

a world class African city



# JOHANNESBURG DEVELOPMENT AGENCY (SOC) LIMITED

Registration no: 2001/005101/07



## THIRD QUARTER PERFORMANCE REPORT 2016/17

### JANUARY TO MARCH 2017

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

Registration number: 2001/005101/07  
Parent municipality: City of Johannesburg Metropolitan Municipality  
Directors: C Coovadia (Chairperson)  
K Govender  
E Harvey (Resigned on 16 March 2017)  
P Masilo  
P Mashiane (Resigned on 16 March 2017)  
T Mendrew (Chief Executive Officer)  
N Selamolela (Resigned on 16 March 2017)  
W Thwala (Resigned on 16 March 2017)  
P Zagaretos  
T Mukhuba (Resigned on 16 March 2017)  
P Mashele (Appointed on 16 March 2017)  
N Ngwenya (Appointed on 16 March 2017)  
L Shole (Appointed on 16 March 2017)  
A Steyn (Appointed on 16 March 2017)  
M Qobo (Appointed on 16 March 2017)

Registered address: 3 President (Helen Joseph) Street, Newtown, Johannesburg  
Postal address: PO Box 61877, Marshalltown, 2107  
Telephone number: +27 (0) 11 688 7851  
Website: [www.jda.org.za](http://www.jda.org.za)  
Bankers: Standard Bank of SA Limited  
Auditors: The Auditor-General of South Africa  
Company secretary: Hasani Rodney Shirinda

### ***JDA Vision***

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

### ***JDA Mission***

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

### ***JDA Values***

Accountability: To its shareholders, Board and key stakeholders



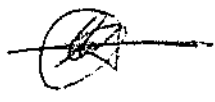
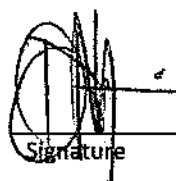
Innovation and creativity: Promoting an environment of fast-tracked decision-making and broader financial leverage, within which developments are planned, led, managed and implemented.

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

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

Seeking to empower: Through progressive procurement and work practices

## APPROVAL

Ms Sherylee Moonsamy Name & Surname Acting Chief Financial Officer	 Signature	21 <sup>st</sup> April 2017 Date of approval
Mr Thanduxolo Mendrew Name & Surname Chief Executive Officer/MD	 Signature	21 <sup>st</sup> April 2017 Date of approval
Mr Cassim Coovadia Name & Surname Chairperson of the Board	 Signature	24 <sup>th</sup> April 2017 Date of approval
Cllr Richard Funzela Ngobeni Name & Surname MMC: Development Planning	 Signature	16/05/2017 Date of approval

## CONFIRMATION OF RECEIPT

Name & Surname Cluster Champion Group Governance	Signature	Date of approval:
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## CHAPTER 1: JDA LEADERSHIP AND CORPORATE PROFILE

### SECTION 1: CORPORATE PROFILE AND OVERVIEW

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

#### **Outcomes and challenges**

The JDA’s evolution into an area-based development agency has prepared it to respond to the objectives as outlined in the GDS. Under this model, the JDA takes on a more central role in developing strategic capital works projects and establishing urban management partnerships. Crucially, the model allows the JDA to mobilise development partners and other stakeholders to sustainably achieve the common economic and social objectives defined for each area. However, given the spatial, socioeconomic and political environment in which the JDA operates, there are challenges that affect area-based development and the JDA’s ability to facilitate common economic and social objectives.

#### **Political governance and accountability**

The JDA is accountable to the Department of Development Planning and the Member of the Mayoral Committee for Development Planning, who exercises political oversight and to whom the JDA submits compliance reports in respect of its performance scorecard. The JDA relies on the Department of Development Planning for direction on its contractual obligations contained in the service delivery agreement, and on the Member of the Mayoral Committee for its political mandate and oversight. The Group Governance unit provides corporate governance and related support, including financial sustainability and compliance reporting and review.

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

### SECTION 2: STRATEGIC GOALS AND OBJECTIVES

The JDA has set itself the following strategic goals and strategic objectives which are aligned with the Joburg 2040 GDS and the economic cluster’s plans for sustainable services and economic growth for the medium term:

**TABLE 1: STRATEGIC GOALS AND OBJECTIVES**

Strategic Goals		Aligned to Eight Strategic Objectives
Create great places	Creating robust democratic public spaces that give dignity and choice to city users. As urban densities continue to rise, the public spaces in cities are becoming	Restructure the city by developing defined, strategic geographic areas around the city and the movement corridors that link them.

Strategic Goals		Aligned to Eight Strategic Objectives
	increasingly important for meeting citizens' social needs. The quality of space is just as important as the quantity. Given the increasing demand for open space, public spaces need to be creatively designed, moving towards greater adaptability and multiplicity of use to ensure their longer-term sustainability.	Encourage sustainable energy consumption and land-use in the city by developing strategic transit nodes and corridors.
Catalyse growth and investment	Catalysing growth in areas with latent investment potential. Catalytic intervention and strategic capital investments in areas that have been previously marginalised or have failed to attract private investment can unlock development potential, stimulate local economies and boost job creation and entrepreneurial development.	Promote economic growth by creating efficient and competitive business environments that cluster industries and functions in these areas. Turn around declining investment trends in these areas by upgrading public space, generating shared visions for future development, and encouraging urban management partnerships.
Connect people to opportunities	Connecting people with opportunities to live, work, play, learn and to be healthy in the city. Efficient mass public transport networks and connections, transit-oriented multi-use precincts, together with strategic land-use planning and zoning regimes, are essential in realising these connections.	Develop local economic potential in marginalised areas to promote access to jobs and markets. Promote economic empowerment through the structuring and procurement of JDA developments.
Co-produce solutions	Co-producing solutions in partnership with local communities and stakeholders to meet local needs and mitigate challenges. This is an essential component of development intervention in cities. Since 1994, the state has made concerted efforts to engage communities in the development of local solutions. Unfortunately this has not always been successful and often simply takes the form of decision-makers telling communities about their strategies. A more responsible and effective approach is to work with local stakeholders to produce solutions, drawing on their knowledge of the development context. This can cultivate a much more sustainable sense of ownership, civic pride and citizenship.	Support productive development partnerships and co-operation between all stakeholders in these areas.
Continuous improvement	Underpinning all the strategic goals, there is the need for the JDA to run as efficiently as possible.	To strengthen the JDA's operations to ensure that it remains an effective, efficient, sustainable and well-governed organisation.

### **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 JDA 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 six substantive programmes:

**TABLE 2: SUMMARY OF JDA SUBSTANTIVE PROGRAMMES**

JDA Development Programmes	Purpose
1: Inner city transformation	Manage the development of the Johannesburg inner city through capital investments in selected areas, by overseeing integrated investments by other departments and entities, and by facilitating partnership initiatives. Guided by the Inner City Transformation Roadmap as approved by the City of Johannesburg in 2013, the JDA will focus on strengthening the position of the inner city as

JDA Development Programmes	Purpose
	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.
2: TOD / Station Precinct development	A station precinct development programme that encourages optimal development of transit hubs and corridors across the city, which provide access to affordable accommodation and transport, high quality public spaces and amenities, and good community services.
3: Priority Area Planning & Implementation	Manage the development of strategic economic nodes in marginalised areas through capital investments, overseeing integrated investments by other departments and entities, and facilitating partnership initiatives
4: Greenways	The greenways programme that focuses on providing resilient, liveable and sustainable environments within the City by using roads and transport modes to promote walking, cycling, and sustainable public transport. This programme includes the continued roll-out of the Rea Vaya BRT infrastructure and service.
5: Alexandra Renewal Project (ARP)	The Alexandra Renewal Project (ARP) which is established to coordinate intergovernmental activities to develop Alexandra. Manage the development of Alexandra through capital investments, overseeing integrated investments by other departments and entities, and facilitating community based initiatives and local economic development strategies. Most of the work involves human settlement development projects such as hostel upgrading, housing development and the construction of community facilities
6. Economic Development	A cluster of the JDA's economic development programmes that aims to (i) Develop skills and capacity within the construction industry in Johannesburg (ii) Optimise the JDA's contribution to inclusive economic growth and empowerment, and the transformation of the construction industry; and (iii) establish a monitoring and reporting system to measure the impact of the JDA's managing contractor development programme.

In addition, we ensure good governance of the organisation through an operational programme, resourced to support the optimal performance of the above six substantive areas:

**TABLE 3: SUMMARY OF JDA OPERATIONAL PROGRAMME**

JDA Operational Programme	Programme Purpose
7: 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.

The JDA's current business plan represents a spatial response to specific Priority Transformation Areas as outlined in the 2015/16 Spatial Development Framework.

FIGURE 1: SDF 2040 PRIORITY AREAS

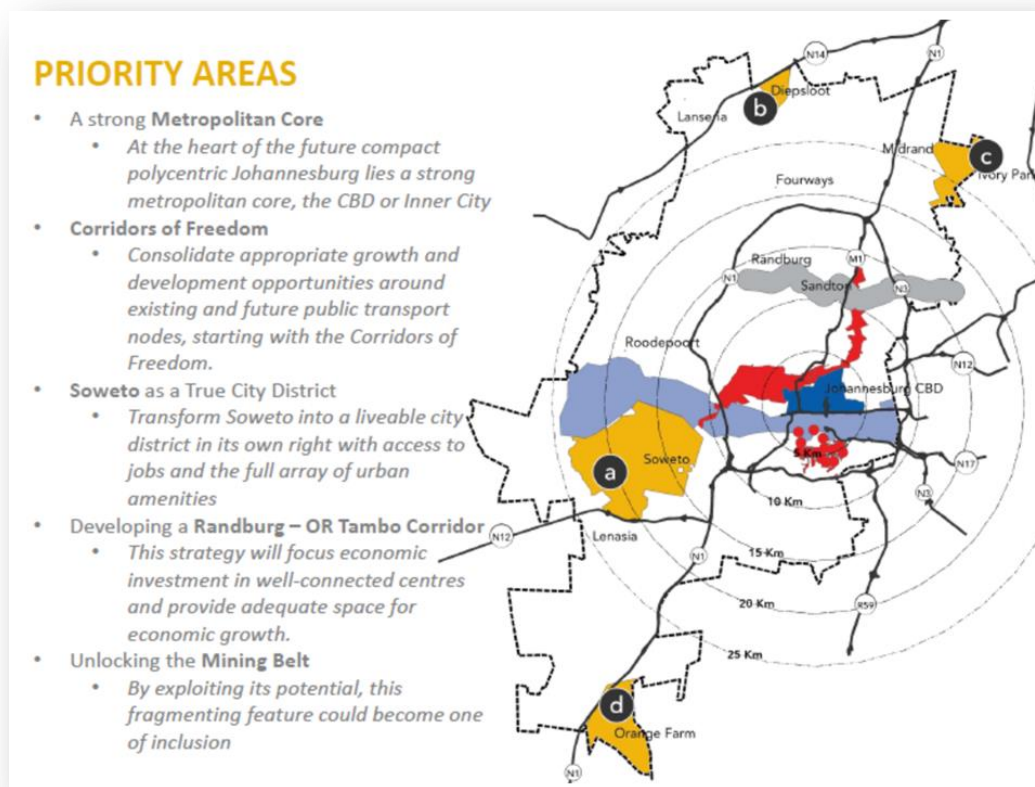


TABLE 4: SDF PRIORITY TRANSFORMATION AREAS AND CORRESPONDING JDA DEVELOPMENT REGIONS AND PROGRAMMES

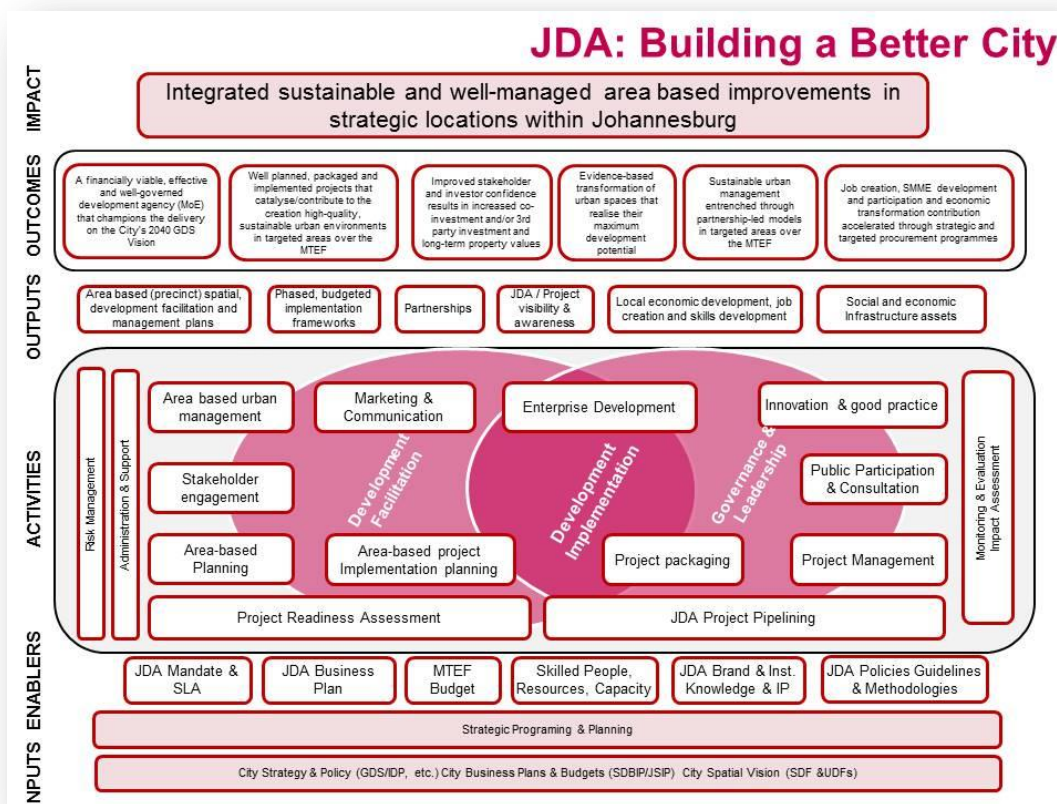
SDF Transformation areas	Priority	Corresponding JDA Regional Programmes	JDA Development Programmes
Strengthening the metro core		Inner City and the Old South (including Turfontein and Mining Belt)	Programme 1: Inner city transformation Programme 2: TOD / Station Precinct development
Unlocking Soweto		Greater Soweto (including Lenasia, Eldos, Nancefield)	Programme 2: TOD / Station Precinct development Programme 3: Priority Area Planning & Implementation
Consolidating public transport backbone		The Corridors of Freedom: Empire-Perth Corridor and Louis Botha Corridor	Programme 2: TOD / Station Precinct development Programme 4: Greenways
OR Tambo Corridor		Alex and the OR Tambo Corridor (includes Randburg, Sandton, Cosmo City, Modderfontein, Frankenwald)	Programme 2: TOD / Station Precinct development Programme 3: Priority Area Planning & Implementation Programme 4: Greenways Programme 5: Alexandra Renewal (ARP)
Addressing marginalisation		Marginalised Areas – Diepsloot, Ivory Park, Orange Farm	Programme 3: Priority Area Planning & Implementation

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 CoJ’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 co-ordination** - 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. 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.
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, analyses of property market trends and factors that influence investor interest in JDA development areas. Value for money assessment

The JDA has aligned its activities and efforts to achieve expected results through the following log frame, which structures the main elements of our work and highlights the logical linkages between them:



## SECTION 3: SALIENT FEATURES

### **Performance highlights**

- The capex expenditure at the end of the third quarter was R218,752 million against a quarterly target of R511,665 million. This translates to 43% of the quarterly target.
- The overall year to date capex expenditure at the end of quarter three was R594,292 million against an annual budget of R1.70 billion. This translates to 35% of the annual budget against a target of 50%.
- The significant under-expenditure was due to a combination of factors at the project implementation level, these include: Project delays on site including land readiness, SMME disputes and contractor performance; Project not reaching a construction stage as planned; Construction challenges including projects with potential structural design risks that needed to be suspended in order to be investigated; Procurement delays or disputes; Project performance misaligned with project cash-flow projections. Management is aware of the severity reflected by performance to date and will be monitoring more closely to ensure that implementation progress is fast-tracked but not at the expense of quality, value for money or safety.
- For revenue, the organisation achieved 78% of the year to date target whilst the overall achievement against the annual target was 39%. Revenue performance at the end of the third quarter was lower than the target; this is due to a lower than targeted capital expenditure.. During the adjustment budget process, the development management fee revenue was decreased to a more conservative balance, which resulted in a corresponding increase in the operational grant. This resulted in a zero nett movement in the overall revenue budget. The development management fees are highly dependent on the capital expenditure and the achievement of this target in order to generate the revenue required. Certain mitigation plans for delayed projects are currently underway for the fourth quarter which would increase capital expenditure and ensure that both the capital expenditure and revenue targets are met.
- For operating expenditure the organisation achieved 90% for year to date target whilst the overall achievement against the annual target was 68%. Expenditure performance for the end of the third quarter was lower than 100%, this is due to certain planned expenditure that will only be incurred in the fourth quarter. During the mid-year adjustment process, the overall expenditure budget remained unchanged however, there were movements within the relevant different cost centres. Although the achievement of the overall expenditure target is important to organisation as part of the operational plan, the achievement of this target should not lead to the JDA resulting in a deficit position at year end. The nature of the revenue earned from development management fees are so dependent on the outcome of the capital expenditure, that the expenditure has to be monitored in line with the revenue and capital expenditure forecasts. This is normally performed through various scenario analyses by utilising the status of each development project in determining revenue forecasts.
- This 3<sup>rd</sup> quarter report has been prepared against the JDA's 2016/17 business plan and adjusted scorecard. On the JDA's 21 Strategic KPI's, the JDA achieved 43% targeted performance achieved, 5% performance target partial achieved and 52% performance target not achieved.
- Within the 3<sup>rd</sup> Quarter of the 2016/17 financial year, the BBBEE share of expenditure was R 109 162 574.81. This constitutes an achievement of 97%. The consolidated Year to Date BBBEE expenditure was R 365 075 937,81. This constitutes an achievement of 97%.

