% were implemented. Table below depicts the overall achievement in the implementation of strategic risks mitigations for the 2nd quarter.

Therefore, the migration plans to date total eight cumulatively and eight were implemented translating to 100%.

TABLE 10: OVERALL MITIGATION IMPLEMENTATION AS AT 31 December 2025

Key Performance Indicator	Target	Performance	Variance
Implementation of committed Strategic Action Plans.	80%	100%	20% (None)

JDA's IMERGING RISKS DUE TO A VOLITILE CONSTRUCTION SECTOR AND ECONOMY.

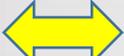
- Economic Pressures and Rising Costs due to the increase in material costs and this could result in financial instability.
- The possibility of contagion risk (this is a risk related to 3rd party reputation, such as Contractors or CoJ). Since JDA's projects are implemented by 3rd parties and JDA is the implementing agent for CoJ thus negatively influencing the Entity's reputational risk.
- Construction Mafias/ Community Forums this is due to Competition for business opportunities and a high employment rate this has an impact on JDA project implementation and service delivery and an impact on JDAs financial stability.

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

Key risk indicators (KRIs) have been developed and linked to risk categories and risks. These KRIs are aligned to the organization's key performance indicators (KPIs) 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.

TABLE 11: RESIDUAL STRATEGIC RISKS TRIGGERED BY RISK TOLERANCE THRESHOLD

No	Risk Name	RR- 1 July 2025	RR- 31 September 2025	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 no contractors put on terms in or terminated in Q2.	Therefore, we continuously monitor the risk.
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 155 invoices. Of these invoices, only 62 were paid outside 30 days payment cycle amounting to R23 014 210,42.</p> <p>A circular was issued indicating new invoice processing that all invoices must be received in one central point. This process will assist in fast-tracking invoices for payment.</p> <p>The residual risk has stayed stagnant, and we will monitor effectiveness of the implemented control.</p>	<p>A circular was issued indicating new invoice processing that all invoices must be received in one central point. This process will assist in fast-tracking invoices for payment.</p> <p>Management is in the process of acquiring a SAGE Information System to integrate the process from procurement to payment of invoices.</p>

No	Risk Name	RR- 1 July 2025	RR- 31 September 2025	RR - Movement	KRIs triggered	Status on the KRIs	Proposed Action Plans
6.	Inability to ensure financial sustainability	12	16		40% of the budget is spent on city-wide infrastructure.	JDA has achieved 37,33% against the targeted capex budget of 40%. This results in JDA under-achieving its target by 2.67%.	Close monitoring of the project implementation.

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 Johannesburg Development Agency (JDA) is committed to upholding the highest standards of ethics, integrity, and good governance. The JDA's Code of Conduct, which is fully endorsed by the Board of Directors, is applicable to all directors and employees across the organisation. The Code is aligned with Schedule 1 of the Municipal Systems Act as well as the provisions of the City of Johannesburg's Corporate Governance Protocol for Municipal Entities.

Oversight of ethical conduct is the responsibility of the Social, Ethics & Human Resource Committee, which ensures that the agency and its employees adhere to the expected ethical standards.

As part of the JDA's commitment to transparency and accountability:

- All Directors and Executive Managers are required to declare any personal or financial interests prior to the commencement of meetings of the Board of Directors, Board Sub-Committees, and the Audit & Risk Committee. A declaration is recorded in a formal register, and where a conflict of interest exists, the individual concerned is recused from the discussion or decision-making process.
- In addition, all employees are required to complete an annual declaration of interest to proactively identify and manage any potential conflicts of interest.

These measures are integral to maintaining a culture of ethical conduct, ensuring that all decisions are made in the best interest of the organisation and its stakeholders.

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 results 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 is in employment 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.

All JDA employees have declared their interest; the entity is at 100%.

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 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 2025/26 financial year, as illustrated in the table below:

Reporting Mechanisms

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 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 2025/26 financial year, as illustrated in the table below:

TABLE 12: Fraud, Corruption and Maladministration Investigation Register

NO	GFIS Number	Date captured	Allegation	Current Status	Limitations/ Challenges
1.	27/10/2024	27/10/2024	Alleged fraud and corruption in the appointment of Nsovo Construction.	Closing memo submitted and case closed, the allegations against JDA unsubstantiated.	N/A
2.	04/05/2024	07/05/2024	Alleged Fraud & Corruption of a person perpetuating to be JDA's CEO requesting bribe from a service provider in the tendering process.	The matter was closed as undetected.	None
3.	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 S57 employees. GFIS does not have a mandate to investigate section 56/57 employees.	GFIS does not have a 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

ICT is positioned as an enabler and therefore drives business processes to achieve operational efficiencies that enable JDA to meet its business objectives. ICT is therefore positioned to offer services that cut across the entire JDA. The context ICT Operations is founded on a sound governance framework, solid infrastructure framework, effective risk management, effective enterprise resource management(systems), effective security as well as effective disaster recovery.

2. ICT Functions and Operational Focus

The ICT unit is required to provide the following services / support at high level:

- Streamlined ICT operations that are fully aligned to the business objectives of the JDA.
- Partner with decision makers in other departments to identify, recommend, develop, implement, and support cost-effective technology solutions.
- Drive ICT innovation in line with the shareholder’s smart cities principles.
- manage ICT Risks at both a strategic and operational level.
- Institute a formidable ICT governance framework.
- Partner with business to drive cost effective digital transformation/business automation.

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.

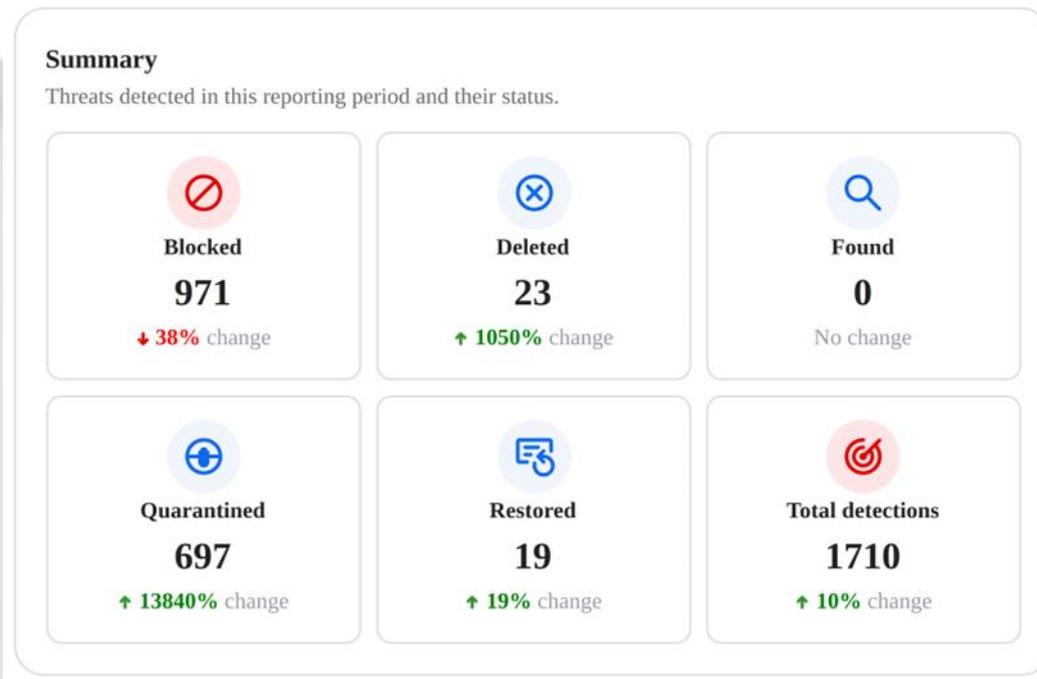
5.1 ICT SECURITY

5.1 ANTI-VIRUS AND MALWARE

A new service provider for Anti-Virus and Malware has been appointed, following the expiry of licenses and contractual term for Bitdefender. The new Anti-Virus and malware system is called Threat down and is developed by Malware bytes. The integrated anti-virus and malware solution is currently installed on all 114 laptops, and all 52 virtual servers.

5.1.1 Summary Statistics

The summary statistics for quarter 2 are as follows.



5.2 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 Quarter 2 of the 2025/2026 Financial year, there was a total of 242 malware detections on inbound emails and zero malware detections on outbound emails. A total of 858 impersonations were detected and blocked.

Headline Statistics



5.3 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. Penetration tests are scheduled to be held quarterly. For Quarter 2 of the 25/26 Financial year, the penetration tests will be held on 19th to 23rd of December 2025.

5.4 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, a total of 74 Microsoft patches were successfully tested and deployed. The deployment of patches enhances the security of the environment. A detailed report of the patches that were deployed in Quarter 2 of this financial year is added as an annexure to this report.

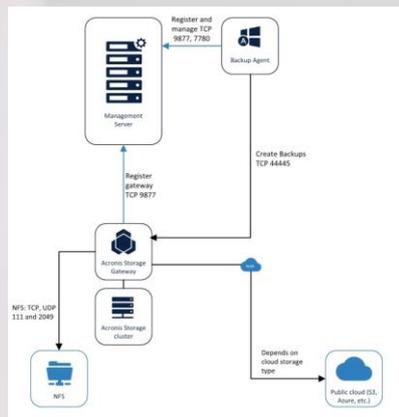
Priority	Patches
● Critical	0
● Important	74
● Moderate	0
● Low	0

5. INFRASTRUCTURE MANAGEMENT

5.5.1 Cloud Backup and Dr

The JDA uses a cloud backup and DR Solution. The report 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.

JDA Cloud Backup Architecture



5.5.2 Critical Server Backup (SAP, Great Plains)

It is important in line with the JDA ICT risk register that there is close backup up management of the JDA's critical servers. A snapshot of the backup status report shows that all critical servers were 100% backed up.

The JDA is currently in DR mode due to instability of electricity supply. Employees are currently accessing SAP servers from the cloud. The report below shows that there is 100% backup of the cloud servers. The local server for the financial management system is also being backed up 100% as per report below for server with a prefix JDAGP001. The server is currently accessible through a temporary power supply arrangement put in place by the facilities business unit.

Backup status		
Device name	Plan name	Last result
JDAECCDEV001.jda.org.za	JDA QA and SAP Servers	✔ OK
JDAECCPRD01.jda.org.za	JDA QA and SAP Servers	✔ OK
JDAECCPRD01.jda.org.za	Disaster Recovery Plan	✔ OK
JDAECCDEV001.jda.org.za	Disaster Recovery Plan	✔ OK
JDADC16.jda.org.za	JDA QA and SAP Servers	✔ OK
JDADC16.jda.org.za	Disaster Recovery Plan	✔ OK
JDAIDEA.jda.org.za	On Premise backup	✔ OK
JDA-RISK01.jda.org.za	JDA QA and SAP Servers	✔ OK
JDAVCenter.jda.org.za	JDA QA and SAP Servers	✔ OK
JDADC01.jda.org.za	JDA QA and SAP Servers	✔ OK
JDAPRTSRV.jda.org.za	JDA QA and SAP Servers	✔ OK
JDA-RISK01.jda.org.za	Disaster Recovery Plan	✔ OK
JDAVCenter.jda.org.za	Disaster Recovery Plan	✔ OK
JDADRIVESHARE01.jda.org.za	JDA QA and SAP Servers	✔ OK
JDADC01.jda.org.za	Disaster Recovery Plan	✔ OK
JDAPRTSRV.jda.org.za	Disaster Recovery Plan	✔ OK
JDADRIVESHARE01.jda.org.za	Disaster Recovery Plan	✔ OK
JDAIDEA.jda.org.za	JDA QA and SAP Servers	✔ OK
JDAIDEA.jda.org.za	Disaster Recovery Plan	✔ OK

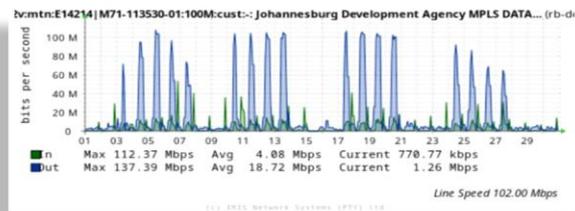
5.6 NETWORK PERFORMANCE

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.

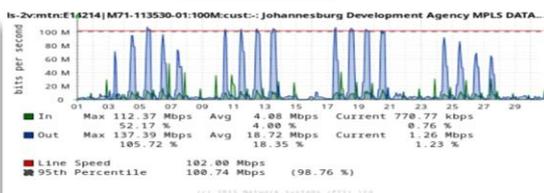
Period to date, the link performance was as follows.

- The average usage of the link was around 97.80 %
- Site availability was at 98.76 %
- RFO: As per feedback received from our technical support team, power outages resulted in instances of downtime, which made up for the 1% variance

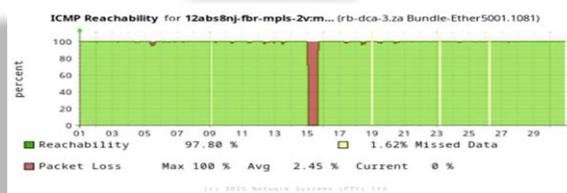
- ☐ Site availability was at 97.80%
- ☐ Average usage on the link is around 98.76%



Capacity & Line Speed



November Availability



The graphical metrics above show that the JDA link availability was 98,76 %. The variance is due to the fact that there are still a number of remaining days left in the quarter, as well as several instances of power outages during the quarter.

5.7 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 was no hardware failures reported on the two server hosts in Quarter 2.

SECTION 6: COMPLIANCE WITH LAWS & REGULATIONS

The JDA’s compliance management approach is guided by its Compliance Management Framework, which is operationalised through two primary tools:

1. The Universal Regulatory Register (URR)
2. The MFMA Circular 68 Register

These tools form the cornerstone of the Agency’s regulatory compliance governance, enabling systematic monitoring, risk identification, and reporting.

1. Universal Regulatory Register (URR)

The Universal Regulatory Register (URR) serves as a centralised repository of all legislation and regulations applicable to the JDA. It is structured into three key components:

- Compliance Universe – A comprehensive list of applicable laws, regulations, and governance requirements.

- Compliance Risk Register – An evaluation of the risk exposure related to non-compliance with identified regulatory obligations.
- Compliance Assessment Report – A periodic status report on the level of compliance with each obligation, including remedial actions where applicable.

As of the second quarter, the URR identifies a total of 41 Acts and Regulations, categorised as follows:

- 18 Core/Primary legislation
- 21 Topical/Secondary legislation
- 2 Pertinent/Tertiary legislation

These have collectively resulted in 302 regulatory compliance obligations being tracked and assessed.

Of these, two (2) obligations have been reported as non-compliant. The details of the non-compliance instances are summarised in the table below including the nature of non-compliance, impact, responsible department, and corrective actions undertaken.

2. MFMA Circular 68 Register

The MFMA Circular 68 Register functions in parallel with the URR and is specifically aligned with the requirements of the Municipal Finance Management Act (MFMA). It provides detailed tracking and assessment of compliance with financial governance obligations, including those related to performance reporting, internal controls, and financial disclosures.

TABLE 13: OVERALL URR COMPLIANCE STATUS:

Overall URR Compliance Status:

Description	# of Obligations	Compliance %
Compliant	300	99, %
Non-compliant	02	1.%
Total	302	100%

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

Legislation	Relevant Section	Compliance Requirement	Committed Action Plan/Status
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.

Legislation	Relevant Section	Compliance Requirement	Committed Action Plan/Status
Municipal Finance Management Act, No. 56 of 2004.	Section 87 (8)	states that a municipal entity can only incur expenditure that is in line with its approved budget or an adjustments budget	There is monthly monitoring of the contracts that are due to expire in six month and the report will be presented to Exco to avoid expenditure being incurred after contract expired.

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.
Fruitless and Wasteful Expenditure	- None incurred.
Irregular Expenditure.	- None incurred.
Failure to pay Service Providers within 30 days.	In quarter two, JDA paid a total of 155 invoices. Of these invoices, only 62 were paid outside 30 days payment cycle amounting to R23 014 210,42. Management is in the process of acquiring a SAGE Information System to integrate the process from procurement to payment of invoices.

COMPLIANCE CATEGORY	COMPLIANCE STATUS
	A circular was issued indicating new invoice processing that all invoices must be received at one central point. This process will assist in fast tracking invoices for payment.

There has been 0% percentage reduction of UIFW for the 2nd quarter. Reason being that there is no UIFW declared, hence the reduction is not applicable

SECTION 8: SUSTAINABILITY REPORT

The Joburg 2040 Growth and Development Strategy (GDS) is underpinned by the aspiration to build capable and capacitated communities and individuals. Achieving this objective will enable the City of Johannesburg (CoJ) to evolve into a more sustainable and inclusive city, where residents possess both the means and potential to improve their neighbourhoods, communities, and personal well-being.

A balanced emphasis on environmental sustainability, effective service delivery, good governance, economic development, and social inclusion is critical to realising a resilient and liveable city—one that all its residents aspire to call home.

JDA’s Area-Based Development Approach

Over the past 12 years, the Johannesburg Development Agency (JDA) has refined its area-based development model, which serves as a key instrument in advancing the City’s spatial transformation agenda. This approach begins with an in-depth analysis of each development areas:

- Local competitive advantages.
- Developmental needs.
- Opportunities for economic and social growth

Based on this analysis, strategic capital works projects are implemented to act as catalysts for private investment, business development, and neighbourhood upliftment. This model ensures that the public investment is impactful and sustainable, with a focus on:

- Prioritising high-impact capital investments
- Facilitating integrated and inclusive development
- Establishing urban management partnerships to protect and maintain capital assets

This comprehensive approach enhances the long-term sustainability and relevance of public infrastructure and urban development initiatives.

Collaboration and Strategic Alignment

During the reporting period, the JDA actively collaborated with the Department of Development Planning to advance and communicate the strategic vision for Transit-Oriented Development (TOD) corridors and the broader spatial transformation objectives of the City. These partnerships are essential for aligning capital investment with planning frameworks and long-term city-building goals.

The JDA also participated in various stakeholder engagement platforms, contributing to policy dialogues, the promotion of urban planning best practices, and the collective shaping of Johannesburg's spatial and developmental future.

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 runoff 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 second quarter of the FY:

Below is the Summary of KPI Performance for the JDA's 2025-26 Q2 Performance Report as follows:

The Entity has a Business Plan that contains a Scorecard with 20 KPI's. Of the 20 KPI's in the Business Plan Scorecard, 1 KPI is not due for reporting in Q2. KPI's that is not due for reporting is as follows:

- External Audit Opinion (AG Opinion not yet issued by AG).