- Within the 3<sup>rd</sup> Quarter of the 2016/17 financial year The SMME share of JDA's operating and capital expenditure was R 36 646 051,55. This constitutes an achievement of 33% for the period under review. The consolidated Year to Date SMME expenditure was R 90 943 243,55. This constitutes an achievement of 24% (Capex R 34 083 461,92 - 33 %; Opex R2 562 589.63 - 34%)

**TABLE 5: CAPITAL BUDGET MANAGEMENT OVERALL PROGRAMME PERFORMANCE**

Overall Programme Performance		Target YTD	Actual YTD	YTD Target %	% Actual / annual budget
		R' 000	R'000	%	%
<b>Overall Programme Performance</b>	<b>1 705 549</b>	<b>852 775</b>	<b>594 292</b>	<b>43%</b>	<b>35%</b>

**TABLE 6: CAPITAL BUDGET MANAGEMENT PER PROGRAMME PERFORMANCE<sup>1</sup>**

Per Programme Performance	2016/17	Actual YTD Expenditure	% Actual / annual budget
	Annual Budget		
	R' 000	R'000	%
Programme 1: Inner City transformation	217 300	63 703	29%
Programme 2: TOD Node developments	510 680	78 849	15%
Programme 3: GMS Priority development	174 027	43 895	25%
Programme 4: Greenways	710 600	388 376	55%
Programme 5: Alexandra Renewal Project	81 300	14 169	18%
Programme 7: Administrative	11 642	6 483	56%

The overall year to date capex expenditure at Quarter 3 was R594 292 million against an annual budget of R1.7 billion. This translates to 35% of the annual budget.

**TABLE 7: OPERATING BUDGET MANAGEMENT<sup>2</sup>**

	2016/17	Year to date		% Achievement against target	% Achievement for Annual
	Original Budget	Target	Actual		
Revenue (R'000)	104 555	52 278	40 807	78%	39%
Costs (R'000)	104 555	78 416	70 855	90%	68%

<sup>1</sup> This measures effective capital budget management, in particular expenditure against set targets for project delivery. Targets of 100% expenditure have been set in respect of all funding sources for the financial year.

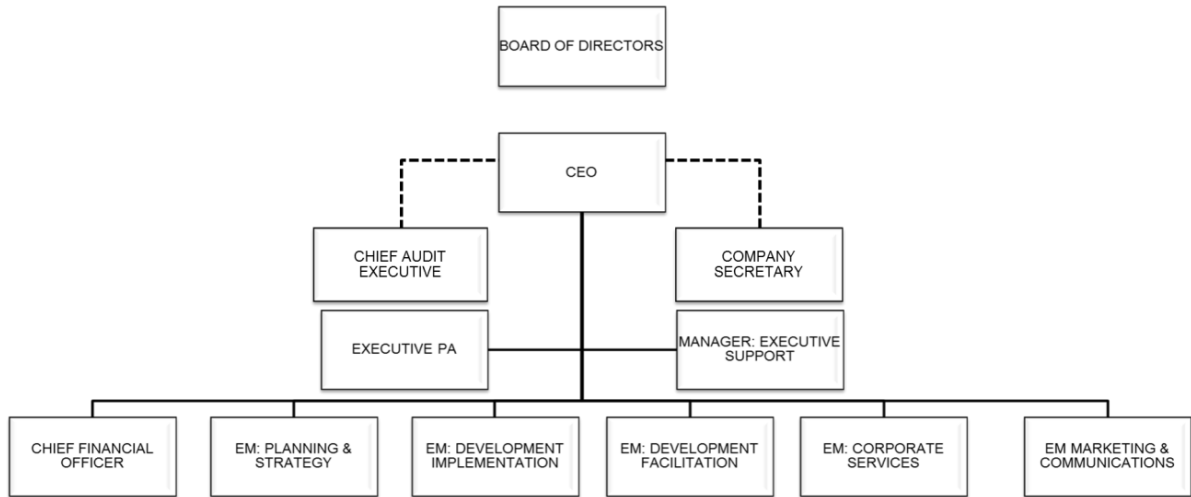
<sup>2</sup> This measures effective budget control of operating costs (indicated by budget variances). In respect of effective budget control of operating costs, a target of 0% over expenditure has been set.

	2016/17	Year to date		% Achievement against target	% Achievement for Annual
	Original Budget	Target	Actual		
Net surplus/(deficit)	-	( 26 139)	( 30 048)		

#### SECTION 4: HIGH-LEVEL ORGANISATIONAL STRUCTURE

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

**TABLE 8: HIGH LEVEL ORGANISATION STRUCTURE**



## SECTION 5: CHAIRPERSON'S FOREWORD

The end of the 3<sup>rd</sup> Quarter 2016/17 is an opportunity to reflect significant changes impacting the organisation, on organisations performance and where possible to take note of any relationship between the two. The Annual General Meeting in March 2017 resulted in changes to the JDA Board, including the election, re-election, resignation and retirement of directors. The following Non-Executive Directors were re-elected:

- Mr Cassim Coovadia (as Chairperson), Mr Popo Masilo, Mr Krishna Govender and Mr Panos Zagaretos

The following new Non-Executive Directors were elected:

- Ms Lebogang Shole, Dr. Mzukisi Qobo, Mr Prince Mashele, Mr Aaron Steyn, and Dr. Nomfundo Ngwenya

The following Independent Audit Committee members were reappointed:

- Ms Modi Dolamo, Ms Keabetswe Onouka and Mr Zukisani Samsam.

I would like to welcome the newly elected members and we look forward to working collectively to support and guide the JDA in achieving the high standard of performance and delivery expected of the JDA. I would also like to use this platform to thank all the previous Non-Executive Directors who gave their time, energy and effort in ensuring that good governance looked beyond the audits and the boardroom and actually focused on ensuring the tangible outputs that transforming the lives of the residents of Johannesburg. We recognise and thank you for all your contribution Ms Pamela Mashiane, Ms Nokuthula Selamolela, Dr. Ebrahim Harvey and Prof Wellington Didibhuku Thwala.

In terms of JDAs performance at the end of the 3<sup>rd</sup> Quarter, the capital expenditure is at 31% of the total budget of R1.70 billion in the 2016/17 Business Plan, with the target for target being 50%. Post mid-year budget adjustment, the JDA must focus on ensuring that the JDA remains a sustainable and relevant entity of the City. Expenditure remains an important reflection of the organisation's performance; however, we are also mindful to retain to ensure the JDA's developmental outlook as well as ensuring and nurturing the growth of the organisation. There are currently four pending litigations and possible liabilities remaining. A fifth litigation matter has been finalised within the period.

Given the performance in the third quarter, JDA will be required accelerate project delivery to ensure the commitment the organisation has made to the client departments and communities in which we operate. As the Board we shall continue to guide and support the organisation to accelerate its implementation of City's spatial and economic goals set out in the Joburg 2040 GDS as well as in the ten new IDP principles, as outlined by the Mayor, that guide the City of Joburg. Together with management, we look forward as a team, to addressing the challenges and seizing the opportunities as we enter the final quarter of the 2016/17 financial year.



**Cassim Coovadia**  
**Chairperson**  
**24 April 2017**

## **SECTION 6: CHIEF EXECUTIVE OFFICER'S REPORT**

In terms of development progress at the end of the 3<sup>rd</sup> Quarter 2016/17, the major driver of capital expenditure remains Programme 4: Greenways, specifically the large construction works that are being undertaken on the Rea Vaya trunk routes along the TOD corridors that connect commuters with the Rea Vaya BRT system and commuter rail services. Most of the NMT projects are being implemented by small construction companies, which mean that the large-scale infrastructure spending is also benefiting local businesses and creating local job opportunities. The JDA continues to work in the inner city, developing transport station precincts and investing in public transit and mobility infrastructure along the corridor routes. The JDA also focused its efforts in marginalised areas including Alexandra and Westbury.

The overall year to date capex expenditure at Quarter 3 was R594 292 million against an annual budget of R1.7 billion. This translates to 35% of the annual budget. It is a concern that the JDA's expenditure target for the quarter has not been achieved. In terms of the development progress lifecycle there are some delays in projects with the finalisation of concept designs and detailed designs. Without these milestones successfully in place, projects cannot proceed to construction, so it is therefore an area of concern that we will be monitoring closely, and where possible, also fast-track progress.

Our preparations for the 2017/18 business plan aims to respond directly to the newly restated City of Joburg priorities. With a long history of area based regeneration and successful project implementation, the JDA believes it is a well-positioned agency to assist in delivery on future priorities and commitments.

While, in this report, we focus very much on our current deliverables, I would also like to take a moment to both welcome the new board members and to also thank the outgoing Board Members. As a collective our role is the spatial transformation of Johannesburg, to correct the spatial and systemic inequalities created by past regimes of segregation and to create a more equitable more just city that extends access to a range of opportunities and services to all of its citizens.



**Thanduxolo Mendrew**  
**Chief Executive Officer**  
**21 April 2017**

## SECTION 7: CHIEF FINANCIAL OFFICER'S REPORT

For the nine months ended 31 March 2017 actual deficit was R30 million (2015/16: R30 million) against a budget of R26 million (2015/16: R14 million). The variance is mostly as a result of the development management fees earned and the interest expenditure incurred year to date. The development management fees are recognised based on total capital expenditure. Capital expenditure was budgeted at 50% of the overall capital budget however only 35% of this budget was achieved. Another contributor to the overall variance is the interest expenditure that was incurred in the current year. This is charged on an overdrawn sweeping treasury account as a result of capital claims not collected timeously.

The organisation achieved 39% (2015/16: 48%) of the annual budgeted revenue and 68% (2015/16: 78%) of the annual budgeted operational expenditure. Revenue performance at the end of the third quarter was lower than the target; which was mainly due to a lower than targeted capital expenditure. During the adjustment budget process, the overall revenue and expenditure budgets were unchanged; however, there were movements within the individual categories such as a reduction in the development management fee revenue and a correlating increase in operational grant. The development management fees are highly dependent on the capital expenditure and the achievement of this target in order to generate the revenue required. Certain mitigation plans for delayed projects are currently underway for the fourth quarter which would increase capital expenditure and ensure that both the capital expenditure and revenue targets are met. With regards to the operational expenditure, although the achievement of the overall expenditure target is important to organisation as part of the operational plan, the achievement of this target should not lead to the JDA resulting in a deficit position at year end. The nature of the revenue earned from development management fees are dependent on the outcome of the capital expenditure, that the expenditure has to be monitored in line with the revenue and capital expenditure forecasts. This is normally performed through various scenario analyses by utilising the status of each development project in determining revenue forecasts.

Actual capital expenditure for the nine months ended 31 March 2017 was R594,292 million (2015/16: R744 million) against a budget of R852,775 million (2015/16: R1.2 billion). This represents 43% of the targeted year to date expenditure and 35% of the annual budget.

The organisation's total assets exceeded the total liabilities. The total net assets at 31 March 2017 was R35 113 000 (2015/16: R37 543 000). The net assets include accumulated reserves of R18 835 000 (2015/16: R21 265 000). The table below reflects the financial position and financial performance of the organization for the 3rd quarter under review:

**TABLE 9 KEY PERFORMANCE RATIOS**

Key Performance Area	Key Performance Target	Actual 31 March 2016	Actual 31 March 2017
Current ratio	Above 1 : 1	1.18: 1	1.07:1
Solvency ratio	Above 1 : 1	1.06: 1	1.14:1
Remuneration to expenditure ratio	60%	47%	60%
Maintenance to expenditure ratio	1%	0.19%	0.27%
Interest to expenditure ratio	Below 30%	17%	15%
Net cash position	5000	6155	639
% capital budget spent	50%	44%	35%
Revenue	52 278	47 158	40 807
Expenditure	78 416	77 254	70 855
Surplus/(Deficit)	( 26 139)	( 30 096)	( 30 048)
Total net assets		37 543	35 113

**Sherylee Moonsamy CA (SA)**  
**Acting Chief Financial Officer**  
**06 March 2017**



## CHAPTER 2: CORPORATE GOVERNANCE

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

### SECTION 1: BOARD OF DIRECTORS

JDA has a unitary board, which consist of executives and non-executive directors. The Board is chaired by a non-executive director, Mr Cassim Coovadia. The Board meets regularly, at least quarterly, and retains full control over the company. The Board remains accountable to the City of Johannesburg, the sole shareholder and its stakeholders, the citizens of Johannesburg. A Service Delivery Agreement (SDA) concluded in accordance with the provisions of the MSA governs the entity's relationship with the City of Johannesburg. The Board provides Quarterly, Bi-Annual and Annual Reports on its performance and service delivery to the parent municipality as prescribed in the SDA, the MFMA and the MSA.

The JDA Board:

- Provides effective, transparent, accountable and coherent oversight of the JDA's affairs;
- Ensures that the JDA complies with all applicable legislation, the Service Delivery Agreement and the various shareholder policy directives issued by its parent municipality, from time to time;
- Deals with the parent municipality in good faith and communicates openly and promptly on all pertinent matters requiring the attention of its shareholder;
- Determines and develops strategies that set out the purpose, and values in accordance with the shareholder mandate and strategic documents such as the IDP;
- Reviews and approves financial objectives including significant capital allocations and expenditure as determined by the parent municipality; and
- Considers and ensures that the entity's size, diversity and skills make up are efficient to ensure that the entity is able to achieve its strategic objectives.

#### **Corporate Code of Conduct**

The JDA is committed to:

- The highest standards of integrity and behaviour in all its dealings with its stakeholders and society at large;
- Carrying on business through fair commercial and competitive practices;
- Eliminating discrimination and enabling employees to realise their potential through continuous training and development of their skills;

- Being responsible toward environmental and social issues; and
- Ensuring that each of its directors declare any direct or indirect personal or business interest that might adversely affect such director in the proper performance of his/her stewardship of the entity.

### **Board of Directors**

At the Annual General Meeting (AGM) of the shareholder held on 16 March 2016 a newly constituted board was announced and appointed.

The following changes were made at the AGM:

1.1 The appointment of the following Non-Executive and Executive Directors:

- (i) Mr Cassim Coovadia (as Chairperson);
- (ii) Mr Popo Masilo;
- (iii) Ms Lebogang Shole;
- (iv) Mr Krishna Govender;
- (v) Dr. Mzukisi Qobo;
- (vi) Mr Panos Zagaretos;
- (vii) Mr Prince Mashele;
- (viii) Mr Aaron Steyn;
- (ix) Dr. Nomfundo Ngwenya; and
- (x) Mr Thanduxolo Mendrew (as Chief Executive Officer and Executive Director)

1.2 The following Non-Executive Directors were retired:

- (i) Ms Pamela Mashiane;
- (ii) Ms Nokuthula Selamolela;
- (iii) Dr. Ebrahim Harvey; and
- (iv) Prof Wellington Didibhuku Thwala

1.3 While Dr Theophilus Mukhuba was rotated to another COJ entity, Joburg Theatres; and

1.4 The following Independent Audit Committee members were appointed:

- (i) Ms Modi Dolamo;
- (ii) Ms Keabetswe Onouka; and
- (iii) Mr Zukisani Samsam

The table below depicts the composition of the board as at the end of the third quarter:

**TABLE 10: JDA BOARD OF DIRECTORS**

Board member	Capacity: Executive/non-executive	Race	Gender	Board committee membership
C Coovadia	Chairperson (Non-executive)	Indian	Male	Development and Investment
K Govender	Non-executive	Indian	Male	Audit and Risk Development and Investment
E Harvey <sup>3</sup>	Non-executive	Coloured	Male	Human Resources and Remuneration Social and Ethics
P Mashiane <sup>4</sup>	Non-executive	Black	Female	Development and Investment Social and Ethics

<sup>3</sup> Resigned on 16 March 2016

<sup>4</sup> Resigned on 16 March 2016

Board member	Capacity: Executive/non-executive	Race	Gender	Board committee membership
P Masilo	Non-executive	Black	Male	Human Resources and Remuneration Social and Ethics
T Mendrew	CEO (Executive)	Black	Male	Development and Investment Social and Ethics
T Mukhuba <sup>5</sup>	Non-executive	Black	Male	Audit and Risk Human Resources and Remuneration
N Selamolela <sup>6</sup>	Non-executive	Black	Female	Audit and Risk Human Resources and Remuneration
W Thwala <sup>7</sup>	Non-executive	Black	Male	Development and Investment Human Resources and Remuneration
P Zagaretos	Non-executive	White	Male	Development and Investment Social and Ethics
P Mashele	Non-executive	Black	Male	(Appointed on 16 March 2016)
N Ngwenya	Non-executive	Black	Female	(Appointed on 16 March 2016)
L Shole	Non-executive	Black	Female	(Appointed on 16 March 2016)
A Steyn	Non-executive	Coloured	Male	(Appointed on 16 March 2016)
M Qobo	Non-executive	Black	Male	(Appointed on 16 March 2016)

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

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

## SECTION 2: BOARD COMMITTEES

### Board Meeting Attendance

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

TABLE 11: BOARD AND BOARD COMMITTEE MEETINGS & ATTENDANCE (JANUARY – MARCH 2017)

Name	Board				Audit & Risk				Development & Investment				HR & Remco				Social & Ethics			
	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent
C Coovadia	2	1	1	0	N/A	N/A	N/A	N/A	1	0	1	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
E Harvey	2	2	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1	1	0	0	1	1	0	0
K Govender	2	2	0	0	1	1	0	0	1	1	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N Selamolela	2	1	1	0	1	0	1	0	N/A	N/A	N/A	N/A	1	0	1	0	N/A	N/A	N/A	N/A
P Masilo	2	1	1	0	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A	N/A	N/A	1	1	0	0

<sup>5</sup> Resigned on 16 March 2016

<sup>6</sup> Resigned on 16 March 2016

<sup>7</sup> Resigned on 16 March 2016

Name	Board				Audit & Risk				Development & Investment				HR & Remco				Social & Ethics			
	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent	No of Meetings	Attendance	Apology	Absent
T Mukhuba	2	1	1	0	1	1	0	0	N/A	N/A	N/A	M/A	1	1	0	0	N/A	N/A	N/A	N/A
P Mashiane	2	1	1	0	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A	N/A	N/A	1	1	0	0
W Thwala	2	1	1	0	N/A	N/A	N/A	N/A	1	1	0	0	1	1	0	0	N/A	N/A	N/A	N/A
T Mendrew	2	2	0	0	1	0	1	0	1	1	0	0	1	1	0	0	1	1	0	0
P Zagaretos	2	2	0	0	N/A	N/A	N/A	N/A	1	1	0	0	N/A	N/A	N/A	N/A	1	1	0	0
M Dolamo (Independent Audit & Risk member)	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	N/A	N/A	N/A	N/A
K Onuoka (Independent Audit & Risk member)	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	N/A	N/A	N/A	N/A
Z Samsam (Independent Audit & Risk member)	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	N/A	N/A	N/A	N/A

### Board Committees

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

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

Each committee composition is as follows:

**TABLE 12: BOARD COMMITTEES**

Composition	Mandate and Quarterly Activities
<p><b>Audit and Risk Committee</b></p> <p>The Audit and Risk Committee, which consists of three non-executive directors and three independent members, meets not less than four times a year. Most members of this committee are financially literate. The following members served on the committee during the period under review:                      K Govender (Chairperson)                      N Selamolela                      T Mukhuba                      M Dolamo (Independent Member)                      Z Samsam (Independent Member)                      K Onuoka (Independent Member)</p>	<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>
<p><b>Development and Investment Committee</b></p>	

<b>Composition</b>	<b>Mandate and Quarterly Activities</b>
<p>The following members served on the committee during the period under review:</p> <p>P Zagaretos (Chairperson)                      C Coovadia                      P Mashiane                      K Govender                      D Thwala                      T Mendrew</p>	<p>Meetings are held on a bi-monthly basis or as required by the Chairperson. The Committee is responsible for evaluating development proposals with a view to making 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>
<b>Human Resources and Remuneration Committee</b>	
<p>In line with the best practice of corporate governance, the Board maintains a Human Resources &amp; Remuneration Committee (HR &amp; REMCO), comprising 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 following members served on the committee during the period under review:</p> <p>N Selamolela (Chairperson)                      E Harvey                      P Masilo                      T Mukhuba                      D Thwala</p>	<p>The committee meets not less than 4 (four) times a year. The executive directors are excluded from the HR &amp; Remuneration 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 in accordance with 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 parent municipality.</p>
<b>Social and Ethics Committee</b>	
<p>The following members served on the committee during the period under review:</p> <p>P Mashiane (Chairperson)                      P Masilo                      E Harvey                      P Zagaretos                      D Thwala                      T Mendrew</p>	<p>The Social and Ethics Committee is responsible for acting as the social conscience of the business and ensuring that the company conducts itself as a responsible corporate citizen. This means ensuring that the JDA conducts its business in a sustainable manner, having regard for the environment, fostering healthy relationships with all its stakeholders and considering the impact of its work within the community. This committee also considers the treatment of and investment in employees, health and safety practices, black economic empowerment and the ethical corporate culture.</p>

### SECTION 3: DIRECTORS & PRESCRIBED OFFICERS REMUNERATION

**TABLE 13: EXECUTIVE DIRECTOR'S, SENIOR MANAGEMENT AND NON-EXECUTIVE DIRECTOR'S & INDEPENDENT AUDIT COMMITTEE MEMBERS REMUNERATION AND ALLOWANCES AT END OF THE THIRD QUARTER 2016/17**

<b>Name</b>	<b>Designation</b>	<b>Salary/Board Fees</b>	<b>Pension</b>	<b>Bonus/Board Retention Fees</b>	<b>Travel allowance</b>	<b>Total</b>
<b>Executive Directors &amp; Senior Management</b>						
T Mendrew	CEO	451 457				451 457
Z Tshabalala	CAE	259 553	12 653			272 206
D Cohen	EM: Strategy & Planning	293 200	14 294			307 494
B Magoso	EM: Corporate Services (Resigned 31 January 2017)	87 789			20 000	107 789

Name	Designation	Salary/Board Fees	Pension	Bonus/Board Retention Fees	Travel allowance	Total
R Shirinda	Company Secretary	329 207	13 374			342 581
C Letter	EM: Alexandra Renewal Programme	104 196				104 196
C Botes	EM: Development Facilitation	262 394			7 500	269 894
N Mudlovhedzi	Senior Development Manager (Appointed 01 December 2016)	259 771	17 729			277 500
P Mkhize	Senior Development Manager (Appointed 01 February 2017)	176 400	8 600			185 000
S. Genu	EM: Development Implementation (Appointed 01 September 2016)	382 598	18 652			401 250
<b>Sub-Total</b>		<b>2 606 566</b>	<b>85 301</b>	-	<b>27 500</b>	<b>2 719 368</b>
<b>Non-Executive Directors &amp; Independent Audit Committee Members</b>						
C Coovadia	Chairperson	34 224				34 224
P Masilo	Board Member	20 540				20 540
P Mashiane (Retired 16 March 2017)	Board Member	17 115				17 115
W Thwala (Retired 16 March 2017)	Board Member	17 115				17 115
E Harvey (Retired 16 March 2017)	Board Member	20 540				20 540
K Govender	Board Member	33 086				33 086
T Mukhuba (Retired 16 March 2017)	Board Member	21 678				21 678
P Zagaretos	Board Member	39 931				39 931

Name	Designation	Salary/Board Fees	Pension	Bonus/Board Retention Fees	Travel allowance	Total
N Selamolela (Retired 16 March 2017)	Board Member	5 704				5 704
M Dolamo	Board Member	11 408				11 408
K Onuoka	Independent Audit and Risk Committee Member	11 408				11 408
Z Samsam	Independent Audit and Risk Committee Member	11 408				11 408
<b>Sub-Total</b>		<b>244 157</b>	-	-	-	<b>244 157</b>
<b>TOTAL</b>		<b>2 850 723</b>	<b>85 301</b>	-	<b>27 500</b>	<b>2 963 525</b>

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

#### SECTION 4: COMPANY SECRETARIAL FUNCTION

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

- The company secretary's work covers a wide variety of functions, including but not limited to:
- Organising, preparing agendas, and taking minutes of meetings;
- Dealing with correspondence, collating information, writing reports, ensuring decisions made are communicated to the relevant people;
- Advising the Board and management on corporate governance matters;
- Contributing to meeting discussions, as and when required; and
- Arranging the annual general meetings.

#### SECTION 5: RISK MANAGEMENT

The JDA's Board monitors risk through the Audit and Risk Committee, which ensures that there is an effective risk management process and system in place. The committee recommends risk strategies and policies that need to be set, implemented and monitored. The JDA Board is responsible for identifying, assessing and monitoring the risks presented by the Audit and Risk Committee.

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

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

### ***Risk Management Process***

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

The following risk management programmes and/or activities that were implemented during the third quarter of 2016/2017 financial year are as follows:

- Strategic Risks Management and Monitoring
- Operational Risks Management and Monitoring
- Universal Regulatory Register (URR) and Compliance Monitoring
- Audit Tracking Reports and Monitoring
- Reviewed Fraud Risk Register was approved by EXCO and is monitored
- Ethics Management Risk was table at EXCO however it was recommended that EXCO member attend the workshop on the Ethics Management Risk.
- Code of Ethics policy was submitted to EXCO and it was referred back for review, and will be submitted to next EXCO and Ethics & Social Committee for approval.

The Executive Committee and the Audit and Risk Committee will continue to monitor the implementation of the documents listed above to ensure that the organisation is proactive in addressing risks and strengthening its internal control environment.

Progress as at third Quarter 2016/17:

- Strategic risk identification for 2017/18 was done and presented to EXCO and Audit and Risk Committee in conjunction with Annual Plan for 2017/18.
- Strategic Risks are continuously monitored by management and governance structures provide oversight on a quarterly basis.
- Currently reviewing Risk Management Policy, Risk Management Framework, and Risk Strategy and will be submitted to next EXCO and Audit and Committee for approval.

- Currently reviewing Fraud Risk Management Policy and Fraud Prevention Plan will be submitted to next EXCO and Audit and Committee for approval.

## SECTION 6: INTERNAL AUDIT FUNCTION

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

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

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

### ***Progress made against the approved Annual Internal Audit Plan***

The scope of the internal audit progress to which this report relates is for the period 01 January 2017 to 31 March 2017; the report includes progress on the planned audit projects executed as well as special audit requests (if any) that were undertaken during the reporting period. In the reporting period, there were thirteen (13) audits that were undertaken. Of these 13 audits, (8)62% have been completed and (5)38% are in progress.

The projects undertaken by the Internal Audit Function for the reporting period are detailed in the table below:

No.	Audit Description	Progress as at 31 December 2016	Comments
1.	Stakeholder Management Review 2016/17	In progress	The audit is at the reporting phase. Final Report to be signed off in April 2017.
2.	Review of SCM Tenders above R10million: Rosebank NMT	Complete	Audits Completed. Final Reports issued to management.
3.	Review of SCM Tenders above R10million: Westbury NMT Phase 3:Westdene	Complete	Audits Completed. Final Reports issued to management.
4.	Audit of Q2 Performance Information and Operational Performance 2016/17	Complete	Audits Completed. Final Reports issued to management.
5.	Performance Bonus Review 2015/16 FY – Executive Management	Complete	Audits Completed. Final Reports issued to management and the Board.
6.	Quarterly follow up on unresolved audit findings	Complete	Audits Completed. Final Reports issued to management.

No.	Audit Description	Progress as at 31 December 2016	Comments
7.	Review of Tenders Below R10million	In progress	Audit at reporting phase. Final report to be issued by 30 April 2017.
8.	Implementation of Board Resolutions 2013-2016	Complete	Audits Completed. Final Reports issued to management.
9.	Compliance Management Audit	In progress	Audit at reporting phase. Final report to be issued by 30 April 2017.
10.	Physical Security Audit	Complete	Audits Completed. Final Reports issued to management.
11.	Review of the Risk Management Processes	Complete	Audits Completed. Final Reports issued to management.
12.	Audit of the Corporate Governance processes	In progress	Audit at reporting phase. Final report to be issued by 30 April 2017.
13.	Budget and Expenditure Monitoring	In progress	Audit at execution phase. Final report to be issued by 31 May 2017.

All the areas for improvement identified through the audit efforts were communicated to management through the internal audit reports. Management continues to ensure that internal and external audit findings are resolved, through the implementation of recommendations. On a quarterly basis Internal Audit conducts a follow-up on the implementation of Internal and External audit recommendations. These reports are presented to the Audit and Risk Committee.

#### ***Resourcing of the Internal Audit Function and related changes***

In terms of the approved structure, the Internal Audit unit consists of a Chief Audit Executive, an Office Administrator; 2 Internal Audit Managers; and 2 Internal Audit Learners. An Internal Auditor was also contracted on a temporary basis in the reporting period to assist with capacity challenges.

In the reporting period, the Internal Audit Function was fully capacitated as per the approved structure. There have been no resignations. All the above stated projects were performed by internal/in-house staff. No projects were outsourced to an external service provider.

## **SECTION 7: CORPORATE ETHICS AND ORGANISATIONAL INTEGRITY**

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

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

#### ***Code of Conduct***

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

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

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

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

### ***Declaration of interest***

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

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

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

## **SECTION 8: CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT**

The JDA has planned three CSR projects for this financial year. A budget of R360 000 is allocated to CSR programs.

## SECTION 9: SUSTAINABILITY REPORT

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

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

During the third quarter of 2016/17, the JDA continued working closely with the Department of Development Planning to communicate the strategic vision for the TOD corridors and the CoJ's spatial transformation objectives. The JDA also participated in stakeholder engagement regarding spatial transformation and urban planning and development of good practices.

### **Environmental Impact**

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

- The design of more permeable ground surfaces and soakaways or swales to reduce the storm-water run-off in areas upgraded by the JDA to achieve sustainable urban drainage standards.
- Indigenous and water-wise planting in all landscaping interventions in compliance with City Parks requirements. These interventions are currently being implemented on most of JDA's public environment update, complete 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 stormwater facilities and public transport infrastructure and facilities. Currently the JDA has more than six projects that focuses on urban regeneration and public environment upgrades with more emphases on Randburg, Orange Groove and Inner City

Four major outcomes define the Joburg 2040 GDS. Outcome 2 highlights the need to “provide a resilient, liveable, sustainable urban environment – underpinned by infrastructure supportive of a low carbon economy”. 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. Two of the JDA programmes, transit-oriented node development and greenways, are a direct response to Outcome 2.

- Transit-oriented node development - The transit-oriented node (TOD) development programme encourages optimal development of transit hubs and corridors across the city, which provides access to affordable accommodation and transport, high-quality public spaces and amenities, and good community services. Currently the JDA is working on the Nancefield and Jabulani TODs, with clearly defined long term (five years) development plans.
- Greenways - The greenways programme focuses on providing resilient, liveable and sustainable environments within the CoJ by using roads and transport modes to promote walking, cycling and sustainable public transport. This programme includes the continued roll-out of the Rea Vaya BRT infrastructure and service. Within the greenways programme, for example, the Rea Vaya BRT service has the potential to reduce the city’s transport energy use and the associated carbon emissions in the medium term. The service is currently being used by up to 31 000 people per day, and there is potential to increase the numbers. Currently the JDA is implementing the Phase 1C Rea Vaya infrastructure on behalf of the COJ Transport Department. Phase 1C is the extension of the current BRT phases to the North along Louis Botha, Katherine Drive, William Nicol Drive, Republic Road and Old Pretoria Main. This phase seeks to connect Randburg to Sandton, Sandton to Alexandra, Ivory Park to Sandton and all these key area to the Johannesburg CBD.

## SECTION 10: ANTICORRUPTION AND FRAUD

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

Employees are regularly briefed and trained on fraud prevention, and the induction process for new employees is being revised to include information regarding fraud prevention. Strict payment management processes are in place and the Bid Evaluation Committee independently verifies whether preferred service providers can complete the work.

Reviewed Draft Fraud Risk Register was approved by EXCO and is monitored quarterly. The strategic risk register identifies “fraudulent and corrupt activities” as a strategic risk with a high inherent risk rating and medium residual risk rating of nine. Two other strategic risks on the strategic risk register also identify fraud and/or corruption as a root because that can potentially give rise to strategic risks. The strategic risk register sets out specific future actions to mitigate these risks, including conducting regular fraud risk assessments and creating fraud risk awareness.

There is no fraud and corruption incident reported for Quarter 3, 2016/17. The JDA plans to improve internal controls and standardise the disclosure and reporting protocols.

**TABLE 14: PROGRESS OF PREVIOUSLY REPORTED CASES;**

<b>Date of Case Reported</b>	<b>Where to Whom was it Reported</b>	<b>Number of Employees involved if applicable</b>	<b>Allegation</b>	<b>Nature of the Cases (e.g. Corruption, fraud and maladministration)</b>	<b>Status (If resolved, State the outcome?)</b>
2015/03/24	JDA, Internal Audit Department, directly to the Chief Audit Executive	One	JDA official indirectly doing business with the JDA.	Conflict of Interest	The investigation preliminary report has been referred to legal for advice and drafting of disciplinary charges against official.
2016/03/11	City of Johannesburg Fraud Hotline	One	Payment of Contractor in Advance. Poor workmanship by Contractor for appointed project. Contractor has a record of poor quality service. Contractor awarded tender due to former employee to the JDA.	Corruption	The matter is being investigated and is at the reporting stage.

## SECTION 11: ICT GOVERNANCE

The JDA through its ICT Governance Charter continues to ensure that there is the leadership, oversight structures and processes that ensure that ICT sustains and extends the JDA’s strategies and objectives and ultimately creates and sustains business value for both internal and external stakeholders. The JDA’s ICT Charter encapsulates the principles of the control objectives for information and related Technology (COBIT), as well as those of the King IV report.

Against the backdrop of this solid ICT governance structure, the JDA’s ICT infrastructure and systems remain compliant with all relevant regulations, including the Municipal Finance Act (MFMA) as well as Protection of Personal Information Act (2013).

The JDA has a solid ICT policy framework, with Service Level agreements to ensure implementation, monitoring and control of the entire governance environment.

All policies have been approved by the board and relevant board sub-committee structures and are reviewed annually to capture any changes that may arise.

### ICT Control Environment

ICT policies and procedures are in place to provide reasonable assurance that the information technology being used by the JDA operates as intended, is reliable as well as compliant with applicable laws and regulations.

The sanitisation of the ICT control environment has been achieved by a continual working relationship between ICT management and assurance providers in the form of internal audit and the Auditor General to ensure that controls are in place.

ICT continues to work closely with assurance providers to ensure that there are proper procedures and policies in place for the data migration process between current systems and SAP platform. This process will provide reasonable assurance to the ICT governance chain of the JDA that the data migration processes are reliable and that risks associated with data migration have been fully mitigated against. Policies in place include the ICT Governance charter ,BCP & DRP ,ICT Security policy, ICT Strategy plan policy to mention a few.

**SAP**

With SAP implementation in progress , the JDA hopes not only to leverage on just having a centralized resource planning overview but to importantly improve processes and procedures that will magnify efficiencies around the entire project management chain, and its operational support mechanisms such as finance and supply chain and importantly give detective abilities to potential areas of inefficiency.

The implementation targets are being realized, costs monitored and the control environment monitored closely to ensure maximum risk mitigation. The current phase of the project is currently sitting at 77% against a target of 70%.

**Network Utilisation and availability**

In this quarter there was 100% availability of the network, against a set target of 99.9%.Traffic is currently traversing the fiber medium with the Wireless medium as backup. There have been periods where the link has been fully utilised, traditionally activity tends to spike in the last two quarters of the financial year .An allowance of 10% has been made to accommodate for peak periods such as these.