Hence, there are 19 KPI's that are due for reporting in Q2. Off the 19 KPIs, there are 17 (89%) KPI's that were achieved, and 2 (11%) not achieved.

The graph below presents the Q2 results in comparison with Q2 of the previous FY. In comparison with the same period in the previous financial year, the entity's performance of 89% is a slight decline when compared to 93% achieved in Q2 of the previous financial year 2024/25.

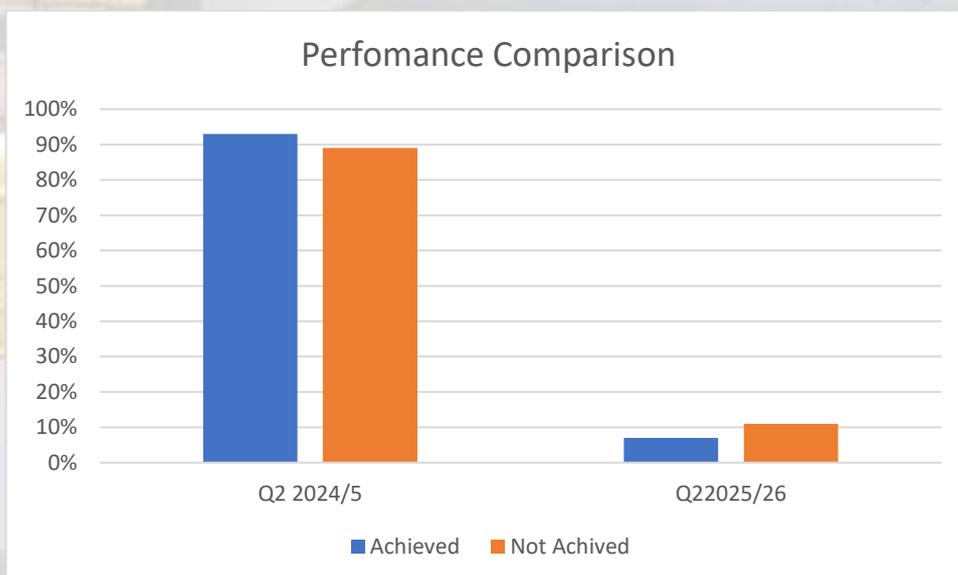


FIGURE 5: JDA PERFORMANCE

The JDA's Programme Performance Information Policy and Reporting Framework was reviewed in the last quarter of the previous FY to align it 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. The JDA policy and reporting framework only defines a target as achieved with 85–100% rating, a target as partially achieved with a 75–84% rating and a target not achieved with anything less than a 74% rating.

SECTION 2: SERVICE DELIVERY CHALLENGES

The following are challenges that were encountered in Q2 of 2025/26

- Cash flow remains a challenge that is affecting payments of service providers timeously resulting in a number of invoices being paid outside the prescribed 30-day period.
- Insufficient budget allocation to projects – some projects have already been introduced to Regions and Communities, however some have had to be put on hold and/or postponed and moved to either the second half of the financial year or for consideration in the next financial year.
- In some instances, budget has had to be reallocated to from some projects that have not yet commenced to those already being implemented to at least ensure that implementation and service delivery continues.

SECTION 3: RESPONSE TO STRATEGIC DIRECTION

The JDA’s responses priorities and spatial polices against which it can be measured and held accountable, are outlined 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 2. Food security that is both improved and safeguarded 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	Safer City Sustainable Economic Growth	To support the growth and development of strategic nodes into high quality, investor friendly and sustainable urban environment.	1. Strategic Economics Node Delivery Programme 2. Economic Empowerment Programme.	The growth and development of strategic economic nodes into high-quality, investor friendly and sustainable urban environments. Efficient delivery infrastructure that produces a socio-economic return.
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.	Sustainable service delivery Energy mix	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.

GDS Outcomes	GDS Output	Strategic Priorities	JDA Objectives	JDA Programme	Outcome
	6. Climate change resilience and environmental protection.	Infrastructure development and refurbishment			
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 globally competitive Gauteng City Region	1. Partnerships, intergovernmental & international relations. 2. A responsive, accountable, efficient and productive metropolitan government. 3. Financially sustainable and resilient city. 4. Meaningful citizen participation and empowerment. 5. Guaranteed customer and citizen care and service.	Active and engaged citizenry. Good governance. Financial sustainability.	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.	1. Good Governance, Management and Administration Programme	A financially viable, effective and well-governed development agency.

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	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 policy ³ 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. 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</p>	<p>2A: Deprivation Areas Revitalization Sub-Programme</p>	<p>Investment is specifically required to eradicate backlogs and deficiencies of engineering and social infrastructure related to the revitalization of deprivation areas. Investment in these areas also needs to address the structural and built form aspects that have been raised in the SDF. Infrastructure investment is therefore targeted at resolving problems specifically related to the deprivation areas and at the same time create sustainable and 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.</p>
	<p>2B: Urban Infrastructure Delivery Sub-Program</p>	<p>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.</p>

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 six months ended 30 November 2025 was R386 million (2024/25: R418. million) against an annual budget of R1 billion (2024/25: R934 million). This represents 37% (2024/25: 45 %) of the overall annual budget.

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 2025/26 FY	1145 939 522	572 969 761	427 749 240	40%	37.33%
Total	1145 939 522	572 969 761	427 749 240	40%	37.33%

TABLE 19: CAPITAL PROJECTS UPDATE AS AT END OF DECEMBER 2025

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
1	Joburg Art Gallery Upgrade	F	R 40 000 000.00	The planning (town planning and statutory compliance), conditional assessment, concept and viability, design development, procurement and tendering and implementation of refurbishment work for the art gallery.	<p>Stage 3: Design Development</p> <p>Q2 Status</p> <p>Stage 4: Documentation and Procurement has commenced. Procurement process to commence in January 2026 for the main contractor that will do the refurbishment of the JAG.</p>	<p>Insufficient budget. Alternative funding being sourced.</p> <p>Q2 Status</p> <p>No significant challenges – project has received a great deal of support from the Mayor’s & CM’s office.</p>
2	Joburg City Library	F	R 28 000 000.00	The planning (town planning and statutory compliance), conditional assessment, concept	Stage 6: Close Out	None.

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
				and viability, design development, procurement and tendering and implementation of refurbishment work for the city library.	Only activity outstanding is the erection of the art screen wall around the fire water tanks/	
3	Kaalfontein New Community Centre	A	R 5 000 000.00	The planning (town planning and statutory compliance), concept and viability, design development, procurement and tendering and implementation of multi-amenities for the multi-purpose centre including swimming pool, library, multi-purpose sports courts, ablution facilities.	Stage 5: Construction Q2 Status Remaining works is the getting the building watertight, thereafter the cessation of works would kick in	Insufficient funds. Application will be made during budget adjustment process Q2 Status Additional budget has been requested for as per of the mid-term budget adjustment process.
4	Matholesville New MPC	C	R 7 954 000.00	The planning (town planning and statutory compliance), concept and viability, design development, procurement and tendering and implementation of multi-amenities for the multi-purpose centre including swimming pool, library, multi-purpose sports courts, ablution facilities.	Stage 5: Construction Q2 Status Library building 95% complete, with the exception of fire escape routes for persons with disabilities, water, sewer and electricity connections	Q2 Status Completion of town planning process to enable application for water and electricity. Title deeds being obtained from Registrar of Deeds: Johannesburg
5	Hikhensile Clinic Renewal	A	R 23 753 000.00	The planning (town planning and statutory compliance), concept and viability, design development, procurement and	Stage 5: Construction Q2 Status	Q2 Status

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
				tendering and implementation of multi-amenities for a clinic.	Phase 1 (Shell of a one portion of the buildings): Final completion to be attained. Phase 2: will only commence in July 2026.	Insufficient funds. Application will be made during budget adjustment process
6	Naledi Clinic	D	R 1 652 000.00	Completion of a clinic	Stage 6: Close Out	-
7	Jabulani Precinct Upgrades	D	R 24 234 000.00	The completion works for a connection bridge to improve mobility within the vicinity of Molapo and Jabulani Precinct.	Stage 5: Construction Q2 Status Current due completion was 28 November 2025, however due to delayed payment by Employer (JDA), the contractor is not able to expedite the projects as per the approved programme. Progress completion is 90%	Q2 Status Insufficient funds. Application will be made during budget adjustment process
8	Diepsloot Development Renewal	A	R 20 033 000.00	The completion works for a bridge culvert to improve mobility within the vicinity of Ingonyama and JB Marks Roads, and associated precinct walkways and public environment upgrades.	Stage 5: Construction Q2 Status Progress is at 74%. With due completion date having being 10 October 2025.	Insufficient funds. Application will be made during budget adjustment process Q2 Status Consultative meeting (in line with applicable conditions of contract) with Contractor planned to ascertain way forward on delay in projects.

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
9	Ivory Park Urban Renewal Programme	A	R 1 846 000.00	The planning, design and construction of a sports field including rugby field, running track, multi-purpose courts, a pavillion and ablution facilities.	<p>Stage 5: Construction</p> <p>Q2 Status</p> <p>Due to delayed payment by Employer, a due completion date can only be tentatively agreed to now as 30 days from payment. The works are at 75% completion, post de-scoping.</p>	<p>Q2 Status</p> <p>Insufficient funds. Application will be made during budget adjustment process</p>
10	Elias Motsoaledi Clinic	C	R 40 000.00	Town planning for new clinic.	<p>Stage 2: Concept and Viability</p> <p>Q2 Status</p> <p>This project has been ceased, due to no budget. Contracts for professionals have also been left to lapse due to above.</p>	<p>Insufficient budget. Project suspended.</p> <p>Q2 Status</p> <p>On-hold</p>
11	Rabie Ridge Clinic	A	R 41 000.00	Town planning for new clinic.	<p>Stage 2: Concept and Viability</p> <p>Q2 Status</p> <p>This project has been ceased, due to no budget. Contracts for professionals have also been left to lapse due to above.</p>	<p>Insufficient budget. Project suspended.</p> <p>Q2 Status</p> <p>On hold</p>
12	Orange Farm Renewal Programme	G	R 43 689 000.00	The implementation and completion of Drieziek Recreational Park and Chris Hani Sports Complex	<p>Stage 5: Construction</p> <p>Q2 Status</p> <p>Chris Hani MPC: The project has been delayed due to non-payment. The progress is at 90%,</p>	<p>Q2 Status</p> <p>Chris Hani: non-payment.</p>

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
					with rugby and running tracks outstanding Drieziek Recreational Park: the project progress is at 90%, with due completion 11 December 2025. However, this will not be attained due to recent inclement weather. Remaining works (soft and hard landscaping) will be completed in January 2026	Drieziek Recreational Park: Inclement weather
13	Selby 2C BRT Bus Depot	F	R55 000 000.00	The construction of completion contract for refurbishment of the administration building at rea vava bus depot	Stage 5: Construction Q2 Status: The project is progressing well with 69% on site and anticipation for completion for 28 March 2026.	Q2 Status: At first the contractor had to complete the remedial works from the previous contractors and also align the drawings to match programme of works.
14	Signage Demarcation	E & F	R 30 000 000.00	Construction of BRT Demarcation signage and Wayfinding sign Phase 2	Stage 5: Construction Q2 Status: Project at 52% progress on site and the project is cutting across two Regions (E & F) and various wards across those Region.	Q2 Status: Challenges is to change CLOs and EPWP as the project resume per ward and extensive stakeholder engagement is key.
15	BRT Roadways (Kathrine, Rivonia & Edith Cavell)	E & F	R 90 000 000. 00	Road Pavement Strengthening. Strengthening of bus lanes to form the BRT Phase 1C route. Works will include Milling, concrete kerbing, sidewalk	Stage 5: Construction Q2 Status: 80% progress - Excavation of BRT layer works on the bus lanes.	Stage 5: Construction Q2 Status: 80% progress - Rivonia Road: Concurrent roadways and station

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
				upgrades and stormwater management.	<ul style="list-style-type: none"> - Stabilisation of layer works, subbases. - Snags on kerbs, channels, and paving on widening sections and medians. - Synchronization of new traffic lights signalling on intersections 	<p>projects in same area has delayed progress.</p> <ul style="list-style-type: none"> - <u>Mitigation:</u> Coordination and resequencing - <u>Katherine Street:</u> Unapproved Universal Access delaying achievement of Practical completion. - <u>Mitigation:</u> Motivation for the reduction of requirements and omission / transfer of UA scope.
16	Rea Vaya BRT Phase 1A & B Station Réhabilitation	B	R24 000 000. 00	Rebuild and Rehabilitation of the BRT Stations.	<p>Stage 4: Procurement</p> <p>Q2 Status Completed the procurement process for the appointment of the main contractor and hand over was held 20 November 2025. Site establishment will resume first week of January 2026.</p>	<p>Q2 Status: The main contractor has been instructed to prioritise the purchase of material sooner as there will be long lid items.</p>
17	Depot Rehabilitation Phase 1A (Meadowlands)	D	R 31 135 000. 00	<p>Refurbishment of Bus Depot. Areas to be refurbished are Administration Building, Gate House, Bus Body Repairs Workshop, Fuel Facility, Waste Management Area, Wash and Dry Bays, Fencing.</p>	<p>Stage 5: Construction</p> <p>Q2 Status: 12% progress <u>Completed work:</u> hoarding of work and tenant areas, concrete column, Decanting offices, Removal of ceiling, carpets services and fixtures, electrical testing to Gate House</p>	<p>Stage 5: Construction</p> <p>Q2 Status: 12% progress Slow overall progress Poor quality control Poor resource allocation Slow reporting Under management of SMMEs.</p>

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
						Procurement of a replacement or session contractor underway.
18	Finetown Proper	G	R 4 000 000.00	Upgrading of gravel roads to asphalt. Construction of asphalt roads on road D and Wilson Street including the associated stormwater upgrade and paved sidewalks.	<p>Stage 5: Construction</p> <p>Q2 Status: 46% progress against 121% timescale.</p>	<p>Q2 Status: The contractor is not optimally sequencing the works in a chronological manner and there is constant shortage of material and fuel. The contractor is encouraged to properly resource the project</p>
18	Pimville Zone 9	D	TBC	Upgrading of gravel roads to asphalt. Construction of asphalt roads including the associated stormwater upgrade and paved sidewalks.	<p>Stage 5: Construction</p> <p>Q2 Status Progress at 57% with layer works and installation of stormwater pipes near completion.</p>	<p>Q2 Status Rain season has been a challenge due to the amount of rain.</p>
19	JW Randburg Depot	B	R 22 819 984. 76	Completion of Administration Block and Warehouses for JW.	<p>Stage 5: Construction</p> <p>Q2 Status 90% progress on site as the contractor is now at the stage to achieve all the required COC Documents. The project is close to the PC.</p>	<p>Q2 Status The contractor has suspended works due to the payment delays and also the Principal Agent and contractor not agreeing on the claims.</p>
20	Rea Vaya BRT Phase 1C New Stations	E & F	R 10 000 000. 00	Construction of New REA VAYA BRT Station section 8&15	<p>Stage 5: Construction</p> <p>Q2 Status Sandton BRT Station 80% progress on site foundation works and concrete works now all complete and contractor is busy</p>	<p>Q2 Status Alignment with the traffic signal contractor on coordination has been a challenge and approval of the UA by JRA.</p>

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
					with steel works on the superstructure. Ghandi BRT Station 74% progress on site foundation works and concrete works now all complete and contractor is busy with steel works on the superstructure.	
21	Constitutional Hill Visitors Centre	Region F	R 150 540 000	Construction of the Constitutional hill visitors center.	Stage 5: Construction Q2 Status: Progress at 11%, the contractor is progressing well, and the project is anticipated to be completed in July 2026.	Q2 Status: Delays in approval and processing of invoices by GGDA. Meeting was convened to agree on invoice processing procedures.
22	New Turfontein Clinic	Region F	R 16 870 00	Construction of a New Turfontein Clinic	Stage 5: Construction Q2 Status: 75% progress, Progress slow due to delays in payment	Q2 Status: Due to the budget constraints, the JDA has instructed the contractor to focus on activities that will secure the site and not exceed the current financial year budget
23	Brixton Social Cluster	F	R10 000 00	The building of a new library and coffee shop	Stage 5: Construction Q2 Status The project is currently at construction stage –overall progress is 85%. Project was not completed in Q2 as anticipated due to payment delays. The contractor is expected to resume	Q2 Status: suspension of project due to non-payment. Payment dependent on City cashflow

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
					on site once they are paid and deliver the project in Q3.	
24	Inner City Partnership Fund	F	R 2 000 000.00	The scope of works entails the: <ul style="list-style-type: none"> •El Kero – Construction of hard surface park •Skateistan – Public Environment upgrade on Charles Street from Van Beeck to End streets Vrededorp– Refurbishment of swimming pool, new guard house and ablution facility 	Stage 5: Construction Q2 Status Project is complete <ul style="list-style-type: none"> - Elkaro and Skateistan were completed in October 2024 - Vrededorp – reached practical completion on 31st October 2025 and handed over to comdev on the 4th of November 2025 	Q2 Status El-karo Park cannot be handed over to city park due to incorrect zoning, the re-zoning application was submitted on the 4 th Sept 2025, DP land use system was offline, registration of application took place in December 2025. Once the rezoning is finalised, the park will be handed over to city parks. JRA to sign off works at skateistan, As Built were submitted.
25	Marie Louise Landfill site-improved compliance and alterations	Region B	R 26 117 000	Construction of a reinforced concrete boundary wall	Stage 5: Construction Q2 Status 35% progress -The boundary wall is about 33% complete and SMME packages have been awarded.	Q2 Status: project suspended due to nonpayment. Payment dependant on City cashflow
26	Goudkoppies Landfill site-improved compliance and alterations	Region D	R 22 305 000	Construction of a new temporary Leachate pond, installation of the pumping system, and rehabilitation of existing contaminated pond	Stage 5: Construction Q2 Status: Project activities about 58% complete.	Q2 Status: project suspended due to nonpayment. Payment dependant on City cashflow