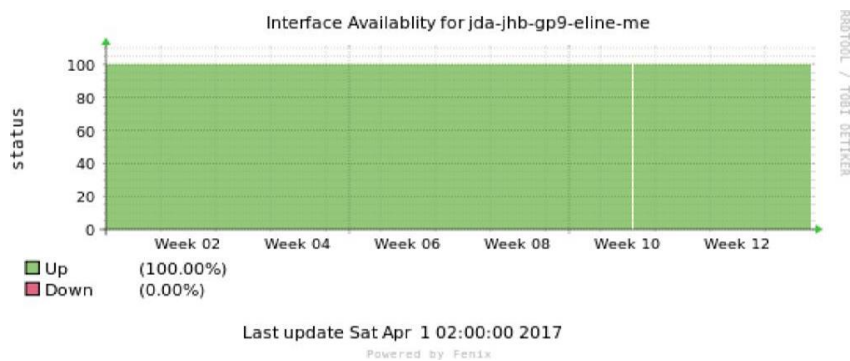


FIGURE 2: AVAILABILITY

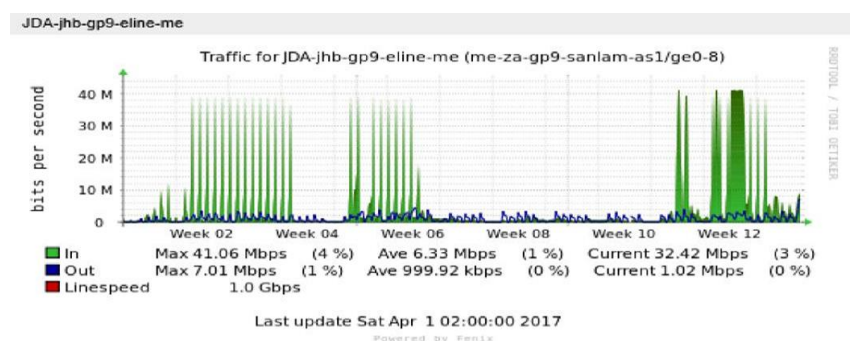


FIGURE 3: UTILISATION

**Smart Cities – ICT initiative**

The JDA continues to recognise and embrace the City's Smart Cities initiative. The implementation of SAP and other initiatives around service delivery frameworks will see the first realisation by the JDA to create an intelligence platform that will enable feed of relevant data into the smart cities platform.

Better decision-making (e.g. through the integration of city-wide data into a single view – allowing for holistic planning, preventative actions and improved decision making).

## **SECTION 12: COMPLIANCE WITH LAWS & REGULATIONS**

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

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

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

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

In relation to compliance performance, the JDA has detected or registered 21 out of 258 Compliance obligations that are non-compliance for third quarter. JDA's compliance framework was approved in the 1st quarter of 2016/17. Therefore the Risk and Compliance unit commenced with this of kind tracking only in 2016/17. In the 1st and 2nd quarter of 2016/17, 28 non-compliance obligations were reported; this 21 reported in the 3rd quarter is an improvement from the previous quarters. JDA neither has nor incurred any fruitless, irregular and unauthorized transactions for the 3<sup>rd</sup> quarter of 2016/2017. It is also imperative to note that management's accountability for compliance is reinforced by Internal Audit, audit on compliance to laws and regulations are standard audit procedure on all audit engagements.

## CHAPTER 3: SERVICE DELIVERY PERFORMANCE

### SECTION 1: HIGHLIGHTS AND ACHIEVEMENTS

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

The JDA’s programme performance information policy and reporting framework covers the procedures and content in the JDA’s programme performance information management system. This includes for example, the definition of key performance areas and indicators and targets in the business planning process and the articulation of the link between programme objectives and results and the performance indicators and targets. The policy is supported by a programme performance reporting framework based on a comprehensive scorecard. This scorecard lists all of the output and outcome performance measures that the JDA should collect data on for a range of timeframes (quarterly, annually or periodically). From this reporting framework, the annual scorecard is developed and the performance targets are set. The JDA policy and reporting framework only defines a target as achieved with a 95–100% rating, a target as partially achieved with an 80–94% rating and a target not achieved with anything less than a 79% rating. Hence any less than 80% is regarded as not achieved.

**TABLE 15 SUMMARY OF KPI PERFORMANCE**

IDP Priority	IDP programme	Count of KPI’s	KPI Number (Ref)	Target Achieved (95% - 100% rating)		Target Partially Achieved (80% - 94% rating)		Target not Achieved (<79% rating)	
				Count	%	Count	%	Count	%
Priority 6: Financial Sustainability	Capital project management	1	1		0%		0%	1	100%
	Enhanced corporate governance, through 100% compliance with financial, risk and performance management guidelines	1	2		0%		0%	1	100%
Priority 4: Transforming sustainable human settlements	Improved Mobility	1	3	1	100%		0%	0	0%
	Compact, integrated and liveable urban form and spaces	9	4-5-6-7-8-9-10-11-12	4	44%		0%	5	56%
Priority 1 and 2: Employment creation, investment attraction and retention; Informal Economy, SMME and Entrepreneurial support	City wide job creation programme - 250 000 jobs by 2016	2	13-14		0%		0%	2	100%
	Enterprise Development	1	15	1	100%				0%
Priority 12: Good governance	To improve governance profile of the	1	16		0%		0%	1	100%

IDP Priority	IDP programme	Count of KPI's	KPI Number (Ref)	Target Achieved (95% - 100% rating)		Target Partially Achieved (80% - 94% rating)		Target not Achieved (<79% rating)	
				Count	%	Count	%	Count	%
	City								
	To reduce the levels of corruption in the City	1	17			0%	0%	1	100%
Day-to-day Programme	Other IDP or Day-to Day programmes	4	18-19-20-21	3	75%	1	25%		0%
		<b>21</b>		<b>9</b>	<b>43%</b>	<b>1</b>	<b>5%</b>	<b>11</b>	<b>52%</b>

## SECTION 2: SERVICE DELIVERY CHALLENGES

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

By the end of the 3<sup>rd</sup> Quarter delivery was affected in several projects.

- The Department of Labour investigation into the collapse of scaffolding of a pedestrian bridge while under construction in Sandton continued. While investigation is underway, the Department of Labour has approved that Murray and Roberts can continue on the broader bridge construction project but not on the scaffolding required to build the bridge. JDA has therefore proceeded with construction only on parts of the dedicated pedestrian and cycling bridge at the Grayston off-ramp of the M1 Motorway. The City will only allow full construction of the bridge to resume when firstly, both the JDA and the contractor have demonstrated that they have put in place all possible risk mitigation measures to avoid a reoccurrence of this tragic accident and secondly, after the Department of Labour have approved the design and construction methodology going forward. It is anticipated that the investigation will be completed by August 2017.
- The delivery of the Orlando East Transit Oriented Development has been delayed due the dissatisfaction of members of the community organized under the body called the Orlando Task Team. Negotiations facilitated by an independent conciliator were being undertaken and while there was hope that an agreement will be reached, construction has not commenced due to safety and security concerns limiting access to contractors on site. This project has been postponed / cancelled in order for a feasibility / pre-planning activity to take place.
- In the period under review, a number of JDA projects in Greater Region E have been delayed as a result of community issues. With the Alexandra projects, the Paterson Park projects and the BRT project along Louis Botha, in particular. The JDA is continuously challenged by community actions affecting its implementation of projects. Such actions range from allegations of poor consultations by the JDA prior to approval of interventions to protests around appointment of local SMMEs, appointment of Community Liaison Officers (CLOs) and provisions of jobs to locals.

## SECTION 3: "GAME CHANGERS" PROGRAMMES

A summary of the JDA's "game changer" programmes in response to the GDS 2040 are outlined below:

### 3.3.1 TOD DEVELOPMENT CORRIDORS

The key activities in this programme include:

- Investing in the public transit and mobility infrastructure to promote walking and sustainable public transport, along the corridor routes (JDA Programme 4). The major driver of capital expenditure is from Programme 4: Greenways, specifically the large construction works that are being undertaken on the Rea Vaya trunk routes and along the TOD Corridors that connect commuters with the Rea Vaya BRT system and commuter rail services. Most of the non-motorised transport [NMT] infrastructure projects are being implemented by small construction companies, meaning that the large-scale infrastructure spending is also benefiting local businesses and creating local job opportunities.
- Developing TOD / station precincts (JDA Programme 2) - The transit-oriented node development programme encourages optimal development of transit hubs and corridors across the city, which provides access to affordable accommodation and transport, high-quality public spaces and amenities, and good community services.
- Development Facilitation - Investing time and resources on development facilitation necessary in the corridors in order to catalyse development. Development Facilitation capacity within the JDA will actively drive investment promotion and property development deals.

### 3.3.2 INNER CITY TRANSFORMATION

The key activities in this programme include:

- JDA's inner-city programme (JDA Programme 1) - Within this programme there are elements of transit-oriented node and corridor development. Precinct developments will be designed to respond to local conditions, needs and advantages, and to achieve economic, social and sustainable development outcomes.
- Inner City Housing Implementation Plan (ICHIP) - The Social Housing Regulatory Authority (SHRA) has approved a general capacitation grant for the City of Johannesburg on specific programmes relevant to social housing of the Inner City Housing Implementation Plan (ICHIP). The successful execution of specific programmes will support the creation of a pipeline of social housing projects in the inner city of Johannesburg that unlock new middle-income and affordable subsidised rental stock and to accelerate the restructuring of Johannesburg's inner city landscape. The scope of works agreed to by the parties shall consist of the programmes relevant to social housing of the Inner City Housing Implementation Plan only, and includes Precinct Profiling and Land assembly; Detailed planning for specific properties; Strategy for the release of land and buildings for development; Establishing a Smart Partner programme for Social Housing and Technical and programmatic support.

### 3.3.3 ALEXANDRA RENEWAL

The key activities in this programme include:

- The Alexandra Renewal Project (ARP) forms a focus area of the JDA (JDA Programme 5) which is established to coordinate intergovernmental activities to develop Alex.
- Together with capital investments in clinics and housing, most of the work involves planning and land for human settlement development projects such as hostel upgrading, housing development and the construction of community facilities. In this regard, the objectives of this piece of work are to present the full picture of development related initiatives impacting / influencing Greater Alex; Formulate guiding principles that would guide the holistic development of Greater Alex "that builds a city" i.e. a

CoJ perspective, informed by the principles of the 2016 SDF and to Develop a logical “Development Proposal Framework” that underpins how best the City can/should engage with development proposals and current/ future key partners or stakeholders that would support the sustainable development of the greater Alex.

### 3.3.4 ECONOMIC DEVELOPMENT & JOB CREATION

The key activities in this programme include:

- Enterprise Development Programme - The JDA continues to create jobs and economic development opportunities for small businesses through its construction programme. The programme has a new approach to contracting in selected developments, with a managing contractor responsible for subcontracting local SMME construction companies, and ensuring skills transfer within a construction contract period.
- Through its construction work, JDA will seek to optimise the number of local construction jobs created.
- In addition to the normal JDA practice of reserving a percentage of the value of all construction contracts for local SMMEs, projects will also be packaged to create opportunities for local SMMEs.

### 3.3.5 IMPROVED STAKEHOLDER ENGAGEMENT AND MANAGEMENT

The key activities in this programme include:

- Stakeholder Engagement Framework - The JDA’s framework is used to engage communities in all its development areas and enable the City to keep stakeholders informed, making sure there is accurate understanding of the impact of City developments in their area.
- The aim is to ensure that stakeholders are actively engaged from the very inception of the project concept and play a meaningful role in shaping the development outcomes and future custodianship of the development
- The approval of the JDA’s Stakeholder Engagement Framework guides the way in which the JDA supports productive development partnerships and co-operation between all stakeholders in these areas. It frames how the JDA works with the people and organisations which impact upon and are impacted by various JDA plans, interventions and projects which seek to fulfil the City of Johannesburg’s development policy objectives. The Framework seeks to ensure a coherent approach to stakeholder engagement across the complete range of JDA plans, interventions and projects; Enable better planned projects and programs and facilitate effective collaboration with all affected and interested parties

## SECTION 4: PERFORMANCE AGAINST SERVICE STANDARDS

Section Not Applicable to 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.

**TABLE 16: CAPITAL BUDGET MANAGEMENT**

<b>Overall Programme Performance</b>		<b>Target YTD</b>	<b>Actual YTD</b>	<b>YTD Target %</b>	<b>% Actual / annual budget</b>
		R' 000	R'000	%	%
<b>Overall Programme Performance</b>	<b>1 705 549</b>	<b>852 775</b>	<b>594 292</b>	<b>43%</b>	<b>35%</b>

The overall year to date capex expenditure at Quarter 3 was R594 292million against an annual budget of R1.7 billion. This translates to 35% of the annual budget.


## 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 CoJ, aim to improve the JDA’s performance and efficiency, and achieve longer-term goals for specific developments, such as area-based revitalisation.

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




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





TABLE 18: SCORECARD

No.	Key Performance Indicator	Target 2016/17	2016/17 Q3				Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
			Target	Actual	Variance	Quarterly Achievement Rating	
1	% budget spent on city-wide infrastructure <sup>8</sup>	95% budget spent on city-wide infrastructure (cumulative)	50% budget spent on city-wide infrastructure	35%	15%		Target was not achieved The significant amount of under expenditure was due to a combination of factors at the project implementation level, these include: <ul style="list-style-type: none"> <li>• Project delays on site including land readiness, SMME disputes and contractor performance;</li> <li>• Project not reaching a construction stage as planned;</li> <li>• Construction challenges including projects with potential structural design risks that needed to be suspended in order to be investigated;</li> <li>• Procurement delays or disputes;</li> <li>• Project performance misaligned with project cash-flow projections</li> </ul>

<sup>8</sup> Cumulative and as determined at mid-term adjustment budget


TABLE 17: KPI ACHIEVEMENT RATINGS


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


No.	Key Performance Indicator	Target 2016/17	2016/17 Q3				Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
			Target	Actual	Variance	Quarterly Achievement Rating	
							Management is aware of the severity reflected by performance to date and will be monitoring more closely to ensure that implementation progress is fast-tracked but not at the expense of quality, value for money or safety.
2	Clean audit opinion with a percentage of internal and AG audit findings of the previous financial year resolved <sup>9</sup>	Clean Audit opinion with 100% of internal and AG audit findings of the previous financial year resolved (cumulative)	70% of internal and AG audit findings of the previous financial year resolved	53%	17%		Target was not achieved Most of the findings that are unresolved relate to the reviewing of Finance Policies, the absence of a Human Resource Performance Management System and the lack of an adequate Records Management Department & management programme. Management is however working relentlessly to ensure that these findings are resolved and that the internal control environment is adequate and operating effectively.
3	Number of kilometres of walkway and cycle lanes completed <sup>10</sup>	50 km of walkways and cycle lanes completed (cumulative)	20 km of walkways and cycle lanes completed	55.8 km	+35.8km		Target achieved in the following projects: <ul style="list-style-type: none"> <li>• Phase 1A Feeder Routes Phase 2 - 10.6 km</li> <li>• Section 15 E, F, &amp; J - 24 km</li> <li>• Sandton Loop - 19.8 km</li> <li>• Kliptown Public Environment Upgrade (Phase 2) - 1.4km</li> </ul>
4	Number of detailed local area plans, detailed local area implementation plans or area-based studies produced, reviewed or updated	5 Number of detailed local area plans, detailed local area implementation plans or area-based studies produced, reviewed or updated (non-cumulative)	0 detailed local area plans, detailed local area implementation plans or area-based studies produced, reviewed or updated	0	-		Target achieved There were no planned activities to be achieved for Q3 2016/17 financial year.
5	Number of area-based or sector based partnerships formalised	5 area-based or sector based partnerships formalised (non-	1 area-based or sector based partnerships	1	-		Target achieved

<sup>9</sup> The findings as contained in the management letter of the previous year

<sup>10</sup> Includes all Transport projects allocated and implemented by the JDA, as well as other projects from other funding sources


No.	Key Indicator	Performance	Target 2016/17	2016/17 Q3			Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
				Target	Actual	Variance	
			cumulative)	formalised			
				1. MOU with TUHF (Trust for Urban Housing Finance)			
6	Number of projects at concept design phase	34 projects at concept design phase (non-cumulative)	3 projects at concept design phase	3	0		Target achieved
			1. Milpark Precinct Development: Pedestrian Bridge			<b>Project at Concept Design Phase</b>	Professional team has been appointed. Topographic survey is completed. Concept and Detailed designs have been completed and approved. A pre-qualification tender has been issued and closed. Adjudication is underway for the main contractor.
			2. Milpark Precinct NMT: Phase 1			<b>Project at Concept Design Phase</b>	Concept design has been completed and approved by JDA EXCO. A detail design has been completed and waiting for approval by JRA. Tender procurement process is underway for the main contractor; and the closing date was on 31 March 2017.
			3. Lehae Fire Station			<b>Project at Concept Design Phase</b>	The project has been decomposed into two work packages: <b>Work Package 1:</b> The construction of a new fire station. <b>Work Package 2:</b> The construction of the training academy  Concept designs for Work Package 1 and 2 have been approved by CoJ Emergency Services (EMS) and JDA EXCO. The Quantity Surveyor is currently preparing the tender document and Bill of Quantities for Work Package 1. The dates for the procurement of the contractor for Work Package 2 will be determined once the JDA and EMS have reached consensus on the budget allocation and the manner in which the works will be sequenced.


No.	Key Performance Indicator	Target 2016/17	2016/17 Q3				Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
			Target	Actual	Variance	Quarterly Achievement Rating	
7	Number of projects at detailed design phase	21 projects at detailed design phase (non-cumulative)	6 projects at detailed design phase	6	-		Target was achieved
			1. Ebony Park Clinic		<b>Project at Detailed Design Phase</b>		The project is currently in the document and procurement stage. Consultative sessions have been conducted with the end user and the Architect has developed a concept design that responds to the end user's needs. The concept design has been presented to the end user and JDA EXCO has been approved. Detailed design has been completed. The procurement process for the appointment of the contractor has commenced with the invitation of bidders to participate in the prequalification process. It is envisaged that a main contractor will be appointed beginning of the fourth quarter.
			2. Hillbrow Tower Precinct		Project at Detailed Design Phase		Professional team has been appointed. Concept and detailed designs have been completed. The contractor appointment has been finalised; the overall construction progress is at 40%.
			3. Florida Clinic		Project at Detailed Design Phase		The project is currently in the document and procurement stage. Consultative sessions have been conducted with the end user and the Architect has developed a concept design that responds to the end user's needs. The concept designs have been approved by CoJ Health and JDA EXCO. Detailed design has been completed. The procurement process for the appointment of the contractor has commenced with the invitation of bidders to participate in the prequalification process. It is envisaged that a main contractor will be appointed beginning of the fourth quarter. Due to delays in the procurement of all professionals, the project is behind schedule.
			4. Jabulani TOD (Phase 5)		<b>Project at Detailed Design Phase</b>		The designs, drawings, tender document and bill of quantities are completed. The tender for the main contractor has been awarded. The anticipated start




No.	Key Indicator	Performance	Target 2016/17	2016/17 Q3			Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
				Target	Actual	Variance	
							date is 01 April 2017 and completion target date is 01 May 2018. The overall construction progress is at 40%. Due to delays in the procurement of all professionals, the project is behind schedule.
				5. Union Stadium Phase 1B		<b>Project at Detailed Design Phase</b>	Phase 1A has been completed and the practical completion certificate will be issued after the water connection has been implemented by JRA. Phase 1B appointment of the main contractor has been approved. Concept and Detailed designs have been completed.
				6. Claremont Clinic		<b>Project at Detailed Design Phase</b>	Preliminary designs have been completed and approved. Contractor appointment is anticipated before the end of June 2017. The overall construction progress is at 25%.
8	Number of contracts awarded	24 contracts awarded (non-cumulative)	16 contracts awarded	9	7		Target was not achieved Delays in Kliptown Upgrade Programme (Phase 3), Campus Square-Pedestrian Facility, Jabulani TOD (Phase 6), Noordgesig - Social Cluster Re-design (including social housing), Alexandra NMT Phase 3, Park Station NMT Link and Patterson Park Work Package 3 (Multipurpose Centre).
				1. Kliptown Upgrade Programme – Phase 3		<b>Contract Not Awarded</b>	Professional team has been appointed. Field investigation has been completed and concept development is underway. Delays in Phase 3 are due to further project scoping and consultation on the relocation of the museum. The project has been put on hold until remedial works of the Walter Sisulu parking basement have been resolved. The Client and the team are in the process to appoint the service provider for Remedial of works of the Basement parking.
				2. Campus Square Pedestrian Facility		<b>Contract Not Awarded</b>	Traffic engineering studies has been completed. Concept design has been completed and approved by JDA EXCO. Detail Designs has been completed and submitted to JRA. Tender procurement process is

No.	Key Indicator	Performance	Target 2016/17	2016/17 Q3			Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
				Target	Actual	Variance	
							underway. Delays were due to the changes requested by City Transformation to the concept, which impacted on the detailed design. Construction was planned to commence in November 2016. It is now anticipated to start in February 2017. The overall construction progress is at 25%.
				3. Perth Empire CoF, TIA, Stormwater Masterplan & New Construction		<b>Contract Awarded</b>	The tender for the main contractor has been awarded and still waiting for 21 days of objection period from other bidders. Expected site handover, early April 2017. The overall construction progress is at 40%. Anticipated date of completion is 31 August 2017.
				4. Turffontein CoF, TIA, Stormwater Masterplan & New Construction		<b>Contract Awarded</b>	The tender for the main contractor has been awarded and still waiting for 21 days of appeal. Expected site handover, early April 2017. The overall construction progress is at 40%. Anticipated date of completion is 30 June 2017.
				5. Westbury Phase 3: Westdene Dam NMT		<b>Contract Awarded</b>	Field investigations and concept designs have been completed. Detailed designs have been completed. Tender documentation is 100% complete. The main contractor has been appointed. The overall construction progress is at 40%.
				6. Hillbrow Tower Precinct		<b>Contract Awarded</b>	Professional team has been appointed. Concept and detailed designs have been completed. The contractor appointment has been finalised; the overall progress is at 40%.
				7. Jabulani TOD (Phase 6)		<b>Contract Not Awarded</b>	Geotech investigation and site survey has been completed. Concept design has been completed and approved by JDA EXCO. Detail designs are 50% to be completed. Tender procurement process is underway for the main contractor. Delayed MoU between CoJ and SAFA. Construction is planned to commence in July 2017. The overall progress is at 20%.
				8. Noordgesig - Social Cluster Re-design		<b>Contract Not Awarded</b>	<b>Phase 1A:</b> Tender evaluation has been conducted and we still waiting for the appointment of the main






No.	Key Indicator	Performance	Target 2016/17	2016/17 Q3			Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
				Target	Actual	Variance	
				(including social housing)			<p>contractor. Minor changes were made from the original designs and the Engineers has finalised their designs in accordance to the changes.</p> <p><b>Phase 1B:</b> BEC to be conducted on the 22<sup>nd</sup> of March 2017, then the client will conduct their own evaluations also and then make the appointment of the suitable and qualifying contractor. All designs have been finalised, we just waiting for the approval from JRA.</p> <p>Way leaves for Phase 1A have been obtained But still waiting for Phase1B. The overall construction progress is at 25%. Site handover is anticipated in the 4<sup>th</sup> quarter of the financial year.</p>
				9. Braamfisherville - Internal Roads and Stormwater (housing)		<b>Contract Awarded</b>	<p>Project scoping report has been completed. The designs, drawings, tender document and bill of quantities are completed. The project went out on tender on the 9<sup>th</sup> December 2016. The tender for the main contractor has been awarded. Site handover is anticipated in mid-April 2017. The overall progress is at 40%.</p>
				10. Alexandra NMT Phase 3		<b>Contract Not Awarded</b>	<p>Concept and detailed designs have been completed. The tender for construction was advertised on the 14<sup>th</sup> October 2016 and it closed on the 17<sup>th</sup> November 2016. Tender adjudication commenced on the 22<sup>nd</sup> November 2016 with the adjudication report was submitted on the 13<sup>th</sup> December 2016. Department of Transport has put the project is on hold due to changes in the operational plan.</p>
				11. Union Stadium Phase 1B		<b>Contract Awarded</b>	<p>Phase 1A has been completed and the practical completion certificate will be issued after the water connection has been implemented by JRA. Phase 1B appointment of the main contractor has been approved. The proposed works for Upgrade of Union Stadium Phase 1B mainly include clearing the site of existing surface rubble and grassing around sports</p>

No.	Key Indicator	Performance	Target 2016/17	2016/17 Q3			Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)	
				Target	Actual	Variance		Quarterly Achievement Rating
							fields constructed in Phase 1A. The project also includes construction of concrete terraces, walkways around the fields, upgrade of storm water, electrical first fix works and installation of an irrigation system.	
				12. Inner City CORE			<b>Contract Awarded</b>	The contractor appointment has been finalised for Phase 2 and the anticipated start date is the 14 April 2017; and the completion date is end of November 2017. The overall construction progress is at 40%.
				13. Park Station NMT Link (Park Station Precinct: Metro Centre and Park Station NMT)			<b>Contract Not Awarded</b>	Concept design has been completed and approved by JDA EXCO and a detailed design is underway. The project is on documentation and procurement stage. The overall progress is at 35%.
				14. Westbury TDC			<b>Contract Awarded</b>	The contractor appointment has been finalised and site handover was on the 27 January 2017. Construction commenced on the 1 <sup>st</sup> March 2017. Anticipated date of completion is 13 July 2018. The overall construction progress is at 42%.
				15. Rosebank to Sandton NMT			<b>Contract Awarded</b>	The tender for the main contractor has been awarded. Expected site handover, early April 2017. The project will be running for 7 months. The overall progress is at 40%.
				16. Patterson Park Work Package 3 (Multipurpose Centre)			<b>Contract Not Awarded</b>	Patterson Park Work Package 3: Cumulative progress is at 35%, the preferred bidder has been identified and the finalization of the appointment is imminent.
9	Number of projects at practical completion	30 projects at practical completion (non-cumulative)	5 projects at practical completion	3	2		Target was not achieved Delays in Patterson Park Work Package 1 and Golden Harvest Rehabilitation Centre Phase 2	
			1. Phase 1C Section 8B (Sandspruit River Bridge Widening and road works)			<b>Project at Practical Completion</b>	Project was completed on the 31st December 2016.	
			2. Patterson Park Work Package 1 (Stormwater)			<b>Project not at Practical Completion</b>	Patterson Park Work Package 1 - The construction works have achieved 82% progress. On a cumulative basis, the project has achieved 95% progress. The tie in to the existing culvert in the in-situ section, backfilling, reinstatement of Paterson Road and	

No.	Key Indicator	Performance	Target 2016/17	2016/17 Q3			Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
				Target	Actual	Variance	
							Landscaping are the only major activities that are currently in progress.
				3. Auckland Park NMT: Phase 1		<b>Project at Practical Completion</b>	Project has been completed.
				4. Auckland Park NMT: Phase 2		<b>Project at Practical Completion</b>	Project has been completed.
				5. Golden Harvest Rehabilitation Centre Phase 2		<b>Project not at Practical Completion</b>	The construction stage is at an advanced stage and the overall construction progress is at 91%. Contractor is busy with the rectification of snags. JDA to make a BAC application for the increase of the contingency beyond the typical 20% as the value of the additional works required in the project and as requested by the end-user client has exceeded the available contingency. The list of items on hold due to budget considerations will not be ready by the practical completion date of 31 March 2017.
10	Number of Area Based Precinct Management business plans / frameworks developed	5 Area Based Precinct Management business plans / frameworks developed	1 Area Based Precinct Management business plans / frameworks developed	0	1		Target was not achieved The Kliptown urban management plan has not been completed due to the fact that the Jozi@Work programme has been suspended (i.e. no new work-packages or CSA's to be awarded).
			1. Kliptown Area Based Mgmt. Plan				The basis of the Kliptown urban management plan was to use Jozi@Work co-operatives paid for by the contract on the Kliptown Square upgrade. The JDA is trying to set up another urban management vehicle but we are hamstrung by the lack of financial support from both the city and local stakeholders. According to DED, funds for the establishment of urban management vehicles are going to be made available on their budget in the 2017/2018 to assist in the establishment of these.

No.	Key Indicator	Performance	Target 2016/17	2016/17 Q3				Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
				Target	Actual	Variance	Quarterly Achievement Rating	
11	Number of Media Releases Marketing Projects		48 Media Releases Marketing Projects (non-cumulative)	12 Media Releases Marketing Projects	7	5		Target was not achieved due to most JDA projects are still being the planning stage, hence little to report. The communication business partner model is in implementation i as from the third quarter. However, improved planning and execution of the model will ensure that all projects get to be covered on media releases. Furthermore, the communications business partners will start attending regular project meetings with the development implementation teams to gather information for generation of stories and to build an information repository to enable generation of content and ease of approval thereof.
12	Number of area or project impact (case studies) or performance assessments completed		6 area or project impact (case studies) or performance assessments completed (non-cumulative)	2 area or project impact (case studies) or performance assessments completed	0	2		Target was not achieved while the procurement processes were completed in Quarter 3, however all six of the planned annual deliverables will be delivered in Quarter 4 under single procurement and not split as originally intended.
13	Number of EPWP opportunities as created		7000 EPWP opportunities created (cumulative)	4000 EPWP opportunities created <sup>11</sup>	1019	2981		Target was not achieved because majority of projects are still at the planning or concept ward stage, and the construction phase is yet to begin. Management is aware of the severity reflected by performance to date and will be monitoring more closely to ensure that implementation progress and in turn EPWP is fast-tracked but not at the expense of quality, value for money or safety. The total for cumulative of 1019 EPWP work opportunities created as at 3rd quarter of 2016/17 financial year.




<sup>11</sup> Represents a minimum threshold target

No.	Key Performance Indicator	Target 2016/17	2016/17 Q3				Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
			Target	Actual	Variance	Quarterly Achievement Rating	
14	Number of jobs created city-wide <sup>12</sup>	500 jobs created city-wide (cumulative)	250 jobs created city-wide	59	191		Target was not achieved. The Jozi@Work programme has been suspended (i.e. no new work-packages or CSA's <sup>13</sup> to be awarded) and because majority of projects with a planned Jozi@Work implementation were not yet at the construction stage no jozi@work packages were awarded. The total cumulative is 59 jobs created city-wide as at the end of 3 <sup>rd</sup> Quarter of 2016/17 financial year.
15	Percentage of SMME expenditure as a share of total expenditure	30% SMME expenditure as a share of total expenditure (non-cumulative)	30% SMME expenditure as a share of total expenditure	33%	+3%		Target achieved
16	% of predetermined objectives achieved	85% of predetermined objectives achieved	85% of predetermined objectives achieved	52%	33%		Target was not achieved
17	% delivery on reported cases of corruption	100% delivery on reported cases of corruption	100% delivery on reported cases of corruption	66%	34%		Target was not achieved 1 new case reported (10 March 2017) (2 existing cases from previous financial year. 1 at reporting stage, 1 disciplinary action is currently being taken)
18	% spent on Broad-Based Economic Empowerment through local procurement as a share of total expenditure <sup>14</sup>	100% spent on Broad-Based Economic Empowerment through local procurement as a share of total expenditure (non-cumulative)	100% spent on Broad-Based Economic Empowerment through local procurement as a share of total	97%	-3%		Target was achieved

<sup>12</sup> Paid work for an individual for any period of time, the same individual can be employed on different projects and each period will be counted as a work opportunity. The definition as per the national employment indicator

<sup>13</sup> Capability Support Agent's

<sup>14</sup> Each service provider's individual BBBEE rating affects the amount of expenditure the JDA can claim as being from a BBBEE-compliant service provider when calculating its preferential procurement points. The higher the service provider's rating, the more expenditure can be claimed. If the agency buys from a level 1 service provider, it can claim 135% of the actual expenditure

No.	Key Performance Indicator	Target 2016/17	2016/17 Q3				Explanation of progress, variations and steps to be taken to improve performance (as at end of December 2016)
			Target	Actual	Variance	Quarterly Achievement Rating	
			expenditure				
19	Percentage spend on JDA operating budget against approved operating budget	95% spend on JDA operating budget against approved operating budget (cumulative)	75% spend on JDA operating budget against approved operating budget	68%	7%		Target partially achieved  For operating expenditure the organisation achieved 90% for the end of the third quarter whilst the overall achievement against the annual target was 68%.
20	Percentage implementation of the strategic risk management plan findings resolved	95% implementation of the strategic risk management plan findings resolved <sup>15</sup> (cumulative)	70% implementation of the strategic risk management plan findings resolved	75%	5%		Target achieved
21	Percentage implementation new ERP System (SAP)	95% implementation new ERP System (SAP) <sup>16</sup> (cumulative)	70% implementation new ERP System (SAP)	77%	7%		Target achieved

<sup>15</sup> From Red and Amber to Green Status

<sup>16</sup> As defined by implementation plan and change management plan

## SECTION 7: PROGRAMME PERFORMANCE

### 3.7.1 INNER CITY PROGRAMME

The programme purpose is to manage the development of the Johannesburg inner city through capital investments in selected areas, by overseeing integrated investments by other departments and entities, and by facilitating partnership initiatives. Guided by the Inner City Transformation Roadmap as approved by the City of Johannesburg in 2013, 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 corresponding regional focus area of this programme includes:

- Inner City and the Old South (including Turfontein and Mining Belt)

TABLE 19: INNER CITY PROGRAMME

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Inner City Commuter Links (Jack Mincer Taxi Facility Extension Noord Street)	The project is the 5th, 6th and 7th phase of the urban upgrade of the Inner City Commuter Links. In 2016/17 financial year Phase 6 of the development will be to complete the public environment upgrade of the market project along Noord Street (between Twist and Klein Streets) and the upgrade of the Jack Mincer Taxi Facility. On 12 May 2016 the site was handed over to the contractor for a three stage approach being PEU on Noord Street between Twist and Klein, Jack Mincer investigation work and Jack Mincer upgrade pending the outcome of the investigative work of stage 2.	Inner City Central Core	The scope of work includes the following key components: construction of trader structures, repairs and upgrades to existing storm water network, layer works, kerbing and channelling, the construction of driveways, wheel chair and access ramps, paving and surfacing, lighting, and street furniture.	In 2016/17 financial year construction has continue without pause on the Noord Street upgrade between Twist and Klein Street until completion. Also to complete the investigative work required for the long term implementation of Jack Mincer Taxi Rank.  The project is at 100% overall construction progress. Stage 1 and 2 of the works have been completed, these being: 1) PEU on Noord Street between Twist and Klein; 2) Jack Mincer investigation work 3) The Jack Mincer upgrade is not to be carried out under this project. 4) We have included additional works being: completion of works to JAG and PEU to Plein Street.
Hillbrow Tower Precinct	In 2016/17 the project will focus on the planning and implementation of the public environment upgrade of various streets in Hillbrow which were not completed as	Hillbrow and Berea	The project is part of the Inner City Upgrade. The overall scope of work entails implementation of Public Environment	Professional team has been appointed. Concept and detailed designs have been completed. The contractor appointment has