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
27	Linbro Park landfill site-improved compliance and alterations	Region E	R 12 054 000	Construction Of a Sorting Facility for Declaimers, A Stormwater Management System and Access Roads.	Stage 5: Construction Q2 Status: -78% progress Sorting facility number 1 is 93% complete and number 2 at 88% completion. Sorting facility number 3 is at 87% and sorting facility 4 is at 78%.	Q2 Status: None
28	Bezuidenhout Garden site	E	R9 334 000.00	Upgrading of a sorting facility, stormwater management, demolishing existing and building new boundary wall	Stage 5: Construction Q2 Status: Project is 27% complete Site establishment is complete Current activities include the removal of existing paving and foundations (wall & Buildings)	Q2 Status: Budget depleted.
29	Ennerdale Landfill site-improved compliance alterations	Region G	R 17 554 000	Construction of a reinforced concrete boundary wall.	Stage 5: Construction Q2 Status 35% progress. -The concrete boundary wall is about 34% completed	Q2 Status: Suspension due to non-payment Consultant not active due to non-payments from Pikitup. Consultants suspended work
30	Construction Upgrading and Engineering services at Zondi Depot	Region D	R 2 144 000	Construction of a reinforced concrete boundary wall	Stage 5: Construction Q2 Status: 56% progress -Foundation for the boundary wall has completed and brickwork has commenced.	Q2 Status: Suspension due to non-payment

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
31	Upgrading and engineering services at Midrand Depot	Region A	R 33 195 000	Construction of the boundary wall, stormwater management system civil services (water and sewer network), earthworks and guardhouse at Midrand depot (Rabie Ridge)	<p>Stage 5: Construction</p> <p>Q2 Status: 25% progress</p> <p>-Foundation and brick layering for the boundary wall in progress</p>	Q2 Status: none
32	Mondeor garden site	F	R14 762 000.00	Upgrading of a sorting facility, stormwater management, demolishing existing and building new boundary wall	<p>Stage 5: Construction</p> <p>Q2 Status: Project is 33% complete</p> <p>The site establishment is 95% complete</p> <p>Current activities include the removal of existing paving, foundations (wall & buildings) and perimeter wall and boundary wall</p>	Town planning issues. Title deeds remain outstanding
33	Florida Integrated Waste Management Facility	C	R2 692 000.00	Guard house with access control, Administrative building with offices and boardroom, male and female change rooms and ablution facilities, sorting facility with steel compartments, Civil works (roads, stormwater, sewer and water), electrical and lighting systems.	<p>Stage 3: Design Development</p> <p>Q2 Status</p>	Q2 Status
34	Woodmead garden site upgrading	E	R23 187 000.00	Upgrading of a sorting facility, stormwater management,	<p>Stage 5: Construction</p> <p>Q2 Status:</p>	Town planning issues. Title deed expired

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
				demolishing existing and building new boundary wall	main contractor is preparing for site establishment. The design review process is complete	
35	Inner City Eastern Gateway TOD and Movement Corridors	Region F	R 17 290 000	Phase 1 Implementation of Library	Stage 5: Construction Q2 Status: Currently progress on site is 80% completed. The project does not have sufficient budget for the phase 2 implementation. The project will be secured until such time that budget is allocated	Q2 Status: insufficient budget. Additional budget request submitted
36	Klipfontein View Wellness centre	E	R 13 890 000	Construction of wellness centre, including rehab centre and clinic	Stage 5: Construction Q2 Status Project suspended. Construction progress is at 68% completion for phase 1 at the time of suspension.	Q2 Status Challenges: The project is currently on suspension due to 2025/26FY insufficient budget to complete the works SDP and Building plans not approved. WULA application rejected. Remedial Action: Midterm budget adjustment. Application for consent right is under review by land use management

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
						New application for WULA to be submitted, SDM to signoff the default letters to be issued to consultant.
37	Bertrams multipurpose centre	F	R 16 444 000.00	Construction of a Multipurpose center	<p>Stage 5: Construction</p> <p>Q2 Status 52% progress against contractor's programme. Project suspended</p>	<p>Q2 Status Challenges: The project is currently on suspension due to 2025/26 insufficient budget to complete the work.</p> <p>Borehole application has been submitted to EISD.</p> <p>NO communication has been received from land use management regarding the registration of new Erf, SDP still not approved</p> <p>Remedial Action: Midterm budget adjustment</p>
38	Shelters for the displaced	G	R 16 147 000.00	Construction of a 200-bed shelter for displaced people at Erf 2161 Devland Ext. 30	<p>Stage 5: Construction</p> <p>Q2 Status Project suspended at a progress of 82% completion</p>	<p>Q2 Status Challenges: The project is currently on suspension due to 2025/26 insufficient budget to complete the work.</p>

NO	PROJECT NAME	REGION	BUDGET (2025/26)	BRIEF DESCRIPTION OF THE PROJECT	PROJECT PROGRESS UPDATE (30 Sept 2025)	CHALLENGES AND PROPOSED REMEDIAL ACTION
						<p>Building plans not approved, building control requested for section 29(1),</p> <p>Remedial Actions: Midterm budget adjustment.</p> <p>City power has issued clearance certificate; outstanding clearance is from JW and JRA then section 29(1) for the Erf 2161 Devland Ext 30.</p>
37	Yetta Nathan Multipurpose centre	D	R 8 500 000.00	construction of the Yetta Nathan Early Childhood Development (ECD) and Community Centre	<p>Stage 5: Construction</p> <p>Q2 Status Project is 56% complete. Project suspended</p>	<p>Q2 Status Challenges: Project has been suspended as from 31st July 2025 due to insufficient budget allocated for 2025/26 FY, which is not sufficient to complete the project.</p> <p>Remedial Action: Midterm budget adjustment</p>

SECTION 6: ORGANISATIONAL PERFORMANCE

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

KPI ACHIEVEMENT RATINGS

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

GDS 2040 OUTCOME: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy										
STRATEGIC PRIORITY: Infrastructure Development and Refurbishment										
STRATEGIC PROGRAMME: Accelerated Public Infrastructure Delivery Programme										
KPI NO.	KEY PERFORMANCE INDICATORS	REF. NO.	BASELINE 2024/25	Annual Target 2025/26	Quarter 2 TARGET 2025/26	ACTUAL Quarter2 2025/26	VARIANCE	Quarterly ACHIEVEMENT RATING	EXPLANATION OF PROGRESS AS AT THE END OF 31 Dec 2025	VARIATIONS AND STEPS TO BE TAKEN TO IMPROVE PERFORMANCE
1.	Number of feasibility studies conducted.	01	3	4	2	3	1		One feasibility was completed in Q1. The following feasibilities were completed in Q2. 1) Landfill Sites. 2) Orange Farm Roads and Stormwater.	None
2.	Number of Strategic Frameworks Developed.	02	2	7	3	3	-		The following strategic frameworks were developed. 1) Innovation District along Empire Perth. 2) Informal Trading Plan. 3) Lilian Ngoyi PEU.	-

GDS 2040 OUTCOME: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy										
STRATEGIC PRIORITY: Infrastructure Development and Refurbishment										
STRATEGIC PROGRAMME: Accelerated Public Infrastructure Delivery Programme										
KPI NO.	KEY PERFORMANCE INDICATORS	REF. NO.	BASELINE 2024/25	Annual Target 2025/26	Quarter 2 TARGET 2025/26	ACTUAL Quarter2 2025/26	VARIANCE	Quarterly ACHIEVEMENT RATING	EXPLANATION OF PROGRESS AS AT THE END OF 31 Dec 2025	VARIATIONS AND STEPS TO BE TAKEN TO IMPROVE PERFORMANCE
3.	Number of projects reached contract award stage.	03	7	7	4	5	1		One project was awarded in Q1. The following projects were implemented in Q2 1) Dallas and Harlem Flats 2) Hillbrow and Westgate flats Eldoradopark 3) Cosmo City Project 4) Vaal Sez Programme	None

GDS 2040 OUTCOME: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy										
STRATEGIC PRIORITY: Infrastructure Development and Refurbishment										
STRATEGIC PROGRAMME: Accelerated Public Infrastructure Delivery Programme										
KPI NO.	KEY PERFORMANCE INDICATORS	REF. NO.	BASELINE 2024/25	Annual Target 2025/26	Quarter 2 TARGET 2025/26	ACTUAL Quarter2 2025/26	VARIANCE	Quarterly ACHIEVEMENT RATING	EXPLANATION OF PROGRESS AS AT THE END OF 31 Dec 2025	VARIATIONS AND STEPS TO BE TAKEN TO IMPROVE PERFORMANCE
4.	Number of projects reached practical completion stage.	04	9	9	5	5	0		Two projects reached practical completion in Q1. The following projects were implemented in Q2 -Drieziek Ext 4(a) -Our city or Block: Vrededorp -Jabulani Phase 5: Completion of Traffic Circle	None

GDS 2040 OUTCOME: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy										
STRATEGIC PRIORITY: Infrastructure Development and Refurbishment										
STRATEGIC PROGRAMME: Strategic Economic Node Delivery Programme										
KPI NO.	KEY PERFORMANCE INDICATORS	REF. NO.	BASELINE 2024/25	Annual Target 2025/26	Quarter 2 TARGET 2025/26	ACTUAL Quarter 2 2025/26	VARIANCE	Quarterly ACHIEVEMENT RATING	EXPLANATION OF PROGRESS AS AT THE END OF 31 Dec 2025	VARIATIONS AND STEPS TO BE TAKEN TO IMPROVE PERFORMANCE
5.	Number of projects in detailed design phase in improving mobility and economic activities.	05	New	8	3	4	1		One detailed design was reached in Q1. The following projects were implemented in Q2. -Jack Mincer Public Transport Facility. -Inner City Walkable Networks. -Kazerne Public Transport Facility.	None

GDS 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 PRIORITIES: Good Governance										
JDA STRATEGIC PROGRAMME: Good Governance, Management and Administration										
KPI NO.	KEY PERFORMANCE INDICATORS	REF. NO.	BASELINE 2024/25	Annual Target 2025/26	Quarter 2 TARGET 2025/26	ACTUAL Quarter 2 2025/26	VARIANCE	Quarterly ACHIEVEMENT RATING	EXPLANATION OF PROGRESS AS AT THE END OF 31 Dec 2025	VARIATIONS AND STEPS TO BE TAKEN TO IMPROVE PERFORMANCE
6.	External Audit Opinion	06	Unqualified	Unqualified opinion without material findings.	-	Not due	-	-	-	-
7.	Percentage implementation of the Communication Strategy/Plan.	07	New	95%	50%	50%	0%		Target achieved	None

GDS 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 PRIORITIES: Financial sustainability										
JDA STRATEGIC PROGRAMME: Good Governance, Management and Administration										
KPI NO.	KEY PERFORMANCE INDICATORS	REF. NO.	BASELINE 2024/25	Annual Target 2025/26	Quarter 2 TARGET 2025/26	ACTUAL Quarter 2 2025/26	VARIANCE	Quarterly ACHIEVEMENT RATING	EXPLANATION OF PROGRESS AS AT THE END OF 31 Dec 2025	VARIATIONS AND STEPS TO BE TAKEN TO IMPROVE PERFORMANCE
8.	Percentage of capital budget spent on JDA infrastructure budget. ¹	08	91%	95%	40%	37%	-3%	☹️		None

¹ JDA allocated budget only

GDS 2040 OUTCOME: A high Performing metropolitan that proactively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City.										
STRATEGIC PRIORITY: Good Governance										
STRATEGIC PROGRAMME: Good Governance, Management and Administration.										
KPI NO.	KEY PERFORMANCE INDICATORS	REF. NO.	BASELINE 2024/25	Annual Target 2025/26	Quarter 2 TARGET 2025/26	ACTUAL Quarter 2 2025/26	VARIANCE	Quarterly ACHIEVEMENT RATING	EXPLANATION OF PROGRESS AS AT THE END OF 31 Dec 2025	VARIATIONS AND STEPS TO BE TAKEN TO IMPROVE PERFORMANCE
9.	Percentage of valid invoices paid within 30 days.	09	83%	100%	100%	57%	43%		Budgets constraints	None.
10.	Percentage vacancy rate on funded positions.	010	10%	10%	10%	9%	1%		None	None
11.	Percentage spent on Specific goal through local procurement as a share of total expenditure.	011	107%	100%	100%	116%	16%		None.	None
12.	Number of Expanded Public Works programme (EPWP) work opportunities created.	012	534	500	150	172	22		None.	None

GDS 2040 OUTCOME: An inclusive, job intensive, resilient, competitive and smart economy that harnesses the potential of citizens.										
STRATEGIC PRIORITY: Job opportunity and creation and sustained economic growth.										
STRATEGIC PROGRAMME: Economic Empowerment.										
KPI NO.	KEY PERFORMANCE INDICATORS	REF. NO.	BASELINE 2024/25	Annual Target 2025/26	Quarter 2 TARGET 2025/26	ACTUAL Quarter 2	VARIANCE	Quarterly ACHIEVEMENT RATING	EXPLANATION OF PROGRESS AS AT THE END OF 31 Dec 2025	VARIATIONS AND STEPS TO BE TAKEN TO IMPROVE PERFORMANCE
13.	% of EPWP participants supported through skills development and training on-site programme.	013	New	2%	2%	15.69%	13.69%		None	None
14.	Percentage of SMME expenditure as a share of total expenditure.	014	37%	30%	30%	50%	20%		None	None

TABLE 21: 2024/25 GATEKEEPING INDICATORS AND TARGETS

KPI No	Key Performance Indicator	Baseline 2024/25	Annual Target 2025/26	2025/26 Quarter 2 Target	2025/26 Quarter 2 Actual	Variance	Quarterly Achievement Rating	Explanation of progress as at the end of 31 Dec 2025	Variations and steps to be taken to improve performance
1.	Percentage of operating budget spent against approved operating budget.	155%	95%	50%	60%	10%		None.	None
2.	Percentage of budget spent on repairs and maintenance to property, plant and equipment.	5%	5%	2%	2,90%	0.90%		None.	
3.	Percentage resolution of Internal Audit findings.	97%	95%	30%	94%	64%		None	None
4.	Percentage resolution of AG findings.	98%	98%	95%	100%	5%		None	None
5.	Percentage implementation of the strategic risk mitigation plan.	100%	80%	80%	100%	20%		None	None
6.	Percentage reduction of unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred.	NEW	50%	30%	0%	0%		No UIFW was declared, therefore no reduction required.	N/A.

6.1. Economic Development

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

- Develop skills and capacity within the construction industry in Johannesburg.
- Optimize the JDA’s contribution to inclusive economic growth and empowerment, and the transformation of the construction industry; and
- Establish a monitoring and reporting system to measure the impact of the JDA’s managing contractor development programme.

EPWP PERFORMANCE

The Expanded Public Works Programme (EPWP) is one of the South African government's key initiatives aimed at alleviating poverty and providing income relief through temporary employment opportunities for the unemployed. The JDA actively participates in this programme, integrating EPWP objectives into its infrastructure and development projects. For the current financial year, the JDA has set an annual target of creating 400 job opportunities through EPWP initiatives.

As of the end of Quarter 2(Q2), the JDA has successfully created 172 job opportunities of which 30 was created in Q2, representing significant progress toward the annual target. These EPWP opportunities span a range of work types — from skilled roles to manual labour — depending on the specific project requirements and the available skillsets within the local communities. The programme not only supports employment but also contributes to skills development and economic inclusion in the areas where the JDA operates

TABLE 22: EPWP PERFORMANCE

Q1 EPWP	Q2 EPWP	Q3 EPWP	Q4 EPWP	YTD
142 Jobs	30			172
142	30			172

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 2025 to 31 December 2025

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 2025 to 31 December 2025, the SMME share of JDA’s total expenditure was R227 420 612 This constitutes an achievement 50%

Table 2 below indicates the SMME expenditure from 1 July 2025 to 31 December 2025

Description	1 July 2025 to 31 December 2025		
	Total Expenditure	SMME Claimed	SMME %
Capex	R434 777 793,86	R223 273 844	51%
Opex	R17 372 794,88	R4 146 767,72	24%
Consolidated Opex and Capex	R452 150 588,74	R227 420 612	50%

6.2. 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.

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 one (2) (including the Executive members).

The Total Remuneration Costs for the period ending 31 December 2025 amount to R 28 339 234.60. This figure is inclusive of the Pension Fund; the JDA participates in the e-Joburg Retirement Fund. The total contribution for Group Life Cover for the JDA employees and directors for the period ending 31 December 2025 amounts to R 529 527.99

SECTION 2: EMPLOYMENT AND KEY VACANCIES

A number of positions were shortlisted and interviews for same positions conducted during of Quarter 2, the details of the recruitment activity is as per below:

TABLE 24: VACANCY PROGRESS AS AT 31 DECEMBER 2025

This section covers vacancies filled through acting or recruitment.

Appointments

Designation	Current – Acting Role	From	Comments
None	None	None	None

Secondments

Designation	Current – Secondment	From	Comments
Human Resource Manager	Human Resource Manager	06 January 2025	Acting until 31 December 2025

Finalised Appointment

Designation	Vacancies	New Position/Replacement	Status
Project Managers	3	New Position	Finalised

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 2025	% of vacancies	No. of funded vacancies Quarter 1 2025	% of vacancies
Top management level	1	1	1	1	0	0%	0	0%
Executive management	4	4	4	4	0	0%	0	0%
Senior management	16	16	16	13	8	50%	1	6%
Middle management	55	41	55	44	3	7%	3	7%
Skilled technical/junior management	42	27	42	27	17	40%	1	4%
Semi-skilled	26	11	26	11	2	7%	0	0%
Unskilled housekeepers/cleaners	23	7*	23	7*	10	43%	0	0%
Total	167	107	167	107	40	24%	5	5, %

SECTION 3: EMPLOYMENT EQUITY

The JDA is committed to the principles of equity, non-discrimination and diversity enshrined in the Constitution and the Employment Equity Act (1998) as amended. It aims to employ a diverse staff complement which is 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 organization’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 organization.