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	per the original Urban Design Framework which was completed in the 2013/14 financial year. A new team of professionals are to be appointed for the implementation of the work. Possible streets identified are Hadfield Road, Nugget Street extension, Banket Street and Tudhope Streets from Barnato Street to Louis Botha Avenue.		Upgrade Projects continuing with the work as per the Hillbrow Tower UDF. Focus areas are Tudhope Street and Nugget Street Extension.	been finalised; the overall progress is at 40%.
Kazerne Intermodal Facility Development	At the moment the inner city has ranking facilities for 4 000 taxis; leaving the other 1 800 taxis to rank and hold on the streets. This is one of the key reasons for traffic congestion in the inner city. If we were to accommodate all taxis in formal off-street facilities this would require an additional 3 Jack-Mincer sized taxi ranks. There is also a shortage of bus ranking facilities. The need to improve the quality of life of commuters, streamline the flow of traffic and strengthen the commuting connections with the rail service all indicate that there is an urgent requirement to develop a new integrated transport facility with good access to Park Station. The under-developed Kazerne Taxi facility provides an opportunity for such a facility.	The railway seam - Park Station and surrounds	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to improve an existing informal mini bus ranking facility. The overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment upgrade linking to the facility.	The contractor is currently on site with the implementation of the work. The overall progress is at 52%. Anticipated completion date is the 6 March 2018. Delays and reduced productivity as a result of wet conditions. Wet ground has resulted in soft grounds not accessible for construction activities. The contractor has managed to reduce the impact of delays by closing wet spots with better material but the risk is not completely mitigated as this solution may not work if there is excessive rain.
Inner City Eastern Gateway Precinct	The project is part of the Inner City Upgrade. The overall scope of work looks at areas on the east of the Inner City, formulation of a linkage and a Gateway to the Airport along Albertina Sisulu Street.	Bertrams, Jeppestown and Troyeville	The project is part of the Inner City Upgrade. The overall scope of work looks at areas on the east of the Inner City, formulation of a linkage and a Gateway to the Airport along Albertina Sisulu Street.	Currently the Urban Design Framework is being completed. The tender for the procurement of a professional team is underway. Anticipated appointment date for professional team is end of April 2017.
Inner City CORE (African Food Hub)	The project seeks to improve continuity and connectivity for pedestrians towards and between places of work, public transport and other facilities. It will also strive to improve access to spaces for recreational and social purposes and to formalize the trading spaces within the Inner City of Johannesburg. The project area is defined as De Villiers Street in the North, Commissioner Street in the South, Sauer Street in the West, and End Street in the East.	Inner City Central Core	In 2016/17 the project will focus on the public environment upgrade of Delvers, Polly, Klein, Von Brandis and Kruis Streets. The team is in the process of developing detailed designs for the project in order for the procurement of the contractor to commence early in the new financial year. The project is part of the Inner City Upgrade. The overall scope of work entails Public Environment Upgrade on Klein, Delvers, Kerk and Polly Streets.	The contractor appointment has been finalised for Phase 2 and the anticipated start date is the 14 April 2017; and the completion date is end of November 2017. The overall construction progress is at 40%.
Inner City Managed Lanes	The JDA on behalf of Transportation will be implementing the managed lanes projects in the Inner City. The project will seek to align taxi and trading activities within the	Inner City Central Core	The project is part of the Inner City Upgrade. The overall scope of work entails implementation of Dedicated Public	The tender process for the appointment of the professional team is underway. Anticipated appointment date for

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	Inner City of Joburg. This will be achieved by having dedicated taxi routes and trading facilities within the Inner City. The project feasibility studies and proposed routes and public participation processes have been undertaken and completed by the City of Johannesburg and were handed over to the JDA in May 2016. In the 2016/17 financial year the project will focus on developing detailed design and start with the implementation and completion of one of the identified managed lanes.		Transport lanes along Jorriison, De Korte, Harrison, Rissik and Eloff Streets, connecting Braamfontein to the Inner City	professional team is end of April 2017.
Park Station Precinct: Connections between Metro Centre and Park Station	The project is part of the Inner City Upgrade. The overall scope of work entails implementation of Dedicated Public Transport lanes along Rissik Street, from Park Station to Metro Centre.	The railway seam - Park Station and surrounds	The project is part of the Inner City Upgrade. The overall scope of work entails implementation of Dedicated Public Transport lanes along Rissik Street, from Park Station to Metro Centre.	Concept design has been completed and approved by JDA EXCO and a detailed design is underway. The project is on documentation and procurement stage. The overall progress is at 35%.
Mayfair PEU	Detailed area and project based planning Public Environment Upgrade and Social Facilities in the area.	Fordsburg, Vrededorp and Pageview	The overall scope of work entails implementation of Public Environment Upgrade and Social Facilities in the area.	The professional team has appointed and is underway with concept designs.
Fordsburg PEU	Detailed area and project based planning Public Environment Upgrade and Social Facilities in the area.	Fordsburg, Vrededorp and Pageview	The overall scope of work entails implementation of Public Environment Upgrade and Social Facilities in the area.	The professional team has appointed and is underway with concept designs.
Braamfontein Transport Study	Braamfontein Transport Study	Braamfontein	Braamfontein Transport Study	Professional team has been appointed and study is underway
Kazerne Business and Management Plan	Business Plan and Operational framework to manage the facility	The railway seam - Park Station and surrounds	Business Plan and Operational framework	The tender process for the appointment of the professional team received one tender, but on evaluation they were not technically capable of completing the plan. The JDA have have received permission from Bid Adjudication Committee (BAC) to go for advertisement again.
Corridor Naming - Turfontein	Naming and branding strategy for Turfontein	De Villiers Street	Naming and branding strategy	Professional team has been appointed and project is underway
Mining Belt West (Crown Mine Precinct Plan)	In order to inform investment in this Sub-Area, the City and the JDA require the development of a more detailed urban integration framework that assesses areas-specific conditions and compiles a set of interventions that will	Fleurhof	The Fleurhof Cluster Urban Development Framework is a spatial plan that will detail interventions for the central part of the Western Mining Belt. It is a prioritised	The professional team has appointed and is underway with the UDF

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	directly address area-specific opportunities and challenges and will guide future public investment.		node identified for further planning in the Mining Belt West Strategic Area Framework approved by the City in 2015/16.	
Inner City Assessment Study: Review and audit of UDFs and Precinct Plan implementation assessment	Assessment of Inner City precincts and projects to date	All	Review and audit of UDFs and Precinct Plan	The professional team has appointed and the project is underway.
ICHIP - Land Packaging and Agreements for Social and Affordable Housing	Project entails the profiling and packaging of inner city properties for social and affordable housing.	Bertrams, Jeppestown and Troyeville	Precinct profiling and land assembly Detailed planning for specific properties A strategy for the release of land and buildings for development Establishing a 'smart partnership' programme for Social Housing Technical and programmatic support	The professional team has appointed and the project is underway.

### 3.7.2 TOD / STATION PRECINCT DEVELOPMENT

A Transit Oriented Development (TOD)<sup>17</sup> / station precinct development programme that encourages optimal development of transit hubs and corridors across the city, which provide access to affordable accommodation and transport, high quality public spaces and amenities, and good community services. The corresponding regional focus areas of this programme include:

- Inner City and the Old South (including Turfontein and Mining Belt)
- Greater Soweto, (including Lenasia, Eldos, Nancefield)
- Empire-Perth Corridor

<sup>17</sup>

Transit Oriented Development is the exciting fast growing trend in creating vibrant, liveable, sustainable communities. Also known as TOD, it's the creation of compact, walkable, mixed-use communities centred on high-quality train or BRT systems. This makes it possible to live a lower-stress life without complete dependence on a car for mobility and survival. Transit oriented development is regional planning, city revitalization, suburban renewal, and walkable neighbourhoods combined - <http://www.tod.org/>

- Louis Botha Corridor
- Alexandra and the OR Tambo Corridor (includes Randburg, Cosmo City, Modderfontein, Frankenwald)

TABLE 20: TOD / STATION PRECINCT DEVELOPMENT PROGRAMME

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Randburg CBD Public Environment Upgrade	<p>Despite its potential as a key regional transit node, Randburg CBD continues to function as a mid-level retail and office node, with less than optimal residential land uses and limited public amenities. The Randburg CBD has experienced more than two decades of decline and under development due to several factors ranging from property trends, lack of maintenance (of buildings and the public environment), competition with other retail and office nodes, and relocation of several key government functions. Despite several plans being commissioned and completed, limited success has been achieved in turning Randburg around since 2002.</p> <p>The upgrade initiatives in 2016/17 will focus on the completion of the public environment on Hill Street and Braam Fischer Street. Currently the contractor is on site and the work is progressing well. Agreements have been reached with the stakeholder and the contractor has completed the storm water installation on block 2.</p>	Randburg	The overall scope of work entails Public Environment Upgrade in the Randburg CBD which aims at improving pedestrian mobility and connectivity.	The project was completed on the 30 <sup>th</sup> November 2016.
Paterson Park (Sports Facilities) (Storm water)	<p>The facility has been in existence for a number of years and is being fully utilized on a daily basis by the community it serves. This facility is situated strategically close to transport nodes like the newly constructed Bus Rapid Transit (BRT) system which assist commuters' easy and affordable access to such facility. The facility also forms part of the facilities that are situated along the Corridors of Freedom.</p> <p>This facility has different sporting codes which makes it unique and attractive to fitness fanatics and private functions like weddings, funerals etc. The surrounding schools also utilize this facility more often than usual for</p>	Orange Grove	<p>The project forms part of the Paterson Park precinct upgrade and is divided into three work packages as follows:</p> <p><b>Work Package 1:</b> Construction of a large storm water culvert and stream upgrade</p> <p><b>Work Package 2:</b> Lowering / depression of tennis court area</p> <p><b>Work Package 3:</b> The construction of new single and double storey buildings and the renovation of a heritage building for a multipurpose sports and recreation complex, including an administration building, a swimming pool and related</p>	<p>Construction for work package 1 started on the 14 April 2016 and procurement process underway for work package 2 and 3.</p> <p><b>Work Package 1:</b> construction works have achieved 82% progress. On a cumulative basis, the project has achieved 95% progress. The tie in to the existing culvert in the in-situ section, backfilling, reinstatement of Paterson Road and Landscaping are the only major activities that are currently in progress.</p> <p><b>Work Package 2:</b> cumulative progress is at 35%, the procurement process for the appointment of the contractor is in the</p>

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	<p>their school activities. The facility has succumbed to wear-and-tear over the years and there is a need therefore for this facility to be further developed, upgraded and refurbished so as to ensure continuity and sustainability to the community.</p> <p>Currently the contractor for the culvert and stream is on site and the remaining two contractors, mainly the contractor for the implementation of the outdoor courts and building works, commenced in July 2016. The work in the 2016/17 financial year will focus on the completion of the outdoor courts and the storm water and culvert projects.</p>		<p>facilities, a sports pavilion, a gym / multi-purpose sports hall, a library, a crafts centre, bulk earthworks, roads, parking, storm water, hard and soft landscaping, and boundary wall.</p>	<p>adjudication stage.</p> <p><b>Work Package 3:</b> cumulative progress is at 35%, the preferred bidder has been identified and the finalization of the appointment is imminent.</p> <p>Delays have been experienced in the finalization of the procurement strategy for the pedestrian bridges. The procurement strategy for the pedestrian bridges has now been finalized. The effect of the late supply of information on bridges will only be ascertained once the contractor has provided their quotation and programme.</p>
<p>Brixton Transit Precinct Development Renewal Precinct Redevelopment BRIXTON B City Wide (Brixton Social Cluster Precinct implementation (includes social facilities and public environment) Brixton Social Cluster Precinct implementation (includes social facilities -library; sports field, park; MPC- and public environment)</p>	<p>This project includes the creation of an integrated cluster of social and community facilities in Brixton, some of which are already located in proximity to each other. The JDA is implementing the project on behalf of Community Development and Development Planning Departments in the City.</p> <p>In the 2016/17 financial year the project will be developing the designs for the multipurpose centre, the library and sports facilities in the precinct and the completion of the public environment upgrade work that will link the social cluster to the recreation centre.</p> <p>The project is divided into two work packages as follows:  <b>Work Package 1:</b> Multipurpose Sports and Recreation Centre, Parking Area and Sport Fields  <b>Work Package 2:</b> Library, Study Centre, Play Area, Swimming Pool, Hard and Soft Landscaping</p>	<p>Brixton</p>	<p>It is envisaged that this project will involve the implementation of various upgrade initiatives within the Brixton Social Cluster such as but not limited to : public environment upgrades [storm water, paving, kerbing, street furniture, lighting, landscaping, etc.], creation of a public square, new library, new multi-purpose hall / recreation centre [with the possibility of multi-level parking], upgrades to sport facilities i.e. fields, courts, and swimming pool, and creation of green open spaces and children’s play spaces</p>	<p><b>Work Package 1:</b> Brixton Transit Precinct Development – the cumulative progress is at 35%, concept designs have been approved by the JDA EXCO, CoJ City Transformation and CoJ Comm.Dev. The detailed designs are complete although the end user sign off is pending. The tender for the construction works has been evaluated and is now in the process of being adjudicated.</p> <p><b>Work Package 2:</b> Brixton Library – this project has been included within the Brixton Transit Precinct Development as part of work package 2. The cumulative progress is at 20%, concept designs have been approved by the JDA EXCO, CoJ City Transformation and CoJ Comm.Dev. The Quantity Surveyor is in the process of compiling the tender document and Bills of Quantities. Tender advertisement is earmarked for the second week of April 2017.</p>

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Jabulani TOD (Phase 4) Lepogo Street, Jabulani	The Jabulani Urban Development Framework was approved by the City of Johannesburg in 2015. Between 2013/14 and 2015/16, three phases of work were successfully implemented, including a new link road and storm water infrastructure to support further development of the Jabulani TOD Node. Phase 4 of the project is currently in tender evaluation stage. The scope of works includes the construction of a new link road and Non-Motorised Transport infrastructure upgrades of existing link roads. A new professional team was appointed on three year contracts. Further phases in planning stage include the upgrade of Bolani Road and the development of a multi-purpose sports facility, with the main focus on grass roots football development.	Jabulani	Upgrade of existing Lepogo Road and construction of new Water Tower Link Road.	Construction commenced on the 3 October 2016. The construction or implementation progress is at 58%. Anticipated date of completion is 7 August 2017.
Jabulani TOD (Phase 5) Lepogo Street, Jabulani	Phase 5 will focus on the upgrade that will be undertaken on the existing Bolani Road between Koma Road and Legogo Road. The work includes the following key components: paving upgrade and creation of new sidewalks, storm water pipes and kerb inlets, protection pipes by non-motorised transport, bus lay-bys, traffic signals, landscaping, lighting, street furniture, artworks, traders structures and tables, and bus shelters.	Jabulani	Upgrade of existing Bolani Road, new trader stalls, pedestrian sidewalks and non-motorised transport.	The designs, drawings, tender document and bill of quantities are completed. The tender for the main contractor has been awarded. The anticipated start date is 01 April 2017 and completion target date is 01 May 2018. The overall construction progress is at 40%. Due to delays in the procurement of all professionals, the project is behind schedule.
Jabulani TOD (Phase 6)	Phase 6 will focus on the construction of the new Multipurpose Sports Facility. The work includes the following key components: <b>i). SAFE HUB:</b> Reception, change rooms, café + kitchen, shops, computer room, offices, counselling, workshop, soccer field and ablutions. <b>ii). Community Centre:</b> Reception, multipurpose hall, meeting room, library, offices, ablutions, play courts, playground and community garden. <b>iii). External Works:</b> Storm water network, landscaping, swimming pool, lighting and park furniture.	Jabulani	Planning, designs and contractor appointment.	Geotech investigation and site survey has been completed. Concept design has been completed and approved by JDA EXCO. Detail designs are 50% to be completed. Tender procurement process is underway for the main contractor. Delayed MoU between CoJ and SAFA. Construction is planned to commence in July 2017. The overall progress is at 20%.
Nancefield TOD (Phase 4)	Phase 4 will focus on the construction of the multi-purpose hall with the outdoor tennis court, splash pad and the parking area in the Nancefield precinct.	Nancefield	This project is part of the Nancefield TOD development. The overall scope of works entails design and construction of a new multipurpose sports facility in Klipspruit,	Project has been completed.

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
			Soweto.	
Rotunda Park Precinct (Turfontein) (Phase 2)	Phase 1 of the project was completed by end June 2016. Phase 2 of the project is currently in evaluation stage. The scope of works include the demolition of the existing road and construction of two new roads along a section of De Villiers Street and the upgrading of bulk services in the area to support the densification along the street. Construction was planned to commence during July 2016 and will be completed by October 2017. Further phases of the project include the construction of a linear park along De Villiers Street	De Villiers Street	The project is part of the Turfontein Corridor of Freedom . The overall scope of works entail bulk Infrastructure upgrades which aims at supporting the envisaged Corridor development. The scope of works include the demolition of the existing road and construction of two new roads along a section of De Villiers Street and the upgrading of bulk services in the area to support the densification along the street	The contractor for phase 2 commence with the works on 19 January 2017. The overall construction progress is at 46%.
Westbury TDC - Training Development Centre (Social Development) Perth Empire Corridor Co - Production Zone for Social Development Renewal of TOD Corridors Intervention (Social Development One Stop Centre) Renewal	This project is part of the Empire Perth TOD Corridor. The overall scope of works entails upgrade and refurbishment of existing community facility on behalf of the CoJ Social Development.	Westbury	This project is part of the Empire Perth TOD Corridor. The overall scope of works entails upgrade and refurbishment of existing community facility on behalf of the CoJ Social Development.	The contractor appointment has been finalised and site handover was on the 27 January 2017. Construction commenced on the 1 <sup>st</sup> March 2017. Anticipated date of completion is 13 July 2018. The overall construction progress is at 42%.
Balfour Park Transit Precinct Development (Louis Botha Corridor)	This project is part of the Louis Botha TOD Corridor. The overall scope of works entails Public Environment Upgrade and NMT linking to the BRT Stations and the Balfour Park Shopping Mall.	Balfour Park	This project is part of the Louis Botha TOD Corridor. The overall scope of works entails Public Environment Upgrade and NMT linking to the BRT Stations and the Balfour Park Shopping Mall.	Bid Specification meeting for the professional team took place on 9 September 2016. The tender was advertised on 12 September 2016 and closed on 26 September 2016. Tender evaluations underway.