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 Level	MALE				FEMALE				FOREIGNER		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
Top Management	4	0	0	0	1	0	0	0	0	0	5
Senior Management	6	0	0	0	7	0	0	0	0	0	13
Professional Qualified	22	0	0	0	20	1	0	0	0	1	44
Skilled Technical	10	0	0	0	17	0	1	0	0	0	28
Semi-Skilled	3	0	0	0	7	0	0	0	0	0	10
Unskilled	3	0	0	0	4	0	0	0	0	0	7
Temporary	0	0	0	0	0	0	0	0	0	0	0
TOTAL	48	0	0	0	56	1	1	0	0	1	107

The JDA targets and achievements for period under review:

- 96,8% of its employees are Black African.
- 62% of its staff members are Female.
- 47% 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

Targets (JDA)	City	JDA Achievements
Black African employees	80.9%	96,8%
Senior Management black Female	35.9%	47%
Disability	2%	1%

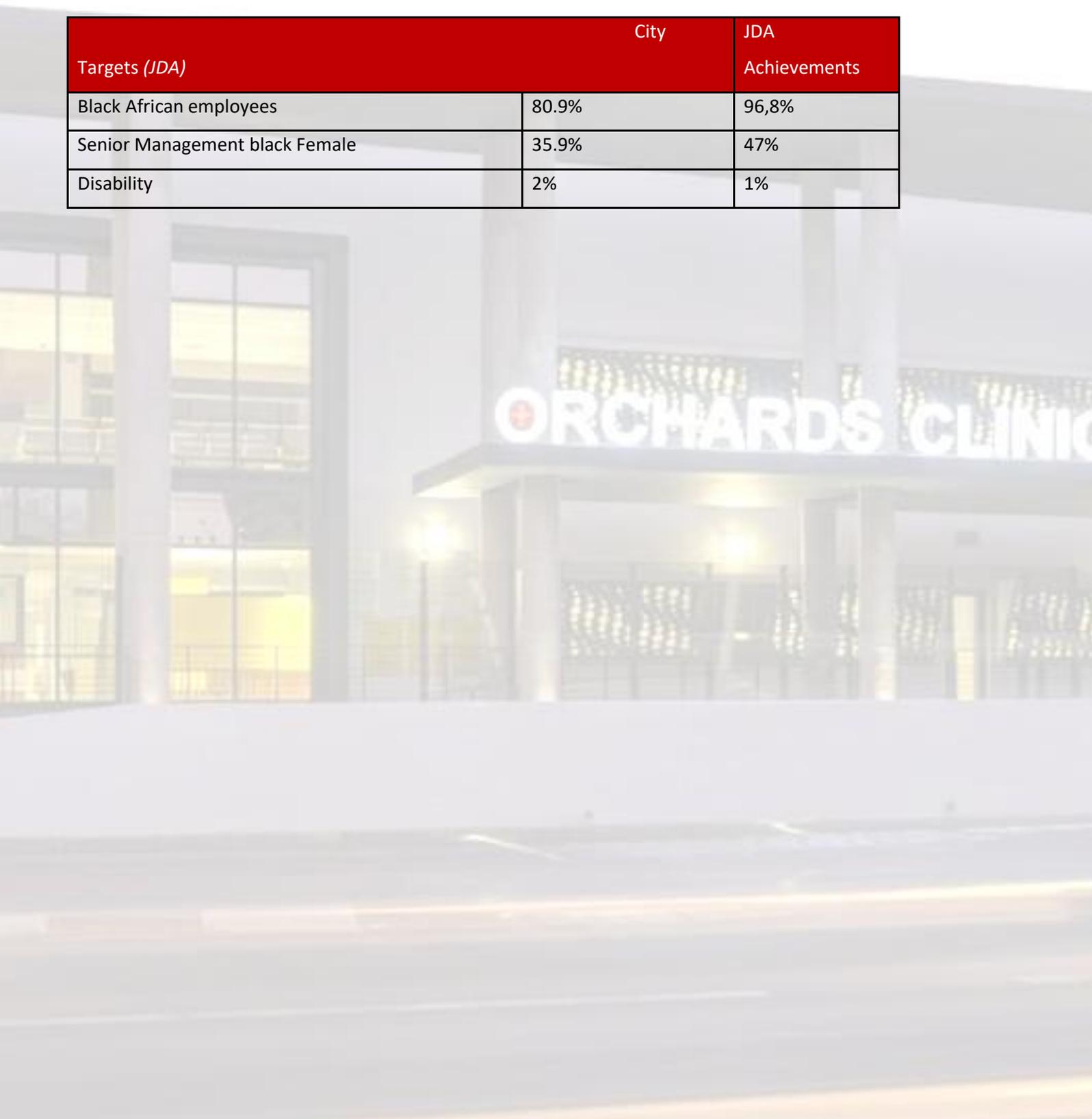


TABLE 28: WORKFORCE PROFILE IN TERMS OF AGE, RACE, GENDER, AND FOREIGN NATIONAL STATUS AS AT 31 DECEMBER 2025

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	3	0	0	0	1	0	0	0	0	0	4
	Total	4	0	0	0	1	0	0	0	0	0	5
Senior Management	18-34	0	0	0	0	0	0	0	0	0	0	0
(Level 3-4)	>35	6	0	0	0	7	0	0	0	0	0	13
	Total	6	0	0	0	7	0	0	0	0	0	13
Professional Qualified	18-34	6	1	0	0	3	0	0	0	0	0	10
(Level 5-6)	>35	15	0	0	0	16	1	0	0	0	1	33
	Total	21	1	0	0	20	1	0	0	0	1	44
Skilled Technical	18-34	6	0	0	0	4	0	0	0	0	0	10
(Level 7-8)	>35	4	0	0	0	13	0	1	0	0	0	18
	Total	10	0	0	0	17	0	1	0	0	0	28
Semi-Skilled	18-34	1	0	0	0	1	0	0	0	0	0	2
(Level 9-10)	>35	2	0	0	0	6	0	0	0	0	0	8
	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	1	0	0	0	0	0	01
	>35	0	0	0	0	0	0	0	0	0	0	0
	Total	47	1	0	0	56	1	1	0	0	1	107

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	1,1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1,1%
(Level 1-2)	>35	4,2%	0%	0%	0%	1,1%	0%	0%	0%	0%	0%	5,3%
	Total	5,3%	0%	0%	0%	1,1%	0%	0%	0%	0%	0%	6,4%
Senior Management	18-34	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
(Level 3-4)	>35	5,3%	0%	0%	0%	8,4%	0%	0%	0%	0%	0%	13,7%
	Total	5,3%	0%	0%	0%	8,4%	0%	0%	0%	0%	0%	13,7%
Professional Qualified	18-34	4,2%	0%	0%	0%	5,3%	0%	0%	0%	0%	0%	9,5%
(Level 5-6)	>35	8,4%	0%	0%	0%	16,8%	1,1%	0%	0%	0%	1,1%	27,4%
	Total	12,6%	0%	0%	0%	22,1%	1,1%	0%	0%	0%	1,1%	36,9%
Skilled Technical	18-34	3,2%	0%	0%	0%	3,2%	0%	0%	0%	0%	0%	6,4%
(Level 7-8)	>35	4,2%	0%	0%	0%	12,6%	0%	1,1%	0%	0%	0%	17,9%
	Total	7,4%	0%	0%	0%	15,8%	0%	1,1%	0%	0%	0%	24,3%
Semi-Skilled	18-34	1,1%	0%	0%	0%	2,1%	0%	0%	0%	0%	0%	3,2%
(Level 9-10)	>35	2,1%	0%	0%	0%	5,3%	0%	0%	0%	0%	0%	7,4%
	Total	3,2%	0%	0%	0%	7,4%	0%	0%	0%	0%	0%	10,6%
Unskilled	18-34	1,1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1,1%
(Level 11)	>35	1,1%	0%	0%	0%	4,2%	0%	0%	0%	0%	0%	5,3%
	Total	2,2%	0%	0%	0%	4,2%	0%	0%	0%	0%	0%	6,4%
Temporary	18-34	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	>35	0%	0%	0%	0%	1,1%	0%	0%	0%	0%	0%	1,1%

SECTION 4: SKILLS DEVELOPMENT AND TRAINING

Bursaries for 2025/2026

- The bursary process will start in Q2 and will be completed within the next quarter. Less than 1% of the total organisation headcount applied for bursaries in the previous financial year, and two current bursary holders were granted bursaries. This emanated from issues of non-compliance with the application requirements.
- The bursary amount spent in 2025/2026 FY is R149 345.00 as illustrated in the table below:

Training Interventions

- The training conducted is in line with the approved training plan.
- JBCC and GCC Suite of Contracts and Claims Training was conducted for 6 managers from Project Implementation.
- Finance AG readiness pilot training by Treasury.
- 4 webinars were held (Evacuation Drill, PFA, youth skills development, Business Planning, Pension Fund, performance information, human rights, salary restructuring).
- A Performance Management Information Session was conducted for all employees and HR officials, which is expected to cascade across the organisation by the end of quarter 4.
- The training and development amount spent in 2025/2026 FY is R149 345.00.

Workplace Skills Plan and Annual Training Report

- Workplace Skills Plan is in place and implemented accordingly.
- The training is ongoing and the expectation is that all development programs should be finalized by Q3 or beginning of quarter 4.

The training will be based on the Individual Learning Plans:

TABLE 30: SKILLS DEVELOPMENT AND TRAINING

Occupational category	Number of employees	Training provided within the reporting period		
		Group Training	Short Courses/Seminars	Bursaries
Top Management	6	6	1	0
Senior Management	12	11	1	0
Middle Management	35	35	0	0
Skilled Technical and academically Qualified	21	21 (1 IA official trained)	0	3
Semi-Skilled	10	10	4	0
Unskilled	7	7	7	0

SECTION 5: PERFORMANCE MANAGEMENT

Employee performance management system has been put in place to ensure that the organizational objectives are cascaded down and aligned with individual performance contract. This 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.

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 END OF DECEMBER 2025

DEPARTMENT	PERFORMANCE FINAL ASSESSMENT 2024/2025				Employee date of engagement-Not eligible for Annual assessment		
	Eligible Staff	PA Submitted	Out standing	Disputes	Eligible Staff	FY24 /25 Assessment Submitted	Out standing
Office of the CEO	9	9	0	0	9	9	0
Company Secretary	4	4	0	0	3	3	0
Internal Audit	7	7	0	0	7	7	0
Finance	18	18	0	0	16	16	0
Corporate Services	29	29	0	0	27	27	0
Project Implementation	35	33	1 newly appointed	0	33	33	0
Development Planning & Facilitation	9	9	0	0	8	8	0
Total	111	109	02	0	103	103	0

*Includes New Appointments

SECTION 6: DISCIPLINARY MATTERS AND OUTCOMES

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).

This section aims to shed light on the status of disciplinary hearing(s), grievances, investigations, appeals, and suspension. It should be noted that we have trained all levels of managerial positions to equip them with how to handle disciplinary and grievance matters.

Disciplinary Matters as of 31 December 2025

No disciplinary hearing in the second quarter.

TABLE 32: Disciplinary outcomes

Sanction	No of Employees
Verbal Warning	0
Written Warning	0
Final Written Warning	0
Dismissal	0
Suspension	0
Demotion	0
	0

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.

In line with the approved Leave Management Policy, JDA employees are entitled to 24 days leave per annum to be taken at a time convenient to JDA and agreed upon by management. 80 sick leave days in a three (3) year cycle are also provided to staff. The table below provides detailed overall leave management.

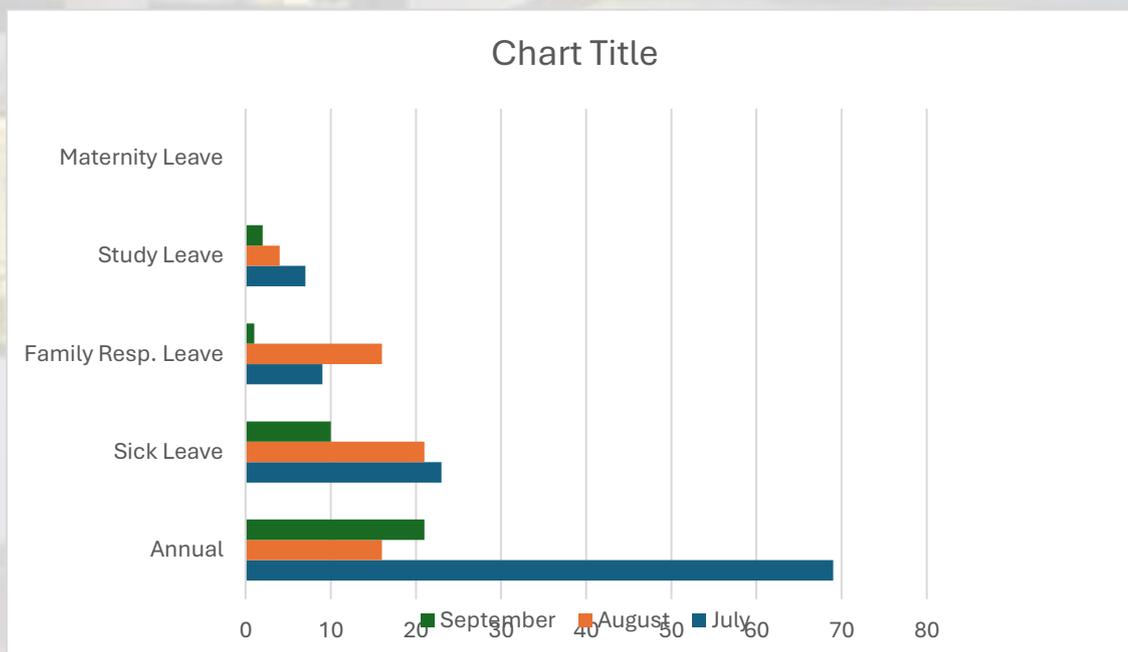
TABLE 33: LEAVE ANALYSIS AS AT END OF 31 DECEMBER 2025

Type of Leave	October	November	December	Total Leave days Taken
Annual	90	67	47	204
Sick	47	15	3	65
Family Resp. Leave	3	4	1	8
Study Leave	22	13	0	35
Maternity Leave	0	0	0	0
Total	162	99	51	312

Comments:

Leave forfeiture is currently communicated through formal letters and will, in the future, also be communicated via pay slips and internal employee communication platforms.

Graph 2: Leave Analysis



SECTION 8: EMPLOYEE BENEFITS

Retirement Fund

- Staff members are affiliated with the E-Joburg Retirement Fund, and contributions are calculated at 7.5% of the members’ basic monthly salary, and the employer contribution is 18% of the basic monthly salary.

- Training was conducted by SANLAM on the benefits.
- Training was conducted by e-Joburg under writer momentum.

9.2 Medical Aid Scheme

All permanent employees are eligible for a medical aid subsidy. Insourced employees (security and cleaners) have an option to either opt in or out of benefits.

Table 34: Q2 Medical Aid contributions

Medical Aid	No of Employees	Amount
Employer contribution	53	R 182 452,40
Employee contribution	53	R 304 265,80

9.4 Housing Allowances

- Provision depends on whether the employee has been approved for a bond.

Table 35: Q2 Housing allowance

Housing allowance	No of Employees	Amount
Housing subsidy	4	R 6 000,00

SECTION 9: EMPLOYEE WELLNESS

JDA and WFS have concluded on the wellness plan for 2025/2026 in line with the service level agreement (SLA).

The service provider provides a quarterly report on the utilization and presenting challenges.

Summary of the Usage

The utilisation of the Wellness Programme has reached 10.42% during this reporting period with a projected utilisation of 31.25% for the financial year. There were 32 interactions leading to a total engagement rate of 33.33% in the current reporting period. The total engagement rate is calculated by adding the total number of external faces to face sessions 23, onsite face to face sessions 0, total telephonic contacts 6, number of emails 0, USSD 0, please call me 0, number of participants in group trauma debriefings and number of participants in awareness, trainings and orientation interventions. During reporting period there was a total of 0 Intakes that did not Progress into a case being opened.

The top 5 problems presented for this reporting period were as follows:

- Relationship Issues
- Stress

- Loss Issues
- Mental Health/Psychological
- Health Related

Table 36: Presenting Problems: Gender Split (Actual Numbers)

Presenting Problem	Female	%	M	%
Addictive Behaviour/Dependencies	0	0%	1	100.00%
Child and Family Care	1	50.00%	1	50.00%
Covid 19	0	100.00%	1	0
Critical Incident (Workplace Trauma)	1	50.00%	1	50.00%
Health Related	0	0%	2	100.00%
Legal	0	0%	1	100.00%
Loss Issues	3	75.00%	1	0
Mental Health/Psychological	2	66.67%	1	0
Organisational Issues	2	100.00%	0	0%
Relationship Issues	4		2	0
Stress	3	50.00%	3	50.00%
Trauma/Personal	1	50.00%	1	50.00%

SECTION 10: 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.

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

- 1.1. **Repairs and maintenance:** A service provider was appointed for repairs and maintenance for a period of 36 months effective from 24th March 2025. The appointment is for planned, reactive and preventative maintenance of all building elements as per the Maintenance plan.
- 1.1.2. There was total of seventeen (17) unexpected maintenance tasks for the quarter, thirteen (13) were attended to internally -Job cards in place and four (4) are to be attended to by a service provider.
- 1.2. **Fire Compliance:** All fire equipment compliant and the next service date is April 2026 with valid CoC (Certificate of Compliance) in place.
- 1.3. **Pest control service:** Service provider appointed, SLA in place and monthly services are conducted- Job cards in place.
- 1.4. **Hygiene services:** Service provider was appointed and Monthly hygiene services are conducted as per the SLA and maintenance plan- Job cards in place.
- 1.5. **Lift maintenance:** Monthly lift maintenance conducted, job cards in place and valid statutory documentation in place.
- 1.6. **Office space**
 - 1.6.1. **Space planning:** Consultants for space planning for the JDA Bus factory after the decision not to move offices were appointed for the conditional assessment, design and drafting of specification for construction of office space. Conditional assessment was conducted (report in place), project plan in place and project is currently at the concept design stage.
 - 1.6.2. **Office space- Bus Factory:** A presentation on reversal of relocation decision to LMF was conducted and a letter to JDA employees was sent out.
 - 1.6.3. **PTOB (Permission to Occupy and Build)- Bus Factory:** A formal request was sent through to JPC for the JDA to be formally allowed to occupy the Bus Factory. A signed copy of the PTOB in place.
- 1.7. **Consumables:** Issuing of Consumables and stationery are conducted within 30.
 - 1.7.1. Appointment of service provider for Supply and delivery of stationery was finalized to ensure 100% stock availability. There was a total of 72 requests for consumables and stationery which were all attended to within 24 hours of receipt of requests. Completed request forms are in place as per the approved SOP. Inventory audit conducted and updated
 - 1.7.3 **First aid consumables:** Replenishing of first aid boxes are conducted as and when required. Monthly checks are conducted and checklists are completed accordingly.
- 1.8. **Occupational Health and Safety:**
 - 1.8.1. Physical Security policy is due for review and was submitted to the EM: CS to be tabled at EXCO.