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Renewal Precinct Redevelopment Savoy Estate City Wide				
Milpark Precinct (Empire Perth Corridor) - Owl Street New Precinct Redevelopment Richmond, Regional NMT?	<p>This project is part of Milpark Precinct Development which forms part of the Empire Perth TOD Corridor. The Milpark Precinct has been identified by the City of Johannesburg as one of the main precinct of the Empire Perth Corridor. The main objective of this project is to implement NMT infrastructure in order to support and encourage pedestrian and cyclist mobility. Above this, is to promote pedestrian connectivity to all the Rea Vaya BRT Station and areas of public interest.</p> <p>The overall scope of works for this project entails construction of pedestrian walks, street light upgrades, road upgrades, services upgrades, pedestrian bridge and soft and hard landscaping.</p> <p>For ease of implementation this project has been divided into two phases and the pedestrian bridge will be implemented as a standalone project.</p>	Milpark	<p>The overall scope of works for this project entails construction of pedestrian walks, street light upgrades, road upgrades, services upgrades, pedestrian bridge and soft and hard landscaping. For ease of implementation this project has been divided into two phases and the pedestrian bridge will be implemented as a standalone project.</p> <p>The scope of works for the 2016/17 financial year is to appoint professional services providers, conduct all necessary field investigation, complete overall concept design and complete detailed designs for phase 1 only and complete 10% of the phase 1 construction stage.</p>	The tender process for the appointment of the Civil engineer for the professional team is due for adjudication. The Urban design Architects are already appointed and busy with the concept design.
Milpark Precinct Pedestrian Bridge	<p>This project is part of the Milpark Precinct Development which is part of the Empire Perth TOD Corridor. The Milpark Precinct has been identified by the City of Johannesburg as one of the main precinct of the Empire Perth Corridor. The main objective of this project is to design and construct a pedestrian bridge over Barry Hertzog Avenue connecting Richmond and Milpark.</p>	Milpark	<p>This project is part of the Milpark Precinct Development which is part of the Empire Perth TOD Corridor. The Milpark Precinct has been identified by the City of Johannesburg as one of the main precinct of the Empire Perth Corridor. The main objective of this project is to design and construct a pedestrian bridge over Barry Hertzog Avenue connecting Richmond and Milpark.</p> <p>The scope of works for the 2016/17 financial year is to appoint professional service providers, conduct all necessary field investigations and complete concept design.</p>	Overall project progress is at 25%. Professional team has been appointed. Topographic survey is completed. Concept and Detailed designs have been completed and approved. A pre-qualification tender has been issued and closed. Adjudication is underway for the main contractor.
Campus Square Public Transport and Pedestrian	Design and Implementation of the 'Campus Square' Public Transport and Pedestrian Bridge Facilities	Knowledge Precinct	The overall scope is to design and implement the Campus Square Public Transport and Pedestrian Bridge Facilities.	Traffic engineering studies has been completed. Concept design has been completed and approved by JDA EXCO. Detail

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Facility <sup>18</sup>				Designs has been completed and submitted to JRA. Tender procurement process is underway. Delays were due to the changes requested by City Transformation to the concept, which impacted on the detailed design. Construction was planned to commence in November 2016. It is now anticipated to start in February 2017. The overall construction progress is at 25%.
Westbury Development: Westbury Pedestrian Bridge	<p>The Westbury Pedestrian Bridge is part of the Westbury Precinct Development. The Westbury Precinct has been identified by the City of Johannesburg as one of the main precincts on the Empire Perth Corridor. The project entails the design and implementation of a pedestrian bridge connecting Westbury and Coronationville. The main aim of the bridge is to provide a safer crossing point over the BRT Trunk route on Fuel Road for the scholars of Westbury who attend school in Coronationville.</p> <p>The detailed design and construction stage for this project commenced during the 2015/16 financial year and the scope of works for the 2016/17 financial year is to complete the construction stage.</p>	Westbury	The project entails the design and implementation of a pedestrian bridge connecting Westbury and Coronationville. The scope of works for the 2016/17 financial year is to complete the construction stage.	Project has been completed and the overall construction progress is at 100%.
Union Stadium (Phase 1A)	<p>The Union Stadium upgrade is part of the Westbury Precinct Development. The Westbury Precinct has been identified by the City of Johannesburg as one of the main precincts on the Empire Perth Corridor. The overall scope for the project entails the design and implementation of two new soccer pitches, netball courts, volley ball courts and football courts.</p> <p>The detailed design and construction stage commenced during the 2015/16 financial year. The scope of work for the 2016/17 financial year is to complete the construction stage. The main outstanding items are the removal of illegal dumping around the new grounds and courts and to level around the new grounds and courts to make them</p>	Westbury	The overall scope for project entails the design and implementation of two new soccer pitches, netball courts, volley ball courts and football courts. The scope of work for the 2016/17 financial year is to complete the construction stage.	Phase 1A has been completed and the practical completion certificate will be issued after the water connection has been implemented by JRA. Phase 1B appointment of the main contractor has been approved. Concept and Detailed designs have been completed. The proposed works for Upgrade of Union Stadium Phase 1B mainly include clearing the site of existing surface rubble and grassing around sports fields constructed in Phase 1A. The project also includes construction of concrete terraces, walkways around the fields, upgrade of storm water,

<sup>18</sup> (Knowledge Precinct: Auckland Park Pedestrian Crossing New Precinct Redevelopment AUCKLAND PARK B City Wide)

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	safer for use by the community.			electrical first fix works and installation of an irrigation system.
Westbury Phase 3: Westdene Dam Precinct Interventions / NMT	This project is part of Westdene Dam Precinct Development which is part of the Empire Perth TOD Corridor. The Westdene Dam Precinct has been identified by the City of Johannesburg as one of the main precinct of the Empire Perth Corridor. The main objective of this project is to implement NMT infrastructure in order to support and encourage pedestrian and cyclist mobility. Above this, is to promote pedestrian connectivity to all the Rea Vaya BRT Station and areas of public interest. The overall scope of works for this project entails construction of pedestrian walkways, street light upgrades, road upgrades, services upgrades, non-motorised transport and soft and hard landscaping.	Westdene Dam	The overall scope of works for this project entails construction of pedestrian walkways, street light upgrades, road upgrades, services upgrades, non-motorised transport and soft and hard landscaping.	Field investigations and concept designs have been completed. Detailed designs have been completed. Tender documentation is 100% complete. The main contractor has been appointed. The overall construction progress is at 40%.
CORR - Louis Botha Corridor of Freedom Storm water <sup>19</sup>	The Louis Botha Corridor of Freedom Storm-water Master Plan (COF SMP) project entails the design and implementation of storm water upgrades required to support all the precinct developments that the City has identified along the Louis Botha Corridor. During the 2015/16 financial year the Johannesburg Roads Agency (JRA) completed a storm water masterplan indicating all the required upgrades along the Corridor.	Orange Grove	The scope of work for the 2016/17 financial year is to commence with the first phase of implementation, which entails appointing professional service providers, conducting field investigations, detailed design and complete phase 1 construction. The scope of work for phase 1 will be based on the available budget and the first priority will be to support the BRT project, current precinct developments and areas that are under stress.	The procurement process for the appointment of the professional team has closed and evaluation is underway.
CORR - Perth Empire Corridor of Freedom Storm water <sup>20</sup>	The Empire Perth Corridor of Freedom Storm water Master Plan (COF SMP) project entails the design and implementation of storm water upgrades required to support all the precinct developments that the City has identified along the Empire Perth Corridor. During the 2015/16 financial year the Johannesburg Roads Agency	Westbury	The scope of work for the 2016/17 financial year is to commence with the first phase of implementation, which entails appointing professional service providers, conducting field investigations, detailed design and complete phase 1 construction. The scope of	The tender for the main contractor has been awarded and still waiting for 21 days of objection period from other bidders. Expected site handover, early April 2017. The overall construction progress is at 40%. Anticipated date of completion is 31 August

<sup>19</sup> CORR - Louis Botha Corridor of Freedom Stormwater Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction and Upgrading Renewal Corridors of Freedom Intervention ORANGE GROVE E Regional

<sup>20</sup> CORR - Perth Empire Corridor of Freedom Stormwater Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction and Upgrading Renewal Corridors of Freedom Intervention WESTBURY B Regional

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	(JRA) completed a storm water masterplan indicating all the required upgrades along the corridor.		work for phase 1 will be based on the available budget and the first priority will be to support the current precinct developments and areas that are under stress.	2017.
CORR - Turfontein Corridor of Freedom Storm water <sup>21</sup>	The Turfontein Corridor of Freedom Storm water Master Plan (COF SMP) project entails the design and implementation of storm water upgrades required to support all the precinct developments that the City has identified along the Turfontein Corridor. During the 2015/16 financial year the Johannesburg Roads Agency (JRA) completed a storm water masterplan indicating all the required upgrades along the corridor.	De Villiers Street	The scope of work for the 2016/17 financial year is to commence with the first phase of implementation, which entails appointing professional service providers, conducting field investigations, detailed design and complete phase 1 construction. The scope of work for phase 1 will be based on the available budget and the first priority will be to support current precinct developments and areas that are under stress.	The tender for the main contractor has been awarded and still waiting for 21 days of appeal. Expected site handover, early April 2017. The overall construction progress is at 40%. Anticipated date of completion is 30 June 2017.
Westbury NMT: Phase 4	The Westbury NMT Phase 4 is part of the Westbury Precinct Development. The Westbury Precinct has been identified by the City of Johannesburg as one of the main precincts on the Empire Perth Corridor. The project aims at design and implementing NMT infrastructure connecting the greater part of Westbury to public transport nodes around Westbury, with BRT Phase 2 being the main focus. For ease of implementation the project has been divided into four phases. Phases 1, 2 and 3 were completed during the 2014/15 and 2015/16 financial years. Phase 4 entails design and construction of the last portion of the NMT infrastructure.	Westbury	The scope of works for the 2016/17 financial year entails appointment of the professional team, field investigation, concept design, detailed design and 20% construction stage.	The procurement process for the appointment of professional team has been completed. Concept and detailed design has been finalised. The overall construction progress is at 25%.
Melville High Street detailed local area plan and implementation plan	Melville High Street detailed local area plan and implementation plan	Westdene / Melville	Melville High Street detailed local area plan and implementation plan	Steering Committee established. Formal discussions and meetings were held with several stakeholders and the newly elected ward councillor in anticipation of the public participation process.
Balfour Park Area Based	Balfour Park Area Based Mgmt. Plan	Balfour Park	Balfour Park Area Based Mgmt. Plan	Project start has been delayed and will only be completed in Quarter 4 of 2016/17

<sup>21</sup> CORR - Turfontein Corridor of Freedom Stormwater <sup>21</sup> Traffic Impact Assessment (TIA), Stormwater Masterplan and New Construction and Upgrading Renewal Corridors of Freedom Intervention Renewal Stormwater Management Projects JOHANNESBURG F Regional

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Mgmt. Plan				

### 3.7.3 PRIORITY AREA PLANNING & IMPLEMENTATION

Manage the development of strategic economic nodes in marginalised areas through capital investments, overseeing integrated investments by other departments and entities, and facilitating partnership initiatives. The corresponding regional focus areas of this programme include:

- Greater Soweto, (including Lenasia, Eldos, Nancefield)
- Alexandra and the OR Tambo Corridor (includes Randburg, Cosmo City, Modderfontein, Frankenwald)
- Marginalised Areas – Diepsloot, Ivory Park, Orange Farm

TABLE 21: PRIORITY AREA PLANNING & IMPLEMENTATION PROGRAMME

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Cosmo City Fire Station	JDA has been appointed as the implementing agent to construct a new fire station in Cosmo City for Emergency Management Services. The design work has been completed and the tender for the appointment of a main contractor has been completed. The Cosmo City Fire Station will be completed in the 2016/17 financial year.	Cosmo City	The construction of single and double storey buildings for a new fire station, including but is not limited to: building works including equipment stores, fire engine bays, offices, display rooms, rest rooms, wash bays and external works including bulk earthworks, paving, fencing, landscaping.	Construction of the main building is at an advanced stage, the overall construction progress is at 94%.The tiling is on-going and the earthwork for paving has commenced, due to rains in the previous weeks there has been a slight delay in the planned activity. EMS has confirmed an increased budget of R18 million. The anticipated date of completion is end March 2017 for the main building and 21 April 2017 for swimming pool area; due to the delayed budget confirmation.
Lehae Fire Station	JDA is in the process of being appointed as the implementing agent to construct a new fire station in Lehae for Emergency Management Services. The design work will commence in the 2016/17 financial year and the detailed designs will be completed and the procurement of the contractor will be done	Lehae	The construction of a new fire station.	The project has been decomposed into two work packages: <b>Work Package 1:</b> The construction of a new fire station. <b>Work Package 2:</b> The construction of the training academy  Cumulative progress is at 35%; concept

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
				designs for Work Package 1 and 2 have been approved by CoJ Emergency Services (EMS) and JDA EXCO. The Quantity Surveyor is currently preparing the tender document and Bill of Quantities for Work Package 1. The dates for the procurement of the contractor for Work Package 2 will be determined once the JDA and EMS have reached consensus on the budget allocation and the manner in which the works will be sequenced.
Lehae Training Academy	JDA is in the process of being appointed as the implementing agent to construct a new training academy in Lehae for Emergency Management Services. The design work will commence in the 2016/17 financial year and the detailed designs will be completed and the procurement of the contractor will be done.	Lehae	The scope of works entails a combination of new and upgrade interventions are proposed with the intention of transforming the site from its current underdeveloped state to a facility that will offer world class training interventions.	<p>The project has been decomposed into two work packages:</p> <p><b>Work Package 1:</b> The construction of a new fire station.</p> <p><b>Work Package 2:</b> The construction of the training academy</p> <p>Cumulative progress is at 35%; concept designs for Work Package 1 and 2 have been approved by CoJ Emergency Services (EMS) and JDA EXCO. The Quantity Surveyor is currently preparing the tender document and Bill of Quantities for Work Package 1. The dates for the procurement of the contractor for Work Package 2 will be determined once the JDA and EMS have reached consensus on the budget allocation and the manner in which the works will be sequenced.</p>
Noordgesig - Social Cluster Re-design (including social housing)	The project entails the upgrading of the existing social cluster in Noordgesig and supporting pedestrian links. The development of a comprehensive precinct plan and the identification and prioritisation of key interventions is currently underway. The project was presented to the JDA EXCO during June 2016 and construction of the priority intervention will start during January 2017.	Noordgesig	This project is part of the Noordgesig TOD and the overall scope of work entails design and construction of a Social Cluster	<p><b>Phase 1A:</b> Tender evaluation has been conducted and we still waiting for the appointment of the main contractor. Minor changes were made from the original designs and the Engineers has finalised their designs in accordance to the changes.</p> <p><b>Phase 1B:</b> BEC to be conducted on the 22<sup>nd</sup> of March 2017, then the client will conduct their own evaluations also and then make</p>

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
				<p>the appointment of the suitable and qualifying contractor. All designs have been finalised, we just waiting for the approval from JRA.</p> <p>Way leaves for Phase 1A have been obtained But still waiting for Phase1B. The overall construction progress is at 25%. Site handover is anticipated in the 4<sup>th</sup> quarter of the financial year.</p>
<p>Kliptown Upgrade Programme (Kliptown Renewal Precinct Redevelopment (Walter Sisulu Square) KLIPSPRUIT EXT.4 D Ward ) - Phase 2</p>	<p>The second phase of works to improve the Walter Sisulu Square of Dedication started during April 2016 and will be completed in November 2016. Further phases of the programme include a comprehensive overhaul of the informal trading market and the relocation of the Freedom Charter Museum to a more prominent position on the square. Planning work on these initiatives is underway and construction works are expected to start by November 2016. An extensive community consultation process started June 2016. A priority plan will be finalised after this process.</p>	<p>Kliptown</p>	<p>This project is part of the overall Kliptown Renewal Programme. The overall scope of works entails, new trader stalls, upgrade of Klipspruit Valley Road and the relocation of Kliptown Museum.</p>	<p>The Kliptown Upgrade Programme (Phase 1) completion was achieved on the 30 June 2016. The Kliptown Upgrade Programme (Phase 2) the certificate of completion for has been amended to reflect as “Sectional completion certificates” for the Phase 2 Ext. scope to be implemented as a variation order. The practical completion was achieved on the 07 December 2016.</p> <p>For Phase 2 Extension the contractor has officially resumed with works for Phase 2 extension on the 9th March 2017. The project period for Phase 2 extension was confirmed to be 4 months. The current programme submitted by the contractor indicates that the site will reach Practical Completion on the 30 June 2017. The overall progress on site is at 46.6%</p> <p>For Kliptown Upgrade Programme (Phase 3) professional team has been appointed. Field investigation has been completed and concept development is underway. Delays in Phase 3 are due to further project scoping and consultation on the relocation of the museum. The project has been put on hold until remedial works of the Walter Sisulu parking basement have been resolved. The</p>

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
				Client and the team are in the process to appoint the service provider for Remedial of works of the Basement parking.
Claremont Clinic	The development concept was approved by the client. A value engineering exercise is currently underway and the tender process for the appointment of a contractor will start during June 2016 with construction works expected to start during September 2016.	Claremont	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility	Preliminary designs have been completed and approved. Contractor appointment is anticipated before the end of June 2017. The overall construction progress is at 25%.
Florida Clinic	A development concept will be presented to the client by end June 2016. The detailed design stage will commence during July 2016 and construction works will start during January 2017.	Florida	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility.	The project is currently in the document and procurement stage. Consultative sessions have been conducted with the end user and the Architect has developed a concept design that responds to the end user's needs. The concept designs have been approved by CoJ Health and JDA EXCO. Detailed design has been completed. The procurement process for the appointment of the contractor has commenced with the invitation of bidders to participate in the prequalification process. It is envisaged that a main contractor will be appointed beginning of the fourth quarter. Due to delays in the procurement of all professionals, the project is behind schedule.
Noordgesig Clinic	Completion of construction of a new primary health care facility	Noordgesig	Completion of construction of a new primary health care facility	Construction works is underway and the revised practical completion date is 28 April 2017. Delays were due to on-going issues with SMMEs and unskilled labourers which slowed the progress on site. Regular meetings with the JDA and the respective SMMEs are underway to assist in sorting out the misunderstanding and points of confusion with SMMEs. Relocation of the DFA manhole causing delay with external works. The overall construction progress is at 70%.
Langlaagte Pharmacy Depot	This project is part of the City of Johannesburg Service delivery programme. The overall scope of works entails increasing capacity on an existing Pharmaceutical Depot	Langlaagte	This project is part of the City of Johannesburg Service delivery programme. The overall scope of works entails	Construction work has been delayed due to poor performance by the contractor and the contract has been cancelled and re-