- 1.8.2. A total of Ten (10) incidents were reported an updated register in place.
- 1.8.3. One (1) injury on duty reported – Completed WCL form was submitted to group COID
- 1.8.4. OHS checklists completed
- 1.8.5. City wide SHE Forum meeting attended, report for Q1 in place
- 1.8.6. One (1) OHS awareness conducted by means of a Webinar
- 1.8.7. **Deep cleaning:** Appointment for service provider for deep cleaning of the office space was completed, PO issued to service provider kick off meeting and walk about conducted on the 2nd December 2025.
- 1.8.8. **SHE Committee Quarterly meeting:** meeting for Q2 is scheduled to take place on the 12th December 2025.
- 1.8.9. CCTV system operational but 2 cameras require to be replaced and Access control requires attention from a specialist as they are not functioning as per norm. Security officials conduct hourly patrols to compensate for the system.
- 1.8.10. **Appointment of service providers (Security Services) for projects:** There were at total of two (2) service providers appointed for one (1) for Ivory swimming pool and the other one (1) at Our City Our Block (Hillbrow)
- 1.8.11. Three (3) new access cards were printed.
- 1.8.12. Zero (0) security breaches were reported.
- 1.8.13. **Special projects:** There was one (1) special project that formed part of the JAG project which was overseeing the relocation of art pieces from OR Tambo airport storage to Standard bank art gallery.
- 1.8.14. **Security Manager's Forum:** JDA attended the Gauteng Provincial Security Manager's forum which focused on Ciber Security.

SECTION 11: MARKETING AND COMMUNICATIONS

The JDA's involvement in area-based regeneration means that the whole organization, rather than a single unit of the JDA, engages with local area-based stakeholders and the City of Johannesburg stakeholders through the lifecycle of a plan or project. Effectively performing its function as a builder of better neighborhoods requires that the JDA communicate a single, consistent message developed collaboratively between the whole JDA team. This is done to enhance, maintain, and protect the JDA brand uses a set of coherent Marketing and Communications activities. The JDA's Marketing Communication and Strategy looks at marketing communications efforts/activities at three levels, corporate, internal, and projects, to enhance, maintain, and protect the JDA's reputation at these levels.

CORPORATE SCORECARD-KPI PERFORMANCE

Table 37: Quarter 2

KPI	Q2 Target	Q2 Actual	Variance	Rating
Number of media releases and social media posts on JDA development initiatives	70	139 October 136 November	69 October 66 November	J

MEDIA MANAGEMENT (DIGITAL)

1.1.1 MEDIA MANAGEMENT (PRESS)

The media coverage for the Johannesburg Development Agency was received from 01 October to 30 November 2025.

Table 38: OCTOBER 2025

Social Media Platform	Posts	Growth	Engagement	Reach
FACEBOOK	54	422	5 435	439 485
X	54	92	9 717	74 811
INSTAGRAM	23	17	512	4 505
LINKEDIN	3	74	169	6 517

Table 39: Total followers as of OCTOBER 2025

Social Media Platform	Followers
FACEBOOK	15 516
X	5 454
INSTAGRAM	2 314
LINKEDIN	8 521

Table 40: NOVEMBER 2025

Social Media Platform	Posts	Growth	Engagement	Reach
FACEBOOK	53	379	5 089	208 606
X	50	41	3 922	37 661
INSTAGRAM	23	6	388	3 028
LINKEDIN	1	48	169	6517

Table 41: Total followers as of November 2025

Social Media Platform	Followers
FACEBOOK	15 895
X	5 493
INSTAGRAM	2 320
LINKEDIN	8 569

NOVEMBER 2025

Social Media Platform	Posts	Growth	Engagement	Reach
FACEBOOK	53	379	5 089	208 606
X	50	41	3 922	37 661
INSTAGRAM	25	36	377	3 028
LINKEDIN	0	65	54	6 517

Total followers as of SEPTEMBER 2025

Social Media Platform	Followers
FACEBOOK	15 094
X	5 379
INSTAGRAM	2 297
LINKEDIN	8 447

The Marketing and Communications team remains dedicated to enhancing the visibility and recognition of the positive impact that JDA-implemented projects have on communities.

PUBLIC RELATION MANAGEMENT

02 October 2025

CENTRAL FIRE STATION OPEN TO SERVE THE COMMUNITY



The City of Johannesburg Executive Mayor Cllr Dada Morero, along with the MMC for Public Safety Cllr Mgcina Tshwaku, MMC for Development Planning Eunice Mgcina, the acting HOD for Public Safety Commissioner Patrick Jaca, and Chief of EMS Mr. Andries Mucavele, on Thursday, 02 October 2025, officially opened the newly constructed Central Fire Station in Johannesburg CBD.

13 October 2025

CITY OF JOHANNESBURG ADVANCING SUSTAINABLE URBAN GROWTH THROUGH THE MAIN REEF ROODEPOORT URBAN DEVELOPMENT FRAMEWORK



As the world observes Urban October 2025, the City of Johannesburg (CoJ) is reaffirming its commitment to building a more inclusive, resilient, and sustainable city through the development of the Main Reef Roodepoort Urban Development Framework (UDF).

14 October 2025

WESTBURY TRANSFORMATION DEVELOPMENT CENTRE WINS FLAGSHIP PROJECT OF THE DECADE



The Westbury Transformation Development Centre (WTDC), one of the Johannesburg Development Agency (JDA)'s flagship projects, has emerged as the winner for “Flagship Project of the Decade” at the 2025 Scape Awards of Excellence, hosted by Scape Magazine in South Africa.

23 October 2025

JDA DELIVERS KEY INFRASTRUCTURE FOR THE LAUNCH OF REA VAYA PHASE 1C(A)



The Executive Mayor of Johannesburg, Cllr. Dada Morero, together with MMC for Development Planning, Cllr. Eunice Mgcina, and MMC for Transport, Cllr. Kenny Kunene officially launched the Rea Vaya Phase 1C(a) route today at the Marlboro Community in Marlboro Gardens.

29 October 2025

JDA RECOGNISED FOR ENGINEERING EXCELLENCE AT THE 88TH IMESA/CESA EXCELLENCE AWARDS



The Johannesburg Development Agency (JDA) has once again demonstrated its commitment to sustainable and inclusive infrastructure development, earning three recognitions at the 88th IMESA/CESA Excellence Awards, held during the IMESA Conference & Exhibition in East London on Tuesday, 28 October.

03 November 2025

BUILDING A CITY WITHOUT BARRIERS: JOBURG'S UNIVERSAL DESIGN APPROACH DURING DISABILITY RIGHTS AWARENESS



Every journey through Johannesburg should be one that everyone can take — confidently, independently, and safely. Yet, for many people with disabilities, everyday travel remains a challenge

11 November 2025

JOHANNESBURG TAKES A BOLD STEP TOWARD A SMARTER, MORE CONNECTED TRANSPORT FUTURE



The City of Johannesburg is setting the wheels in motion for a new era of mobility. Through the Johannesburg Development Agency (JDA), the City's Transport Department has officially begun work on developing its new Comprehensive Integrated Transport Plan (CITP) — a three-year project that will guide how Joburg's transport system grows, connects, and serves its people over the next five years.

13 November 2025

05 August 2025

CITY OF JOHANNESBURG INVITES SCOOTER DELIVERY SERVICE DRIVERS TO STAKEHOLDER ENGAGEMENT ON E-HAILING MANAGEMENT POLICY



The Johannesburg Development Agency (JDA), on behalf of the City of Johannesburg (CoJ) Transport Department, invites all Scooter Delivery Service Drivers to participate in an online stakeholder engagement meeting as part of the development of the City's E-Hailing Management Policy.

17 November 2025

JOHANNESBURG ART GALLERY RESTORATION: A NEW CHAPTER FOR JOBURG'S CULTURAL LEGACY



The Johannesburg Development Agency (JDA), acting on behalf of the City of Johannesburg (CoJ) Transport Department, invites E-Hailing Drivers and Driver Associations to an online stakeholder engagement meeting as part of the development of the City's E-Hailing Management Policy.

19 August 2025

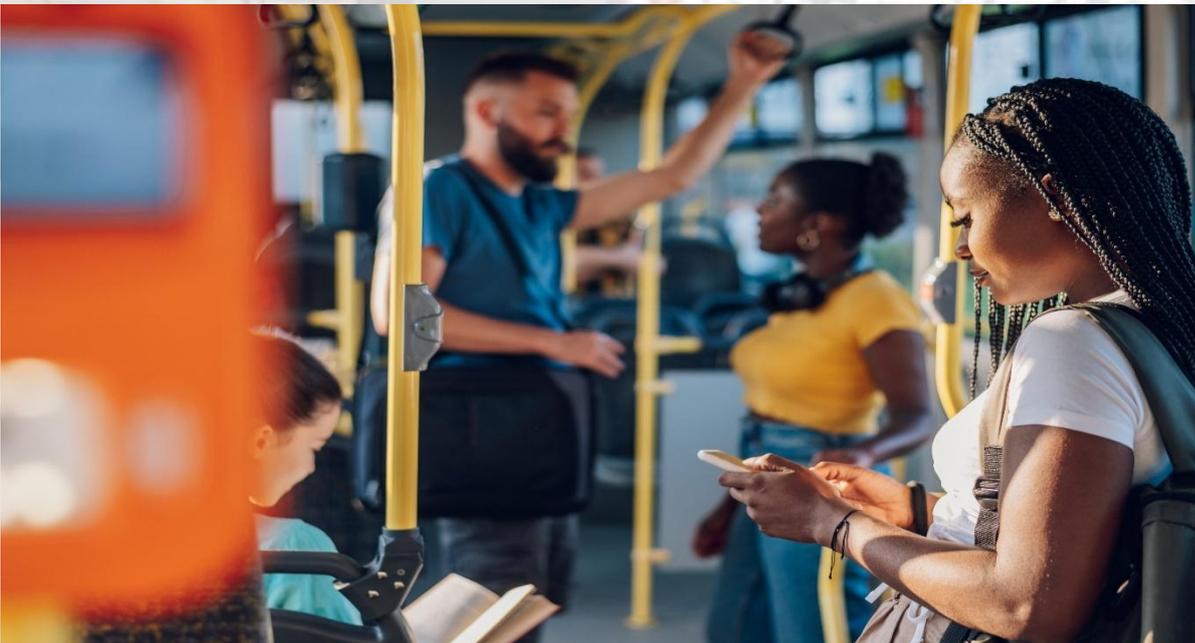
ORANGE FARM TURNKEY PROJECT A CATALYST FOR WOMEN'S EMPOWERMENT



As part of the Chris Hani Sports Complex, which forms part of the Orange Farm Turnkey Project, the Johannesburg Development Agency (JDA) has implemented the Public Environment Upgrade Project along 16th Street and Moyane Drive in Orange Farm.

26 August 2025

MASTERPLAN FOR THE IMPLEMENTATION OF PARK-AND-RIDE FACILITIES



The Johannesburg Development Agency (JDA), on behalf of the City of Johannesburg's Transport Department, has officially commenced the development of a park-and-Ride (P&R) Masterplan — a strategic initiative aimed at reshaping the City's public transport system and reducing traffic congestion.

2. JDA EVENTS

01 October 2025

Internal Webinar

Records Management and ICT Security

A compact, practical session on Records Management, ICT Security, and Disaster Recovery

Presenter: Precious Bethswana ICT Manager
Date: 01 October 2025
Time: 10:30 - 11:30 am



Joburg J.D.A.

03 October 2025

Internal Webinar

CEO ENGAGEMENT

Presenter: JDA CEO Mr Themba Mathibe
Date: 03 October 2025
Time: 11:00 am



Joburg J.D.A.

15 October 2025

External Webinar

Project EDWARD (Every Day Without A Road Death)

Join us for an insightful session exploring Project EDWARD – Every Day Without A Road Death, a powerful initiative dedicated to building safer roads and saving lives. This webinar will unpack the story behind Project EDWARD – from its founding vision and values, to its mission of fostering a culture of road safety across communities.

Presenter: Mr Kathulo Gobe Leo, Project manager of Project Edward SA
Date: 15 October 2025
Time: 10:30 - 12:00 (virtual)



Joburg J.D.A. EDWARD

16 October 2025

Internal Webinar

Internal Audit

Join us as we unpack the Internal Audit strategic documents and the three-year rolling plan.

Presenter: Mr Mpho Zulu and Thabiso Molefi
Date: 16 October 2025
Time: 10:30 to 12:00 (virtual)



Joburg J.D.A.

22 October 2025

Internal Webinar

Labour Wednesday

Join us as we review policies and SOPs

- Cellphone policy
- Leave policy
- Trading and development policy

Presentation by Human Resources
Date: 22 October 2025
Time: 10:30 to 12:00 (virtual)



Joburg J.D.A.

29 October 2025

Internal Webinar

Universal Design Access Plan

Join us as we unpack interesting information on the UA Plan

Presentation by Monique Lekatsa (Project Manager) and Colette Fransolet (UA Specialist)
Date: 29 October 2025
Time: 10:30 to 12:00 (virtual)



Joburg J.D.A.

11 November 2025

13 November 2025

Internal Webinar

JDA's First Quarter Performance Results and Second Quarter Performance Targets



Presentation by Livhlanani Nemaungani
Date: 11 November 2025
Time: 10:30 to 11:30 (virtual)



Internal Webinar

Cyber Security Updates and Signing Hub



Gain valuable insights on the SigningHub with Happy, covering registration, usage, and its importance.

Cybersecurity Month Feature with Precious Betschwana, who will share the latest security updates and best practices to help keep your digital environment safe.

Presenter: Happy and Precious Betschwana ICT Manager
Date: 13 November 2025
Time: 10:30 - 11:30 am



20 November 2025

Internal Webinar

Occupational Health and Safety (OHS) awareness



Join us for an OHS Awareness Session as Tshepo Mpyatona outlines the duties of employers and employees as per the OHS Act 85 of 1993.

Presentation by Tshepo Mpyatona
Date: 20 November 2025
Time: 11:30 to 12:30 (virtual)



25 November 2025

Internal Webinar

Anti-Fraud and Anti-Corruption



Join us as our presenter from GFS at COJ speaks on the importance of Anti-Fraud and Anti-Corruption in the workplace.

Presentation from GFS at COJ
Date: 25 November 2025
Time: 10:00 to 11:00 (virtual)



27 November 2025



NYDA BOARD
100 Days in office
STAKEHOLDER engagement

Reflecting on achievements recorded between 01 August and 08 November 2025, and provide progress updates on commitments made during community and beneficiary engagements.

THURSDAY
27 NOV 2025 10:00
The Capital on the Park

Mr. Themba Mathibe
Johannesburg Development Agency CEO

Toll Free No: 0800 58 58 58 | 064 758 5058

@nyda_insta @NYDARSA @nydarsa @NYDASouthAfrica
National Youth Development Agency | National Youth Development Agency
www.nyda.gov.za

nyda
NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

THE LIMITLESS youth

GBV Campaign



Act. Speak. End GBV

16 days of activism against
Gender - Based Violence

WORLD AIDS DAY

A nighttime photograph of the Johannesburg city skyline, featuring illuminated buildings and the Transnet tower. A large, 3D red ribbon is draped across the foreground, with the text 'World Aids Day' and '1 December' written on it.

World Aids Day
1 December

A City committed to
overcoming disruption,
transforming the AIDS
response!

The logos for Joburg and the Johannesburg Development Agency (JDA) are positioned in the bottom right corner of the advertisement.

CHAPTER 5: FINANCIAL PERFORMANCE

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

TABLE 42: STATEMENT OF FINANCIAL POSITION FOR THE QUARTER ENDED 31 DECEMBER 2025

	Year ended 31 December 2025		
	Actual	Budget	Variance
	R'000	R'000	R'000
Non-current assets	22 613	25 800	-3 187
Property plant and equipment	4 319	5 000	(681)
Deferred tax	4 637	2 800	1 837
Intangible assets	13 657	18 000	(4 343)
Current assets	1 693 451	950 002	743 449
Trade and other receivables	1 678 258	700 000	978 258
Vat Receivable	15 189	250 000	(234 811)
Cash and cash equivalents	4	2	2
Total assets	<u>1 716 064</u>	<u>975 802</u>	<u>740 262</u>
EQUITY AND LIABILITIES			
Capital and reserves	-446 486	76 278	(592 451)
Contribution from owner	16 278	16 278	(69 687)
Accumulated surplus/(deficit)	-462 764	60 000	(522 764)
Non-current liabilities	12 820	2 860	9 960
Finance lease obligation	336	260	76
Deferred taxation	12 484	2 600	9 884
Project funds payable	-	-	0
Current liabilities	2 149 730	1 346 524	804 697
Loans from shareholders	2 009 575	1 203 524	806 051
Trade and other payables	129 430	130 000	(570)
Project fund payable	510	2 000	1
Provisions – bonus	10 215	11 000	(785)
Total equity and liabilities	<u>1 716 064</u>	<u>1 425 662</u>	<u>222 206</u>

Notes
The decreases on the property plant and equipment it is due to depreciation.
The increases on the current asset it due to the following (1) The favourable variance on trade receivable it is due to invoices that were issued to COJ in December (2) The movement on the Vat on receivable is due to Vat refunds that is due to JDA
Changes on the Reserve/Net Assets it is due to the deficit of R462 million
The movement of the non-current liability is immaterial
The variance is above than the target overdraft of R300 million. This is mainly due to invoices that were raised /accrued in June 2021 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.
The increases on the payable it due to invoices that were received in December which will be paid within 30 days.

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

TABLE 43: STATEMENT OF FINANCIAL PERFORMANCE FOR THE QUARTER ENDED 31 December 2025

	December	Original	Quarter ending 31 December 2025			Notes
	2024	approved	Actual	Budget	Variance	
	Actual	budget	Actual	Budget	Variance	
	R'000	R'000	R'000	R'000	R'000	
Gross revenue	74 758	149 523	67 780	74 762	(6 982)	5
Operating costs	(67 921)	(141 180)	(55 716)	(70 590)	14 874	6
Gross surplus/(deficit)	6 837	8 343	12 064	4 172	7 893	
Other operating income and expenditure	(39 764)	(8 343)	(57 570)	(4 172)	(53 399)	
Interest expense	(57 570)	(8 343)	(57 570)	(4 172)	(53 399)	7
Interest income	0	0	0	0	0	
Surplus/(Deficit) before tax	(50 733)	0	(45 506)	0	(45 506)	
Taxation	0	0	0	0	0	
Surplus/(Deficit) after tax	(50 733)	0	(45 506)	0	(45 506)	

Notes		
5		Management fees are budgeted for in accordance with the capital project expenditure. The overall actual revenue is below by 9% percentage, and the target will be achieved after taking into account December capex.
6		The Positive variance it mainly due to the delay in the procurement services
7		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 second quarter relates to balances that were owing from the 2020/21 financial year.

SECTION 3: CASH FLOW STATEMENT

**TABLE 38: CASH FLOW STATEMENT FOR THE
QUARTER ENDED 31 DECEMBER 2025**

	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>				
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	0	(4 500)	4 500	
<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	
Cash flows from financing activities	206 292	137 918	344 210	14
Movement in project funds payable	0	0	0	
Proceeds from Shareholders' loan	206 508	207 000	(492)	
Repayments of Shareholders' loan		0	0	
Finance lease repayments	(216)	0	(216)	

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

Notes

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

SECTION 4: NET ASSETS

TABLE 45: STATEMENT OF CHANGES IN NET ASSETS FOR THE QUARTER ENDED 31 December 2025

	Share capital	Share premium R'000	Total capital R'000	share Accumulated surplus R'000	Total net assets R'000
Balance on 01 July 2024	60	16 278	16 278	-66 402	(50 124)
Changes in net assets					
Deficit for the year	0	0	0	(350 856)	(365 085)
Total changes					
Balance on 01 July 2024	60	16 278	16 278	(417 258)	(400 980)
Changes in net assets					
Profit/(deficit) for the year				(45 506)	(45 506)
Total changes					
Balance on 31 December 2025	60	16 278	16 278	(462 764)	(446 486)

ORCHARDS CLINIC

SECTION 5: CAPITAL PROJECTS & EXPENDITURE

TABLE 46: CAPEX EXPENDITURE FOR THE YEAR

CAPITAL EXPENDITURE AS AT 30 December 2025	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									
Orlando East Station Precinct New Precinct Redevelopment ORLANDO EAST D Ward	R 0	250 000	(R 250 000)	R 0	250 000	(R 250 000)	(100,00%)	500 000	0,00%
Diepsloot Development Renewal Precinct Redevelopment DIEPSLOOT WES A Regional	9 313 487	10 016 300	(702 813)	9 313 487	10 016 300	(702 813)	(7,02%)	20 032 600	46,49%
Operational Capex New Operational Capex NEWTOWN F City Wide	0	3 456 000	(3 456 000)	0	3 456 000	(3 456 000)	(100,00%)	6 912 000	0,00%
Revitalisation of Pageview and Vrededorp	0	274 700	(274 700)	0	274 700	(274 700)	(100,00%)	549 400	0,00%
Inner City Eastern Gateway_TOD and Movement Corridors	R 5 063 603	8 646 900	(3 583 297)	5 063 603	8 646 900	(3 583 297)	(41,44%)	17 293 800	29,28%
Klipfontein View Wellness centre	5 540 170	6 945 400	(R 1 405 230)	5 540 170	6 945 400	(R 1 405 230)	(20,23%)	13 890 800	39,88%
23775_Ivory Park Urban Renewal Programme	9 640 704	922 900	8 717 804	9 640 704	922 900	8 717 804	944,61%	1 845 800	522,30%
23705_Orange Farm Urban Renewal Programme	39 088 101	21 844 297	17 243 804	39 088 101	21 844 297	17 243 804	78,94%	43 688 593	89,47%
SUB-TOTAL	68 646 065	26 178 248	16 289 568	68 646 065	52 356 497	16 289 568	31,11%	104 712 993	65,56%
COMMUNITY DEVELOPMENT (Comm Dev)									
Joburg Art Gallery Upgrade JOHANNESBURG F Incl MUSEUM AFRICA 8	36 764 306	20 000 000	16 764 306	36 764 306	20 000 000	16 764 306	83,82%	40 000 000	91,91%
Repairs and maintenance, Ivory Park Sw, Driez	1 308 754	7 500 000	(6 191 246)	1 308 754	7 500 000	(6 191 246)	(82,55%)	15 000 000	8,73%
Joburg Library (Centre of Excellence) JOHANNESBURG F	17 707 960	14 000 000	3 707 960	17 707 960	14 000 000	3 707 960	26,49%	28 000 000	63,24%
Kaalfontein New Community Centre KAALFONTEIN EXT4 A Ward	4 800 439	2 500 000	2 300 439	4 800 439	2 500 000	2 300 439	92,02%	5 000 000	96,01%
Cosmo City New swimming pool New Community Centre COSMO CITY EXT3 C Ward	0	3 413 599	(3 413 599)	0	3 413 599	(3 413 599)	(100,00%)	6 827 198	0,00%
Mathoeshville New MPC Community Centre MATHOESHVILLE C Regional	7 274 594	3 977 000	3 297 594	7 274 594	3 977 000	3 297 594	82,92%	7 954 000	91,46%
PUBLIC ART	0	1 644 783	(1 644 783)	0	1 644 783	(1 644 783)	(100,00%)	3 289 565	0,00%

SUB-TOTAL	67 856 053	53 035 382	14 820 672	67 856 053	53 035 382	14 820 672	27,94%	106 070 763	63,97%
DEVELOPMENT PLANNING									
New Turfontein Clinic	6 602 728	8 435 000	(1 832 272)	6 602 728	8 435 000	(1 832 272)	(21,72%)	16 870 000	39,14%
Brixton Social Cluster	6 852 063	5 500 000	1 352 063	6 852 063	5 500 000	1 352 063	24,58%	11 000 000	62,29%
Jabulani Precinct Upgrades	17 985 841	11 617 000	6 368 841	17 985 841	11 617 000	6 368 841	54,82%	23 234 000	77,41%
Inner City Partnership Fund	1 451 802	1 000 000	451 802	1 451 802	1 000 000	451 802	45,18%	2 000 000	72,59%
Inner City Walkable Network	2 769 376	1 500 000	1 269 376	2 769 376	1 500 000	1 269 376	84,63%	3 000 000	92,31%
Inner city trading plan	327 060	1 695 000	(1 367 940)	327 060	1 695 000	(1 367 940)	(80,70%)	3 390 000	9,65%
Inner City High Court Precinct	3 960 272	2 500 000	1 460 272	3 960 272	2 500 000	1 460 272	58,41%	5 000 000	79,21%
Demolition illegal structures	1 120 733	1 216 500	2 743 772	1 120 733	1 216 500	2 743 772	225,55%	2 433 000	162,77%
GEF ISDP SPMS		934 000	(934 000)	0	934 000	(934 000)	(100,00%)	1 868 000	0,00%
GEF Urban agriculture	22 948	4 264 500	(4 241 552)	22 948	4 264 500	(4 241 552)	(99,46%)	8 529 000	0,27%
GEF knowledge management	1 217 588	1 201 000	16 588	1 217 588	1 201 000	16 588	1,38%	2 402 000	50,69%
SUB-TOTAL	42 310 411	39 863 000	5 286 950	42 310 411	39 863 000	5 286 950	13,26%	79 726 000	53,07%
CITY MANAGER									
Masingita Development	162 965	750 000	(587 035)	162 965	750 000	(587 035)	(78,27%)	1 500 000	10,86%
Orange Farm Road and Storm water Ngonyama	1 206 282	750 000	456 282	1 206 282	750 000	456 282	60,84%	1 500 000	80,42%
Separation at Source	0	1 500 000	(1 500 000)	0	1 500 000	(1 500 000)	(100,00%)	3 000 000	0,00%
Constitutional Hill Visitors Centr	0	250 000	(250 000)	0	250 000	(250 000)	(100,00%)	500 000	0,00%
Newtown Precinct assessment	0	500 000	(500 000)	0	500 000	(500 000)	(100,00%)	1 000 000	0,00%
SUB-TOTAL	1 369 247	3 750 000	(2 380 753)	1 369 247	3 750 000	(2 380 753)	(63,49%)	7 500 000	18,26%
HEALTH DEPARTMENT									
Hikensile Clinic Renewal Clinic IVORY PARK EXT9 A Ward	4 372 357	11 876 500	(7 504 143)	4 372 357	11 876 500	(7 504 143)	(63,18%)	23 753 000	18,41%
Naledi clinic New Building NALEDI D	0	826	(826)	0	826	(826)	(100,00%)	1 652	0,00%
Naledi clinic New Building NALEDI D	0	826 000	(826 000)	0	826 000	(826 000)	(100,00%)	1 652 000	0,00%

Elias Motsoaledi clinic Renewal Building DUBE EXT2 D	0	20 000	(20 000)	0	20 000	(20 000)	(100,00%)	40 000	0,00%
Rabie Ridge Clinic Renewal and Community Health Centre New RABIE RIDGE A	68 000	20 489	47 512	68 000	20 489	47 512	231,89%	40 977	165,95%
Freedom Park New Clinic DEVLAND EXT30 G Ward	0	75 000	(75 000)	0	75 000	(75 000)	(100,00%)	150 000	0,00%
SUB-TOTAL	4 440 357	12 818 815	(8 378 458)	4 440 357	12 818 815	(8 378 458)	(65,36%)	25 637 629	17,32%
HUMAN SETTLEMENTS									
Finetown Proper -Region G	3 681 192	2 000 000	1 681 192	3 681 192	2 000 000	1 681 192	84,06%	4 000 000	92,03%
Kanana Park Ext 34 & 5	0	5 000 000	(5 000 000)	0	5 000 000	(5 000 000)	(100,00%)	10 000 000	0,00%
Drieziek Ext3	6 314 674	2 500 000	3 814 674	6 314 674	2 500 000	3 814 674	152,59%	5 000 000	126,29%
Drieziek Ext5	0	2 500 000	(2 500 000)	0	2 500 000	(2 500 000)	(100,00%)	5 000 000	0,00%
Drieziek Ext4	0	2 500 000	(2 500 000)	0	2 500 000	(2 500 000)	(100,00%)	5 000 000	0,00%
SUB-TOTAL	9 995 866	14 500 000	(4 504 134)	9 995 866	14 500 000	(4 504 134)	(31,06%)	29 000 000	34,47%
PIKITUP									
Marie Louise Landfill site-improved compliance and alterations	5 488 251	13 058 500	(7 570 249)	5 488 251	13 058 500	(7 570 249)	(57,97%)	26 117 000	21,01%
Goudkoppies Landfill site- improved compliance and alterations	5 925 083	11 152 500	(5 227 417)	5 925 083	11 152 500	(5 227 417)	(46,87%)	22 305 000	26,56%
Linbro Park landfill site-improved compliance and alterations	8 720 083	6 027 000	2 693 083	8 720 083	6 027 000	2 693 083	44,68%	12 054 000	72,34%
Bezuidenhout Garden site	6 560 591	4 667 000	1 893 591	6 560 591	4 667 000	1 893 591	40,57%	9 334 000	70,29%
Ennerdale Landfill site-improved compliance alterations and cell development	4 030 552	8 777 000	(4 746 448)	4 030 552	8 777 000	(4 746 448)	(54,08%)	17 554 000	22,96%
Construction Upgrading and Engineering services at Zondi Depot	408 580	1 072 000	(663 420)	408 580	1 072 000	(663 420)	(61,89%)	2 144 000	19,06%
Upgrading and engineering services at Midrand Depot	7 923 244	16 597 500	(8 674 256)	7 923 244	16 597 500	(8 674 256)	(52,26%)	33 195 000	23,87%
Mondeor garden site	4 514 115	7 381 000	(2 866 885)	4 514 115	7 381 000	(2 866 885)	(38,84%)	14 762 000	30,58%
Florida Integrated Waste Management Facility	2 672 126	1 346 000	1 326 126	2 672 126	1 346 000	1 326 126	98,52%	2 692 000	99,26%
Woodmead garden site upgrading	2 525 219	11 593 500	(9 068 281)	2 525 219	11 593 500	(9 068 281)	(78,22%)	23 187 000	10,89%
SUB-TOTAL	48 767 844	81 672 000	(32 904 156)	48 767 844	81 672 000	(32 904 156)	(40,29%)	163 344 000	29,86%

TRANSPORTATION PTNG									
2804_14_Signage Demarcation blocks and Corridor Road Markings	10 273 944	15 000 000	(4 726 056)	10 273 944	15 000 000	(4 726 056)	(31,51%)	30 000 000	34,25%
2804_16_Rea Vaya BRT Phase 1C New Stations	22 418 378	5 000 000	17 418 378	22 418 378	5 000 000	17 418 378	348,37%	10 000 000	224,18%
2804_18_Selby Bus Depot (Phase 2C Administration Building)	25 107 773	27 500 000	(2 392 227)	25 107 773	27 500 000	(2 392 227)	(8,70%)	55 000 000	45,65%
2804_15_Rea Vaya BRT Land Acquisition	61 831	2 500 000	(2 438 169)	61 831	2 500 000	(2 438 169)	(97,53%)	5 000 000	1,24%
2804_20 Rea Vaya BRT Phase 1 A and B Station Rehabilitation	813 671	12 000 000	(11 186 329)	813 671	12 000 000	(11 186 329)	(93,22%)	24 000 000	3,39%
BRT phase 1C Roadways	43 836 674	45 000 000	(1 163 326)	43 836 674	45 000 000	(1 163 326)	(2,59%)	90 000 000	48,71%
Depo Rehabilitation Phase 1 A / Meadowlands Bus Depot	2 116 401	15 567 500	(13 451 099)	2 116 401	15 567 500	(13 451 099)	(86,41%)	31 135 000	6,80%
Sandton to Ivory Park Depots and Terminals	0	1 628 000	(1 628 000)	0	1 628 000	(1 628 000)	(100,00%)	3 256 000	0,00%
Sandton to Ivory Park BRT Roadways	0	1 628 000	(1 628 000)	0	1 628 000	(1 628 000)	(100,00%)	3 256 000	0,00%
SUB-TOTAL	104 628 673	125 823 500	(21 194 827)	104 628 673	125 823 500	(21 194 827)	(16,84%)	251 647 000	41,58%
DEPARTMENT OF SOCIAL DEVELOPMENT (SoC DEV)									
Refurbishment of the Yetta Nethan Community Centre ORLANDO WEST D	7 624 121	4 250 000	3 374 121	7 624 121	4 250 000	3 374 121	79,39%	8 500 000	89,70%
Shelters for Displaced People Region G	3 810 103	8 073 623	(4 263 520)	3 810 103	8 073 623	(4 263 520)	(52,81%)	16 147 246	23,60%
Betrams New Multi-Purpose Center	8 313 405	8 222 000	91 405	8 313 405	8 222 000	91 405	1,11%	16 444 000	50,56%
SUB-TOTAL	19 747 629	20 545 623	(797 994)	19 747 629	20 545 623	(797 994)	(3,88%)	41 091 246	48,06%
TRANSPORTATION COJ FUNDING:									
Large: Public Transport Facility Redevelopment of Kazerne NEWTOWN EXT Region F	662 200	2 500 000	(1 837 800)	662 200	2 500 000	(1 837 800)	(73,51%)	5 000 000	13,24%
PTF: Small Public Transport Facility Design and Construction of Kya Sand Superstop New Nodal Transport Facilities KYA SAND	271 000	1 143 900	(872 900)	271 000	1 143 900	(872 900)	(76,31%)	2 287 800	11,85%
PTF: Upgrading of Rosebank Public Transport Facility	332 395	250 000	82 395	332 395	250 000	82 395	32,96%	500 000	66,48%
PTF: Small Public Transport Facility Design and Construction of Lakeside New Nadal Transport Facilities (Stops)	0	2 500 000	(2 500 000)	0	2 500 000	(2 500 000)	(100,00%)	5 000 000	0,00%
PTF: Public Transport Stops in Cosmo City	3 036 999	6 000 000	(2 963 001)	3 036 999	6 000 000	(2 963 001)	(49,38%)	12 000 000	25,31%
Complete Streets: NMT links to public transport facilities in Tshepisong	1 703 603	3 166 100	(1 462 497)	1 703 603	3 166 100	(1 462 497)	(46,19%)	6 332 200	26,90%

Carr Street Public Transport Facility	2 273 768	3 500 000	(1 226 232)	2 273 768	3 500 000	(1 226 232)	(35,04%)	7 000 000	32,48%
Jack Mincer Public Transport Facility	5 030 596	2 500 000	2 530 596	5 030 596	2 500 000	2 530 596	101,22%	5 000 000	100,61%
Ebareni Public Transport Facility	1 101 276	2 500 000	(1 398 724)	1 101 276	2 500 000	(1 398 724)	(55,95%)	5 000 000	22,03%
Sandton PTI Facility (Gautrain Station taxi rank)	0	500 000	(500 000)	0	500 000	(500 000)	(100,00%)	1 000 000	0,00%
CITP Comprehensive Integrated Transport	229 235	1 500 000	(1 270 765)	229 235	1 500 000	(1 270 765)	(84,72%)	3 000 000	7,64%
Parking Management policy Ph2	0	700 000	(700 000)	0	700 000	(700 000)	(100,00%)	1 400 000	0,00%
Ehailing policy	379 071	354 493	24 578	379 071	354 493	24 578	6,93%	708 985	53,47%
Phase 1 A&B review study	0	922 255	(922 255)	0	922 255	(922 255)	(100,00%)	1 844 510	0,00%
Desmond Tutu precinct	0	324 531	(324 531)	0	324 531	(324 531)	(100,00%)	649 061	0,00%
Sandton Master plan	426 420	381 531	44 890	426 420	381 531	44 890	11,77%	763 061	55,88%
Protea Master plan	0	349 940	(349 940)	0	349 940	(349 940)	(100,00%)	699 879	0,00%
Southern Area master plan	0	1 170 125	(1 170 125)	0	1 170 125	(1 170 125)	(100,00%)	2 340 250	0,00%
MBT Taxi Feeder serv Integration study	426 779	1 200 000	(773 221)	426 779	1 200 000	(773 221)	(64,44%)	2 400 000	17,78%
IPTN primary corridors financial plan and buss case	0	1 185 486	(1 185 486)	0	1 185 486	(1 185 486)	(100,00%)	2 370 971	0,00%
ICM Strategy and model	0	1 025 197	(1 025 197)	0	1 025 197	(1 025 197)	(100,00%)	2 050 393	0,00%
Park and ride Study	77 527	369 748	(292 221)	77 527	369 748	(292 221)	(79,03%)	739 496	10,48%
IPTN primary corridors BRT Rail ICM	185 151	950 868	(765 716)	185 151	950 868	(765 716)	(80,53%)	1 901 735	9,74%
Technical support	2 162 472	5 000 000	(2 837 528)	2 162 472	5 000 000	(2 837 528)	(56,75%)	10 000 000	21,62%
PTF: Conditional Assessments	0	3 000 000	(3 000 000)	0	3 000 000	(3 000 000)	(100,00%)	6 000 000	0,00%
SUB-TOTAL	18 298 492	42 994 171	(21 695 679)	18 298 492	42 994 171	(21 695 679)	(50,46%)	85 988 341	21,28%
Other									
Space Planning, Design, Built and Relocation	0	2 500 000	(2 500 000)	0	2 500 000	(2 500 000)	(100,00%)	5 000 000	0,00%
Repairs and Maintenance Electricity Interchange Modal Transport Interchange	0	900 000	(900 000)	0	900 000	(900 000)	(100,00%)	1 800 000	0,00%
JMPD Car Compound, Marily House, City and Surb, Lorentzville, Jeppestown, Bramley&Lombardy,	8 587 672	10 000 000	(1 412 328)	8 587 672	10 000 000	(1 412 328)	(14,12%)	20 000 000	42,94%
	8 587 672	13 400 000	(4 812 328)	8 587 672	13 400 000	(4 812 328)	(35,91%)	26 800 000	32,04%
GGDA									
Constitutional Hill Visitors Centr	0	75 262 766	(75 262 766)	0	75 262 766	(75 262 766)	(100,00%)	150 525 532	0,00%

Mqansa and Atteridgeville Industrial Park	0	11 319 000	(11 319 000)	0	11 319 000	(11 319 000)	(100,00%)	22 638 000	0,00%
Heidelberg Ph 1 Vaal Special Economic Zone	0	18 129 009	(18 129 009)	0	18 129 009	(18 129 009)	(100,00%)	36 258 018	0,00%
Sub-total	0	104 710 775	(75 262 766)	0	104 710 775	(75 262 766)	(71,88%)	209 421 550	0,00%
Joburg Water									
Randburg Depot	10 905 771	7 500 000	3 405 771	10 905 771	7 500 000	3 405 771	45,41%	15 000 000	72,71%
Sub-total	10 905 771	7 500 000	3 405 771	10 905 771	7 500 000	3 405 771	45,41%	15 000 000	72,71%
UNCONFIRMED									
Central fire station	3 586 965			3 586 965					
Alexandra fire statuion	240 566			240 566					
Universal Design Access	469 376			469 376					
Pimville Zone 9	5 687 434			5 687 434					
Wattstreet Precinct Wynberg	274 560			274 560					
Alternative Energy	774 712			774 712					
PTF: Small Public Transport Facilities: Orange Farm Ext 7 (Region G)	6 985 434			6 985 434					
Integrated Corridor Management	561 557			561 557					
Inner City Road map	238 500			238 500					
Ivory Park Swimming pool	713 911			713 911					
Drieziek MPC	588 542			588 542					
Protea Glen Clinic	316 754			316 754					
GIS intergrated spatial data portal	1 756 849			1 756 849					
	22 195 160			22 195 160					
TOTAL	427 749 240	546 791 513	(132 128 133)	427 749 240	572 969 761	(132 128 133)	(23,06%)	1145 939 522	37,33%

SECTION 6: RATIO ANALYSIS

TABLE 47: RATIO ANALYSIS FOR THE PERIOD ENDED 31 December 2025

RATIO ANALYSIS FOR THE QUARTER ENDED 31 December 2025

Key Performance Area	-	Actual 31 December 2024	Actual 31 December 2025	
Current ratio	Above 1,5: 1	0.94:1	0.79:1	1
Solvency ratio	Above 2: 1	0.97:1	0.44:1	2
Salaries to expenditure ratio	Below 60%	47%	46%	3
Revenue	R74.7 million	74.7 million	67.8 million	
Expenditure (including taxation)	R74.7 million	R107.6 million	R113.2 million	
Surplus / (Deficit)	R nil	(R25 million)	(R45.5 million)	
Total net assets	R15.4 million	(32.9 million)	(462 million)	
Capital expenditure	40%	45%	37%	4

Notes

- 1 **Current ratio** is below the target and is below when you compare with last year quarter. Included in current liabilities is the sweeping account with the shareholder which increases with the interest on a monthly basis.
- 2 **Solvency ratio** is just below the target and below than the 2nd quarter of the previous year mainly due to invoices that were received in December. 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 last year quarter due to an overall reduction in the operational expenditure which affects the denominator of the ratio and some vacancy position that are not filled.
- 4 The target was not achieved since it was below by 3%

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

Analysis of BBBEE and SMME results for the period 1 July 2025 to 31 December 2025

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

1 July 2025 to 31 December 2025

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

For the period 1 July 2025 to 31 December 2025 the JDA achieved 116% B-BBEE Opex and Capex procurement.

The total B-BBEE expenditure commitment in terms of active contracts was R452 150 588,74 for the period 1 July 2025 to 31 December 2025, and the BBBEE share of expenditure achieved within the period was R525 058 222.

Table 1 below indicates the B-BBEE expenditure from 1 July 2025 to 31 December 2025

Description	1 July 2025 to 31 December 2025		
	Total Expenditure	BBBEE Claimed	BBBEE %
Capex	R434 777 793,86	R509 392 251	117%
Opex	R17 372 794,88	R15 665 971,01	90%
Consolidated Opex and Capex	R452 150 588,74	R525 058 222	116%

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 2025 to 31 December 2025

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 2025 to 31 December 2025, the SMME share of JDA's total expenditure was R227 420 612 This constitutes an achievement 50%

Table 2 below indicates the SMME expenditure from 1 July 2025 to 31 December 2025

Description	1 July 2025 to 31 December 2025		
	Total Expenditure	SMME Claimed	SMME %
Capex	R434 777 793,86	R223 273 844	51%
Opex	R17 372 794,88	R4 146 767,72	24%
Consolidated Opex and Capex	R452 150 588,74	R227 420 612	50%

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 In terms of Regulation 36(1a) (v) allows an accounting officer to deviate from procurement processes in any other exceptional case where it is impractical or impossible to follow the official procurement processes". In this instance It is Impractical and Impossible to follow the procurement processes.

It should be noted that for the period 1 July 2025 to 31 December 2025 there were no deviations from the SCM processes.

6.3 Payment within 30 Days

The MFMA requires that MOEs pay suppliers within a 30-day period. In the year to June 2024, a significant number of suppliers were not paid within the prescribed period as a result of cash-flow challenges that the City as a whole experienced. A total of 83% of invoices were paid within the prescribed period of 30 days.

6.4 Report on Irregular, Fruitless and Wasteful Expenditure and Due Process

For the period 1 July 2025 to 31 December 2025 there was Irregular expenditure incurred to a value of R61 234 471.37

SECTION 8: PENDING LITIGATIONS AND POSSIBLE LIABILITIES

TABLE 50: (Contingent assets)

The table below 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.

CASE / MATTER	DATE INSTITUTED/ APPOINTED ATTORNEYS	TYPE/ DESCRIPTION	EXPECTED COMPLETION DATE, PROSPECTS OF SUCCESS AND ESTIMATED LEGAL COSTS	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 R 8 084 159.74. Parties have filed their founding and answering affidavits in the matter. The matter is still ongoing, and parties are yet to exchange the remaining court papers before filing Heads of Argument and applying for a date for hearing. The legal expenditure incurred to date amounts to R 250 001.26	The completion date will be determined once parties have filed all their papers in the matter. JDA has good prospects of success in the matter. Estimated legal fees: R 750 000.00	R 8 084 159.74
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 R 4 744 036.14 which is owed to JDA on the basis of a payment certificate that was issued in 2021. Attorneys issued summons, and Mayibuye i-Afrika and Khum Investments CC filed notices of intention to defend the matter and were required to file their defenses to the claim. Mayibuye i-Afrika filed a notice of exception to JDA’s papers. The	Completion date to be determined once parties have filed all their papers in the matter. JDA has good prospects of success in the matter.	R 4 744 036.14

		<p>other company forming the JV, Khum MK Investments, failed to file its defense to the matter, and JDA's attorneys successfully pursued an application for default judgment against the company. Khum MK Investments in turn applied for an order rescinding (reversing) the default judgment, and JDA's attorneys have opposed this application. JDA's attorneys have served and filed JDA's Heads of Argument. We now await Khum Investments as the Applicant and <i>dominus litis</i>, to file the necessary forms as well as compliance statements and set the matter down for hearing.</p> <p>The legal expenditure incurred to date amounts to R 273 439.23</p>	<p>Estimated legal fees: R 500 000.00</p>	
<p>3. JDA// Lombard Insurance Co. Ltd and Kingsway Civil (Pty) Ltd</p>	<p>October 2021 Mphoke PK Magane Attorneys</p>	<p>Claim against Lombard Insurance and Kingsway Civils in respect of the Braamfischerville project, wherein JDA terminated a contract with Kingsway Civils after breach of contract. The claim is for an amount of R 8 944 302.06 under a performance guarantee against Lombard Insurance, and R 9 860 628.48 against Kingsway Civils for additional costs incurred to complete the works, alternatively R 916 326.42. The matter is still ongoing, and JDA has instructed its attorneys to proceed with setting the matter down for hearing. The hearing is only in relation to the exception filed by Lombard Insurance. Depending on the outcome of the hearing, JDA will proceed to request that the matter be referred to the Commercial Court.</p> <p>The legal expenditure incurred to date amounts to R 1 255 928.87.</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>Estimated legal costs: R 2000 000.00 – R 3000 000.00.</p>	<p>R 8 944 302.06 against Lombard Insurance alternatively, R 9 860 628,48 against Kingsway Civil for additional costs incurred to complete the works, alternatively R 916 326.42.</p>

<p>4. JDA// PHB Engineers (Pty) Ltd</p>	<p>August 2019</p> <p>Mphoke PK Magane Attorneys</p>	<p>This is a claim for damages as a result of breach of contract with respect to the construction of the Orchards Clinic. PHB Engineers' contract was terminated after they failed to exercise the degree of professional skill, care and diligence required of it in the performance of the services, compromising the Clinic's structural integrity. JDA instituted a claim for an amount of R 32,837,618.72 with interest. PHB Engineers' attorneys had previously indicated a willingness by their client to engage in settlement negotiations, and had requested a list of documents from JDA in that regard. JDA is still engaged in discussions with consultants to provide the requested information for settlement negotiations.</p> <p>Legal expenditure to date: R 61 732.00</p>	<p>The anticipated completion date can only be determined once parties progress with settlement negotiations.</p> <p>JDA has good prospects of success with the claim.</p> <p>Estimated legal fees: R 2000 000.00 - R 3000 000.00 if the matter proceeds to trial.</p>	<p>R 32,837,618.72</p>
<p>5. JDA // PACT Guarantees and Dingatana Supplies and Services</p>	<p>June 2025</p> <p>Mphoke PK Magane Attorneys</p>	<p>This is a claim under a performance guarantee following termination of contract on the Pimville Roads and stormwater project, after the contractor breached the contract. The amount to be claimed is R 2 652 344.48. Summons have been issued.</p> <p>The contractor (Dingatana Supplies and Services) was served with summons, and we currently await feedback from the sheriff on service of summons on Pact Guarantees (guarantor). There was a need to trace the guarantor's alternative address as the sheriff was unable to effect service at the address JDA's attorneys had on record.</p>	<p>The estimated completion date can only be determined once parties have exchanged all court papers.</p> <p>JDA has good prospects of succeeding with the claim.</p> <p>Total estimated legal costs: R 1200 000.00 excluding disbursements.</p>	<p>R 2 652 344.48</p>

		The contractor has not filed a notice to defend the matter.		
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Contingent liabilities

CASE / MATTER	DATE INSTITUTED/ APPOINTED ATTORNEYS	TYPE/ DESCRIPTION	EXPECTED COMPLETION DATE, PROSPECTS OF SUCCESS AND ESTIMATED LEGAL COSTS	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 R 8 331 113.89.</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</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> <p>Total estimated legal costs: R 3000 000.00.</p>	R 8 331 113.89, alternatively R 7 700 000.

		<p>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>JDA has filed its Plea (defence) in the matter.</p> <p>The plaintiffs applied for summary judgment, which JDA has opposed. The plaintiffs further applied to amend their particulars of claim however, the amended papers are irregular and non-compliant with the rules of court in that they do not contain any annexures, whilst referencing new annexures which were not part of the initial summons. JDA's attorneys have prepared an application to have the plaintiff's amendments set aside after the plaintiffs failed to correct the irregular amendments.</p>		
2. 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 R 4 399 825.17.</p> <p>Attorneys have filed JDA's plea (defense) in the matter, and the plaintiff has taken no further steps since then.</p> <p>The legal expenditure incurred to date amounts to R 363 250.62</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> <p>Total estimated legal costs: R 510 000.00.</p>	R 4 399 825.17
3. MACP Construction//JDA &	September 2024	<p>This is a dispute in respect of a claim for standing time and extension of time in the</p>	<p>The completion date is unknown at this stage, as parties still need</p>	R 3,966,434.76

<p>Bergstan South Africa Consulting and Development Engineers</p>	<p>MNS Inc. Attorneys</p>	<p>construction works of the Soweto Railway station- Chiawelo, instituted against JDA and the Employer’s Agent (“EA”). MACP claim’s is for standing time and extension of time in the amount of R 3,966,434.76, made up of three claims: R 3,000,251.93; R 864,479.37; and R 101,703.46.</p> <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. JDA has through its attorneys filed a plea and special plea. JDA’s attorneys further addressed a letter to the EA’s attorneys, aimed at determining the practicality of continuing with the claim, or exploring an out of court settlement with the EA taking accountability for their conduct.</p> <p>The EA’s attorneys addressed correspondence in which they alleged that the EA issued an instruction to the contractor to establish the site early because it was instructed to do so by JDA personnel. It is alleged that this was informed by verbal instruction.</p> <p>On 19 September 2025, the EA filed their Discovery affidavit and JDA’s attorneys are currently considering the discovered documents.</p> <p>The legal expenditure incurred to date amounts to R 486 280.09</p>	<p>to exchange further court papers before applying for a court date.</p> <p>JDA has fair prospects of success in the matter.</p> <p>Due to the complexities and uncertainties around the matter, and general unpredictable nature of legal matters, it is difficult to provide an estimate of legal fees.</p>	
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<p>4. Modisethupa // Masakhane Mbali & JDA</p>	<p>Oct 2015 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.</p> <p>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 R 2 193 953.58 is being claimed from JDA, couched as a claim for loss of income.</p> <p>JDA had retrieved information confirming that the contractor was from a different ward to that which was affected by the project.</p> <p>The plaintiff has still not taken any further steps in the matter.</p> <p>The legal expenditure incurred to date amounts to R 276 399.75</p>	<p>Anticipated completion date is unknown at this stage.</p> <p>JDA has good prospects of success in the matter.</p> <p>Total estimated legal costs: R 430 000.00</p>	<p>R 2 193 953.58</p>
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<p>5. Maitazwifoma Consulting CC // JDA</p>	<p>Oct 2022 SD Moloi and Associates</p>	<p>This is a court action/claim by Maitazwifoma Consulting CC (“Maitazwifoma”) for an amount of R 4 007 027.21 for work allegedly done on the Kazerne Taxi Rank project. Maitazwifoma was a subcontractor on the project.</p> <p>JDA filed its defence in the matter and the plaintiffs have taken no further steps since then.</p> <p>Legal expenditure to date: R 169 097.44</p>	<p>Anticipated completion date is unknown at this stage as the matter is relatively new.</p> <p>JDA has good prospects of succeeding with its defence due to the absence of a contractual link between JDA and the plaintiff.</p> <p>Total estimated legal costs: R 500 000.00</p>	<p>R 4 007 027.21</p>
<p>6. RohrrMark Engineering and Construction CC // JDA</p>	<p>Oct 2022 SD Moloi and Associates</p>	<p>This is a court action/claim by RohrrMark Engineering and Construction CC (“RohrrMark”) for an amount of R 6 940 420.80 for work allegedly done on the Kazerne Taxi Rank project. RohrrMark was a subcontractor on the project.</p> <p>JDA filed its defence in the matter and the plaintiffs have taken no further steps since then.</p> <p>Legal expenditure to date: R 78 224.43</p>	<p>Anticipated completion date is unknown at this stage as the matter is relatively new.</p> <p>JDA has good prospects of succeeding with its defence due to the absence of a contractual link between JDA and the plaintiff.</p> <p>Total estimated legal costs: R 400 000.00.</p>	<p>R 6 940 420.80</p>
<p>7. Louwkey Construction // JDA</p>	<p>June 2024</p>	<p>This is a court application by Louwkey Construction for default judgment against JDA. The matter pertains to invoices allegedly owing to Louwkey Construction on the Rea Vaya BRT System Phase 1 (C) A - Design, build and</p>	<p>Prospects of success, completion date and estimated legal costs are yet to be determined.</p>	<p>R 1 426 386.86</p>

	No attorneys appointed at this stage.	maintenance of the ICT System project. Louwkey Construction alleges that JDA was served with summons in June 2024 and has not filed a defence. We are currently retrieving background information to establish whether JDA has a valid defence to the claim and whether attorneys should be engaged to oppose the application. The amount claimed is R 1 426 386.86		
8. Zookie Construction // JDA	October 2025 MNS Attorneys	The claim relates to the Pennyville Public Environment Upgrades wherein Zookie Construction was appointed as the contractor. JDA terminated the contract following breach thereof by Zookie Construction. Zookie Construction has now instituted a claim of R 1 057 034.46 for alleged unpaid invoices and damages. JDA has filed its notice of intention to defend the matter and currently collating documentation to file a Plea (defence) and possible counterclaim.	Prospects of success, completion date and estimated legal costs are yet to be determined.	R 1 057 034.46
9. Nsovo Construction // JDA	November 2025 Nchupetsang Attorneys	This is a court application to enforce an adjudication award issued in favour of Nsovo Construction. Nsovo Construction was the main contractor on the Randburg Public Environmental Upgrades project. The adjudication award relates to Extension of Time and Standing Time claims. JDA has appointed attorneys to oppose the application.	JDA has fair prospects of success. Completion date and estimated legal costs are yet to be determined.	R 5 575 381.25

The table below 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 or issued. Depending on the nature of the claims, the matters/claims are 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
1. JDA// REMBU Construction (Arbitration)	2018 ENSafrica	This is an arbitration matter (referred by Rembu Construction) regarding the alleged unlawful termination of the JBCC agreement by JDA. The termination was based on breach of contract on the Multipurpose and recreation complex in Paterson Park. Rembu was claiming payment of R 1 241 213.10 from two payment certificates, and R 21 087 071.50 for loss of income as a result of the contract termination. JDA lodged counterclaims and denied that the termination was unlawful. JDA claimed R 13 252 295.63 for costs to complete the project after the termination of Rembu's contract, and payment from Rembu in respect of the balance of the final payment certificate after deductions and set off. The matter was heard, and the arbitrator published the arbitration award on 30 July 2025. In terms of the award, Rembu Construction's claims were dismissed, and JDA's claimed were upheld as follows: JDA was awarded R 3,039,606.22 (with interest a tempore morae at the rate of 160% of the interest rate) in respect of the final payment certificate, and R 9,152,120.05 (with interest a tempore morae at the prescribed rate of interest) in respect of damages. The amount awarded is R 1 060 569.36 less than what was initially claimed. The amount of R 12 191 726.27 is due and payable to JDA and Rembu is to pay JDA's legal fees in terms of the arbitration award. However, Rembu has filed an application to review the arbitration award, which could possibly result in the award being set aside. JDA has	The arbitration was finalised however, Rembu Construction has filed an application to review and set the arbitration award aside. JDA has good prospects of success in opposing the review application. Estimated legal fees to oppose the review application: R 800 000.00	Rembu's claim (contingent liability): R 22 328 284.59 JDA's counterclaim (contingent asset): R 13 252 295.63 Awarded amount: R 12 191 726.27

		<p>instructed its attorneys to oppose the application. The attorneys will further proceed with an application to have the Arbitration Award made in an Order of court. This will enable JDA to enforce payment under the Arbitration Award.</p> <p>The legal expenditure incurred to date amounts to R 3,784,443.95</p>		
<p>2. JDA // Mayibuye i-Afrika, Khum Investments JV //JDA (Arbitration)</p>	<p>June 2024</p> <p>MNS Inc. Attorneys</p>	<p>Selby 2C Bus Depot project – Termination of Building Contract</p> <p>The contractor 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>Mayibuye seeks payments of R 53 561 695.11. JDA filed its statement of defence, plea and counterclaim. JDA's initial counterclaim was of R 34,578,260,80 on account of breach of contract by the Joint Venture and damages suffered as a result include the costs of the appointment of new contractor to complete the works. Attorneys have filed JDA's amended counterclaim to take into account additional damages arising from rectification of the Joint Venture's defective works. The amended counterclaim has increased the amount of JDA's counterclaim by an additional R 18 252 540.72.</p> <p>Having files JDA's amended counterclaim, JDA's attorneys will proceed to consult with the view of attending to witness statements, attendances for the pre-trial meeting and setting the arbitration down for the hearing.</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> <p>Estimated legal fees: R 2000 000.00</p>	<p>Mayibuye's claim (contingent liability): R 53 561 695.11</p> <p>JDA's counterclaim (contingent asset): R 34 578 260.80 (amount has been revised to include an additional R 18 252 540.72.</p>

		The legal expenditure incurred to date amounts to R 1,253,727.96		
3. JDA // Masston Bash Carriers JV (performance guarantee)	February 2025 MNS Attorneys	<p>This is a claim under a performance guarantee following termination of contract on the Naledi Clinic project. There is also a possible claim for damages and amounts paid to subcontractors. The contract was terminated due to poor performance and the contractor's failure to progress the works in accordance with the various completion stages. The amount claimed under the guarantee is R 5 303 367.97.</p> <p>A letter of demand was issued however, the guarantor failed to make payment.</p> <p>JDA has now issued an enforcement application for Prism to pay the performance guarantee sum which application will be served by the sheriff on Prism and the joint venture. Attorneys are finalising the statement of claim and arbitration referral to pursue damages claims against the joint venture. The damage the JDA seeks to recover are in lieu of costs associated with the appointment of a replacement contractor, payments to SMMEs and the rectification of defective works.</p> <p>Once the referral notice and statement of claim are finalised the arbitration proceedings will be initiated.</p> <p>Legal expenditure to date: R 633 410.51</p>	<p>The matter is relatively new, so the completion date is unknown.</p> <p>JDA has good prospects of success in the matter.</p> <p>Estimated legal fees: R 750 000.00</p>	<p>Contingent asset -</p> <p>R 5 303 367.97.</p> <p>Damages claim is yet to be determined.</p>

<p>4. African Moon Construction// JDA</p>	<p>November 2025</p> <p>No attorneys appointed at this stage</p>	<p>The matter relates to a claim for alleged outstanding payments on the Kopanong Sports ground project. The contractor issued JDA with a notice of intention to institute legal proceedings should JDA fail to pay the amount claimed. The total amount claimed is R 2 473 904.91. The claim is currently being assessed to determine whether JDA has a valid defence or whether the claim should be settled.</p>	<p>Prospects of success, completion date and estimated legal costs are yet to be determined.</p>	<p>Contingent liability: R 2 473 904.91</p>
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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 2, there are six (6) claims that are still open, emanating from previous years as outlined in the table below:

TABLE 51: INSURANCE CLAIMS

Claim No.	Claim Notification	Description of Loss	Claims Status	Net Claim
ADRS00022096	13-Oct-2025	Third party fell into an uncovered manhole.	Claim under assessment.	Unknown
ADRS00015175	13-Feb-2024	Third party fell into an uncovered manhole.	Attorney appointed to handle TP approach.	R 3 020 000,00
ADRS00011226	06-Jan-2023	Third party fell into an uncovered water main access panel.	Insurer handling TP claim.	R 2 515 263.13
ADRS00008441	13-Jan-2022	JDA's appointed contractor damaged third party's property.	Awaiting TP approach.	R 12 500.00
ADRS00008435	20-Apr-2021	JDA appointed contractor's damage third party's wall.	Corresponding with TP - TP Claim.	R 85 000.00
ADRS00001394	01-Oct-2020	A bridge collapsed and resulted in the death of two people and 19 others injured.	Insurer handling TP claim.	R 38 000.00
ADRS00011575	01-Oct-2020	Damages to third party property.	Attorney handling TP summons.	R 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 52: AMOUNTS OWED BY GOVERNMENT DEPARTMENTS AND PUBLIC ENTITIES

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

Name of department	Balance	Comments
	R' 000	
City of Johannesburg - CAM & USDG	478 073	The primary factors contributing to nonpayment it is due to cash flow challenges experience from COJ
City of Johannesburg-Transport	465 443	<p>The primary factors contributing to none it is due to cash flow challenges from COJ and other factors are as follows as they are not being address .</p> <p>Ø The ratification report, which includes R97M in legacy invoices, has not yet been finalized or approved.</p> <p>Ø The budget lift report remains unapproved due to a delay in submission by the Transport Department, covering the 2023/2024 accruals amounting to R33M. These accruals are currently not payable and may require the ratification report for resolution.</p> <p>Ø An outstanding R96M consists of current invoices that remain unpaid due to inefficiencies within the Transport Department and ongoing disputes between the JDA and the Transport Department Project team. Addressing these issues is crucial, as failure to do so may result in legacy debt</p> <p>Ø An additional concern is that JDA Project Managers are no longer adhering to the agreed-upon belt conveyor process, which often results in claims being rejected or delays in the approval process.</p> <p>Ø Progress - Developments per SHEMT April Meeting:</p> <p>Ø A total of R40 million in invoices are pending due to the unsigned Addendum 24/205 (Adjusted Budget).</p> <p>Ø R21 million in invoices are currently with Supply Chain Management (SCM).</p> <p>Ø R13 million worth of invoices were previously rejected; however, the related issues have since been resolved among the Project Managers.</p> <p>Ø R2 million pertains to security invoices. This matter has been resolved, and the Transport Department has been tasked with processing these payments.</p> <p>Ø R11 million March received invoices are currently undergoing verification processes.</p>
City of Johannesburg - Department of Economic Development	23717	<p>The primary reasons for the long-standing/outstanding debt are as follows:</p> <p>Ø Linear Market: The total debt amounts to R17M. The department has raised concerns regarding the work completed and has indicated that the individuals who worked on this project are no longer available for clarification or further action.</p> <p>Ø Ininner City Road Map: A total of R2.3M is related to this project. For the remaining projects with a total of R4M combined, the department has not provided specific reasons for non-payment, except that the individuals who worked on these projects are no longer with the department</p>

<p>City of Johannesburg- Department of Development Planning</p>	<p>84088</p>	<p>The client department is committed to settling the outstanding debt. The delay in payments for long-outstanding debt was due to issues with merchant payment processing, which prevented timely payments. However, all outstanding accrual invoices have since been settled.</p> <p>The current outstanding invoices total R21M, of which R18M pertains to suspension costs for the Jabulani TOD Phase 7 project. These costs are not payable under GRAP 17 and have been deemed over budget, with rejection from the Planning Department.</p> <p>A meeting with management is required to address this matter. The remaining balance relates to invoices that are within the 30–60-day payment period</p>
<p>City of Johannesburg - EMS</p>	<p>60 350</p>	<p>The primary reasons for the long-standing outstanding debt are as follows: Central Fire Station: The total amount is R27M. A ratification report has been drafted and is currently in progress for approval. EMS is expected to provide an update on the status of the report. Cosmo City: The total outstanding amount is R15M, which is under dispute. The JDA Project Manager asserts that the budget was not exceeded, while the EMS Project Manager disagrees. Additionally, the EMS Project Manager disputes the work completed. No ratification report has been drafted for this matter. Alexandra Fire Station: A progress report has been drafted; however, issues have arisen as the Service Level Agreement (SLA) was either never signed or was signed by an unauthorized individual, rendering the SLA invalid.</p>
<p>City of Johannesburg - Department of Health</p>	<p>13 269</p>	<p>The client department is efficient in managing payments except R13 million that is not been paid in current year we have collected R 12 million</p>
<p>City of Johannesburg - Department of Housing</p>	<p>150 309</p>	<p>primary reasons for the long-standing outstanding debt are as follows: ∅ Inefficiency and Lack of Accountability at Human Settlements: Currently, project managers are taking responsibility, and disputes are being actively resolved through collaboration between both JDA and Human Settlements project managers. ∅ Escalated Matters: Issues related to Bramfisherville and Solplaatjie have been resolved by management. The JDA Senior Manager and project managers are now tasked with providing the outstanding information required. The issues with the merchant payment where invoices are not paid due to cash flow.</p>
<p>City of Johannesburg - Department of Social Development</p>	<p>89 627</p>	<p>The primary reasons for the long-standing outstanding debt are as follows: ∅ Yetta Nathan Debt: The amount of R3.9M, along with Repairs and Maintenance totalling R1.1M, was accrued. A resolution was made that payment would be processed provided JDA Senior Manager: Development Infrastructure (SM: DI) provides all other outstanding information. ∅ Current Debt: There are significant over-budget issues that have not been addressed. The client has even requested that no invoices be billed, as there is no available budget to cover these costs. ∅ The other factor is the cash flow challenges for COJ .</p>

City of Johannesburg - Department of Community Development	138 491	The client has made significant efforts to settle the outstanding debt, including a double payment of R2M. Approval was granted in March to apply R2M towards settling a portion of the R18M, along with other outstanding invoices, however other amount is within 30 days. The other challenge is the cash flow issues from COJ
City of Johannesburg - City Manager	70 789	The challenges for City Manager officer is cash flow challenges that affect COJ.
Total	1 574 156	

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 to 31 December 2025, 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, four (4) are in progress, and two (2) are on hold, one project (ERP) the CEO requested the project to be conducted by AGSA and

the other (Accounts payable and vender invoice) awaiting submission of information by finance department.

- b. There were three (3) section 116 reports submitted to internal audit for review in the 2nd quarter and all report are completed.
- c. There were two (2) UIFWE reports submitted to internal audit for review in the 2nd quarter and both reports are completed.
- d. There were fifteen (15) probity report submitted for review, 9 reports are completed and 6 are still in progress.
- e. Therefore, in total internal audit had to undertake twenty-six (26) projects of which fourteen (14) are completed (53.84%), ten (10) are in progress (38.46%) and two (2) are on hold (7.69%).

TABLE 53: 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	In progress	The OCPA reports for the month of November 2025 was issued on the xx December 2025. The follow-up for the month of December is currently in progress and anticipated to be completed by 30 December 2025.	Requires improvement
2.	Integrated Governance and Risk Management process	In progress	The project is currently at reporting stage with an anticipated completion date of 31 January 2026	Requires improvement
3.	2024/25 1 st Quarterly Audit of performance information (APOO)	In progress	The project is currently at reporting stage. Draft audit findings are prepared for discussion with management. The audit is anticipated to be completed on 31 January 2026	Require improvement
4.	HR processes	In progress	The audit is currently at reporting stage. The audit is anticipated to be completed on 31 December 2025.	Requires improvement.
5.	Accounts Payable and Vendor Invoices for the second quarter	On hold	The team is awaiting finance department to finalise the AGSA audit.	TBC
6.	Enterprise resource planning (ERP)	On hold	Project to be transferred to the office of the CEO.	TBC

TABLE 54: PROGRESS ON SPECIAL AUDIT REQUEST ((Section 116)

This section of the report relates to the 116 reports reviewed by internal audit in the period 01 September 2025 to 31 December 2025: in this reporting period there were three (3) 116 reports reviewed by internal audit.

No.	Audit Description	Service provider	Progress Status
1	NMT (walking and cycling) improved access to IPTN BRT corridors in the city of Johannesburg	Sea Projects Engineers (Pty)	Completed
2	Park and Ride facilities – masterplan implementation as part of PTIN in the city of Johannesburg	2MC Consulting engineers	Completed
3	Sandton Transport Masterplan	SMEC	Completed

TABLE 55: PROGRESS ON SPECIAL AUDIT REQUEST ((UIFWE)

This section of the report relates to the UIFWE reports reviewed by internal audit in the period 01 September 2025 to 31 December 2025: in this reporting period there were two (2) UIFWE reports reviewed by internal audit.

No.	UIFWE Description	Status
1	Interest Charged on the Negative Sweeping Balance	Completed
2	VAT Receivable Write-Off	Completed

SECTION 2: PROGRESS ON PROBITY AUDITS

This section of the report relates to probity audits conducted in the period 01 September 2025 to 31 December 2025; in this reporting period there were 15 requests for probity audits.

Table 56: list of probity reviews undertaken

No.	Project	Discipline	Service provider	Progress status
1	BRT Station Westbury and Bosmont	Multi-disciplinary	P Wise Projects (Pty) Ltd	Completed
2	Construction of supersptops and NMT infrastructure at Cosmo city phase 2	Contractor	Pheladi Noko Funeral and Construction	Completed
3	Completion of the refurbishment and upgrade work to the existing Mqantsa Industrial Park- Bomba Sibiya Industrial Hive	Contractor	Ngwanashogole Trading Enterprise (Pty) Ltd	Completed
4	Supply and installation of the upgrade grid-tied hybrid solar	Contractor	Pro-Power Group	Completed

	system at Kazerne Public Transport Facility			
5	Review, design, and installation of solar panels, a hybrid battery and inverter system and CCTV system for the Kazerne Public Transport Facility	Multi-disciplinary	SRSQS Quantity Surveyors	Completed
6	Redevelopment of Newtown	Multi-disciplinary	Vish Services (Pty)	Completed
7	Construction and Completion of the Joburg Water Randburg Depot	Contractor	U and S Holdings	Completed
8	Vaal SEZ: Installation of Civil Engineering Bulk Infrastructure Services at Heidelberg	Multi-disciplinary	Bosele Consulting	Completed
9	Refurbishment of Human Settlement Flats, namely, the West Gate, Harlem, Hillbrow and Dallas Flats	Multi-disciplinary	Epitome Consulting (Pty) Ltd	Completed
10	Construction of bulk pipeline, bulk sewer line, and bulk roads and stormwater for the Vaal SEZ Programme	Contractor	FM Infrastructure	In progress
11	Refurbishment of the Dallas And Harlem flats, Eldorado Park	Contractor	KPA Civils	In progress
12	Refurbishment of Hillbrow and Westgate Flats	Contractor	KPA Civils	In progress
13	Refurbishment of Human Settlement Flats, namely, South Fork Flats based in Lenasia and Octavia Hills Flats based in Fordsburg	Multi-disciplinary	Threshold Project Managers (Pty) Ltd	In progress
14	Complete the devolution, planning, regularisation and refurbishment/ construction of various Human Settlements flats in Eldorado Park Township	Multi-disciplinary	TDR Projects	In progress
15	Development of the review of the Constitutional Hill	Multi-disciplinary	Rendenza Consulting	In progress

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 55: RESOLUTION OF INTERNAL AUDIT FINDINGS

Financial Period	Total Unresolved Findings	Total Resolved Findings	Total Findings
2022/23	0	60	60
2023/24	1	72	73
2024/25	10	51	61
31 November 2025	11	183	194
Percentage	5.67%	94.33%	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

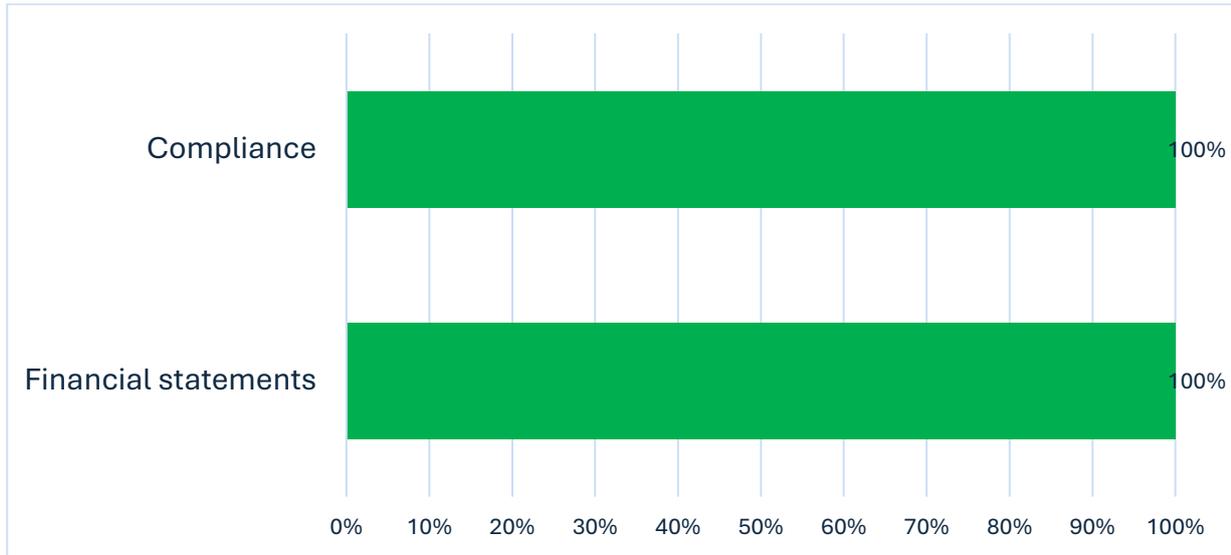


TABLE 56: RESOLUTION OF EXTERNAL AUDIT FINDINGS

Financial Period	Total Unresolved Findings	Total Resolved Findings	Total Findings
2021/22	0	36	36
2022/23	0	28	28
2023/24	0	34	34
Total number as of 31 November 2025	0	98	98
Percentage	0%	100%	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 **requires improvement**.

ANNEXURES

TABLE 57: 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)