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	which supports over seventy clinics in the City of Johannesburg.		increasing capacity on an existing Pharmaceutical Depot which supports over seventy clinics in the City of Johannesburg.	advertised. Procurement of the new contractor has been finalized. The contract was terminated on 12 October 2016 and new contractor was appointed on 3 March 2017. The overall construction progress is at 50%.
Orchards Clinic	Orchards Clinic implemented by Johannesburg Development Agency on behalf of City of Johannesburg Department of Health	Orange Grove	Orchards Clinic implemented by Johannesburg Development Agency on behalf of City of Johannesburg Department of Health	Construction works is underway and due to on-going delays caused by rectification works and the work stoppage that took place means that the project is now expected to run until end of the financial year. All construction activities have been placed on hold and the propping has not resumed due to incomplete information from the engineers. This site has not been active since opening from Builders' Break – at most, the site was opened for two weeks; thereafter more challenges were brought to light and Health and Safety concerns were raised. The programme must be revised as the project has missed the anticipated project completion date. A proposal from Spiral Engineers has been received for the steel installation; however, approval for this appointment cannot be granted before the foundations investigation has been concluded and the recommendations received. The contractor issued a letter of concern regarding the Health and Safety of the building with regards to the status of the building. The Structural engineer confirmed that the building is safe for the propping to proceed. The overall construction progress is at 86.6%.
Zandspruit Clinic	A professional team is appointed and will focus on the identification of a suitable site for the development of a new clinic in Zandspruit. Once a site is secured, the team will focus on the development concept. The aim is to have an approved development concept by March 2017.	Zandspruit	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility	The process of identifying suitable land is underway.
Ebony Park Clinic	A development concept will be presented to the client by	Ebony Park	This project is part of the City of	The project is currently in the document and

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	end June 2016. The detailed design stage will commence during July 2016 and construction works will start during January 2017.		Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility	procurement stage. Consultative sessions have been conducted with the end user and the Architect has developed a concept design that responds to the end user's needs. The concept design has been presented to the end user and JDA EXCO has been approved. Detailed design has been completed. The procurement process for the appointment of the contractor has commenced with the invitation of bidders to participate in the prequalification process. It is envisaged that a main contractor will be appointed beginning of the fourth quarter.
Golden Harvest Rehabilitation Centre Phase 2	The Golden Harvest Drug and Alcohol-Free Centre in Northgate, northern Johannesburg serves up to 12 young underprivileged patients mainly from areas such as Alexandra, Eldorado Park, Soweto and Westbury	Randburg	Golden Harvest Drug and Alcohol-Free Centre completion	The construction stage is at an advanced stage and the overall construction progress is at 91%. Contractor is busy with the rectification of snags. JDA to make a BAC application for the increase of the contingency beyond the typical 20% as the value of the additional works required in the project and as requested by the end-user client has exceeded the available contingency. The list of items on hold due to budget considerations will not be ready by the practical completion date of 31 March 2017.
Diepsloot Development Renewal Precinct Redevelopment DIEPSLOOT WES A Regional	The JDA has completed numerous key projects in Diepsloot, the most recent intervention was the completion of the new Ingonyama Link Road, including a vehicular bridge to ease vehicular movement and access and unlocking development potential in the area. The Urban Development Framework will now be reviewed and this revision will result in the identification of further key interventions. 2016/2017 will be a planning year, with key interventions being implemented from 2017/2018.	Diepsloot	The scope of work for this financial year entails the appointment of the professional team, field investigation and concept development.	The RFP for the professional team closed on 8 September 2016. Tender evaluation is underway.
Braamfischerville - Internal Roads and Storm water (housing)	This project is part of the City of Johannesburg service delivery programme. The overall scope of works entails upgrading of gravel roads to surfaced roads in Braamfischerville.	Braamfischerville	This project is part of the City of Johannesburg service delivery programme. The overall scope of works entails upgrading of gravel roads to surfaced roads	Project scoping report has been completed. The designs, drawings, tender document and bill of quantities are completed. The project went out on tender on the 9 <sup>th</sup> December

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
			in Braamfischerville. The scope of works for this financial year entails field investigations, concept development, detailed design and construction stage up to 25%.	2016. The tender for the main contractor has been awarded. Site handover is anticipated in mid-April 2017. The overall progress is at 40%.
Bophelong Clinic	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility.  A professional team will be appointed by end October 2016 and will advise the client as to the extent of the scope of works. A development concept will be presented to the client by February 2017.	Bophelong	The scope of works for this financial year entails the appointment of professional team, land identification, field investigation, concept design and detailed design.	The tender for professionals closed 12 September 2016, tender procurement process is underway. Community Participation Consultant, Project Manager, Architect, Civil and Structural Engineer appointed. Inception meeting was on 13 March 2017. Evaluations for the rest of the team in progress. Project scoping meeting with COJ Health was scheduled for 28 March 2017. Introduction of Community Participation Consultant to the Region to commence soon.
Eldorado Park Ext 9 Renewal Clinic ELDORADO PARK EXT.9 G Ward	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility.	Eldorado Park	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility.	A professional team was appointed by end October 2016 and will advise the client as to the extent of the scope of works. A development concept will be presented to the client by February 2017.
Protea South Clinic Renewal Clinic PROTEA SOUTH EXT.1 G Ward	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility.  A professional team will be appointed by end October 2016 and will advise the client as to the extent of the scope of works. A development concept will be presented to the client by February 2017.	Protea South	The scope of works for this financial year entails appointment of professional team, land identification, field investigation, concept design and detailed design.	The tender for professionals closed 12 September 2016, tender procurement process is underway. Community Participation Consultant, Project Manager, Architect, Civil and Structural Engineer appointed. Inception meeting was on 13 March 2017. Evaluations for the rest of the team in progress. Project scoping meeting with COJ Health was scheduled for 28 March 2017. Introduction of Community Participation Consultant to the Region to commence soon.
Lehae New Library	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a Public Library in Lehae Township south of Johannesburg. The implementation of this project	Lehae	The objective of the project is to design and construct a Public Library in Lehae Township south of Johannesburg. The implementation of this project started last	The project is at construction stage and is progressing very well. Brickwork, plastering, concrete, structural steel are the key work activities currently being undertaken on site.

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	started last financial year, 2015/16.		financial year, 2015/16. The scope of works for the 2016/17 financial year entails continuation of the construction stage up to practical completion stage.	The overall progress is 71.8%.
Rabie Ridge Multi-Purpose Centre	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construction of an upgrade on the existing Rabie Ridge stadium in Rabie Ridge, north of Johannesburg. The implementation of this project started last financial year, 2015/16.	Rabie Ridge	The scope of works for the 2016/17 financial year entails continuation of the construction stage up to practical completion stage.	Construction work has been delayed due to poor performance by the contractor and the contract has been cancelled and re-advertised. Procurement of the new contractor has been finalised and construction commenced again on the 25 <sup>th</sup> February 2017.

### 3.7.4 GREENWAYS PROGRAMME

The greenways programme that focuses on providing resilient, liveable and sustainable environments within the City by using roads and transport modes to promote walking, cycling, and sustainable public transport. This programme includes the continued roll-out of the Rea Vaya BRT infrastructure and service. The corresponding regional focus areas of this programme include:

- Empire-Perth Corridor
- Louis Botha Corridor
- Alexandra and the OR Tambo Corridor (includes Randburg, Sandton, Cosmo City, Modderfontein, Frankenwald)

TABLE 22: GREENWAYS PROGRAMME

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Milpark Precinct NMT: Phase 1	This project is part of the Milpark Precinct Development which is part of the Empire Perth TOD Corridor. The Milpark Precinct has been identified by the City of Johannesburg as one of the main precinct of the Empire Perth Corridor. The main objective of this project is to implement NMT infrastructure in order to support and encourage pedestrian and cyclist mobility. Above this, is	Milpark	The overall scope of works for this project entails construction of pedestrian walkways, street light upgrades, road upgrades, services upgrades, pedestrian bridge and soft and hard landscaping. For ease of implementation this project has been divided into two phases and the pedestrian	Professional team has been appointed. Topographic survey is completed. Concept design has been completed and approved by JDA EXCO and Client Department. Detailed design has been completed and waiting for approval by JRA. Tender procurement process is underway for the main contractor; and the

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	to promote pedestrian connectivity to all the Rea Vaya BRT Stations and areas of public interest.		bridge will be implemented as a standalone project. The scope of works for the 2016/17 financial year is to appoint professional service providers, conduct all necessary field investigations, complete overall concept design, and complete detailed designs for phase 1 only and complete 10% of the phase 1 construction stage.	closing date was on 31 March 2017. The overall project progress is at 25%.
Phase 1C Section 15 (Alexandra to Parktown) Roadworks Phase 2	<p>The Section 15 Phase 2 project is part of the Section 15 Trunk route. Section 15 starts at the corner of Empire and Victoria Avenue, turns left at Empire and Clarendon Road and traverses along Louis Botha Avenue until the intersection of Pretoria Main Lees Street. Section 15 is approximately 12 km long.</p> <p>For ease of implementation the Section 15 Trunk route was divided into two phases. Phase 1 entailed the construction of the BRT lanes, which was basically pavement strengthening of the two inside lanes. This phase was completed during the 2015/16 financial year. Phase 2 of this project entails road widening, intersection widening, pedestrian walkway upgrades, services upgrades, street light upgrades, signal upgrades and installation of CCTV camera and ITS ducts. The construction stage for this phase started during the 2015/16 financial year and the scope of works for this financial year entails completion of the project.</p>	Sandton	The Section 15 Phase 2 project is part of the Section 15 Trunk route. Section 15 starts at the corner of Empire and Victoria Avenue, turns left at Empire and Clarendon Road and traverses along Louis Botha Avenue until the intersection of Pretoria Main Lees Street. Section 15 is approximately 12 km long. For ease of implementation the Section 15 Trunk route was divided into two phases. Phase 1 entailed the construction of the BRT lanes, which was basically pavement strengthening of the two inside lanes. This phase was completed during the 2015/16 financial year. Phase 2 of this project entails road widening, intersection widening, pedestrian walkway upgrades, services upgrades, street light upgrades, signal upgrades and installation of CCTV camera and ITS ducts.	The project is at an advanced construction stage.
Phase 1C Section 8B (Sandspruit River Bridge Widening and road works)	<p>The Section 8B project is part of the Section 8 trunk route. The overall scope of works for this project entails the widening of the Sandspruit Bridge from 2 lanes to 6 lanes, widening of the Katherine Street and Marlboro Drive intersection from 2 right turning lanes to 3 right turning lanes, and construction of wider pedestrian walkways.</p> <p>The construction stage for this project started during the 2015/16 financial year and the scope of works for the 2016/17 financial year is to complete the construction</p>	Sandton	The Section 8A project is part of the Section 8 trunk route. The overall scope of works for this project entails the widening of the Sandspruit Bridge from 2 lanes to 6 lanes, widening of the Katherine Street and Marlboro Drive intersection from 2 right turning lanes to 3 right turning lanes, and construction of wider pedestrian walkways.	Project was completed on the 31 <sup>st</sup> December 2016.

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	stage.			
Phase 1C Section 8A (New BRT Bridge over the M1 between Wynberg and Sandton)	The Section 8A project is part of the Section 8 trunk route. The overall scope of works for this project entails construction of a Flyover Bridge over the M1 between the Grayston and Marlboro interchanges, connecting Section 15 (Louis Botha) on the east of the M1 and Section 8 (Katherine Street) on the west.	Sandton	The Section 8A project is part of the Section 8 trunk route. The overall scope of works for this project entail construction of a Flyover Bridge over the M1 between the Grayston and Marlboro interchanges, connecting Section 15 (Louis Botha) on the east of the M1 and Section 8 (Katherine Street) on the west. The construction stage for this project started during the 2015/16 financial year and the scope of works for the 2016/17 financial year is to complete the construction stage.	The project is at an advanced construction stage, and the overall progress is at 97.6%.
Alexandra NMT Phase 3	The Alex Urban Upgrade is part of the Phase 1C Rea Vaya infrastructure. The objective of the project is to create green and liveable streets with primary focus on pedestrian mobility rather than motorists. The scope of the project entails design of high quality walkways, cycling lanes, speed calming measures, soft and hard landscaping and street lighting. For implementation purposes the project has been divided into three phases. Phases 1 and 2 were completed in 2014/15 and 2015/16 financial years, respectively.	Alexandra	The scope of work for this financial year is to complete the Phase 3 detailed designs and complete the full construction stage.	Concept and detailed designs have been completed. The tender for construction was advertised on the 14 <sup>th</sup> October 2016 and it closed on the 17 <sup>th</sup> November 2016. Tender adjudication commenced on the 22 <sup>nd</sup> November 2016 with the adjudication report was submitted on the 13 <sup>th</sup> December 2016. Department of Transport has put the project is on hold due to changes in the operational plan.
BRT Sandton / Randburg Section 9	The Section is a major part of the Phase 1C Rea Vaya BRT trunk routes. It aims at connecting Fourways and Randburg to the Sandton CBD. From Randburg, it traverses from the CBD along Republic Road into William Nicol and Sandton Drive up to the Gautrain Station and from Fourways Shopping Centre, along William Nicol and Sandton Drive up to the Gautrain Station. The route is approximately 12.2 km between Sandton and Fourways and approximately 8kms between Sandton and Randburg CBD. The scope of work for this financial year is to complete the detailed designs for the section between Sandton and Randburg.	Alex Randburg Corridor	The Section is a major part of the Phase 1C Rea Vaya BRT trunk routes. It aims at connecting Fourways and Randburg to the Sandton CBD. From Randburg, it traverses from the CBD along Republic Road into William Nicol and Sandton Drive up to the Gautrain Station and from Fourways Shopping Centre, along William Nicol and Sandton Drive up to the Gautrain Station. The route is approximately 12.2 km between Sandton and Fourways and approximately 8kms between Sandton and Randburg CBD.	Traffic Impact Assessment and Concept Design have been completed. Detail designs and tender procurement process underway. Department of Transport has put the project is on hold due to changes in the operational plan.
Sandton Loop Project	The Sandton Loop is part of the Phase 1C Rea Vaya infrastructure which connects Sandton, Johannesburg CBD	Sandton	The scope of works entails dedicated Public Transport and BRT lanes, pavement	Construction is at an advanced stage; the overall progress is at 90%. Anticipated project

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	and Alexandra and Randburg CBD along Louis Botha, Katherine Street and Sandton Drive and Republic Road. The Sandton Loop traverses along Rivonia Road, Fredman Drive and 5th Street.		rehabilitation, pedestrian walkways, non-motorised transport and commuter shelters. The project is currently at construction stage and the scope of works for this financial year is to complete the construction stage and handover the project to the client department	completion date is 04 June 2017.
Phase 1A NMT Feeder Routes (PHASE 2)	The City of Johannesburg adopted its first Non-Motorised Transport (NMT) Frameworks in 2009, which guides the planning and implementation of NMT infrastructure throughout the City. NMT infrastructure can be categorised as sidewalks and other supporting facilities. The aim of NMT infrastructure is not only to address transportation related issue but social, environment and economic issues in the City. The Phase 1A Feeder route project entails design and implementation of NMT infrastructure along the Phase 1A Rea Vaya BRT Feeder routes. For ease of implementation the project has been divided into two phases. Phase 1 was completed during the 2015/16 financial year and Phase 2 will be implemented during the 2016/17 financial year. The scope of work for the 2016/17 financial year entails appointment of the main contractor and completing the construction stage.	Protea Glen, Soweto.	The project entails the design and implementation of NMT strategies such as pedestrian walkways, soft and hard landscaping and street lighting along the Rea Vaya Phase 1A Feeder Routes in Protea Glen, Soweto.	The contractor has been appointed and construction progress is slow due to cash flow problems from the contractor. The project is running 3 months late. Furthermore, heavy rains in November 2016 also caused damage and delays on the project. JRA signed off on drawings.
Rosebank to Sandton NMT	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to improve existing pedestrian mobility and encourage use of NMT.	Rosebank	The overall scope of works entails design and construction of pedestrian walkways and general public environment upgrade connecting Rosebank to Sandton, Melrose Arch to Rosebank and Parkhurst to Rosebank. For ease of implementation the project has been divided into three phases; Phase 1: Rosebank to Sandton, Phase 2: Parkhurst to Rosebank and Phase 3: Melrose Arch to Rosebank. The scope of works for the 2016/17 financial year entails detailed design and construction stage up to 50% for Phase 1 only.	Detailed designs have been completed and approved. The tender for the main contractor has been awarded. Expected site handover, early April 2017. The project will be running for 7 months. The overall progress is at 40%.
Phase 1C Section	The Great Walk Bridge is part of the Great Walk NMT	Alexandra	The scope of works for the 2016/17 financial	The project is currently at construction stage.

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
15I (Great Walk Pedestrian Bridge)	project which aims at promoting and supporting existing pedestrian mobility between Alexandra and Sandton. The bridge aims at promoting a safer crossing point for both pedestrians and cyclists over the Grayston Interchange.		year is to continue with the construction stage up to 80%.	However, the collapse of the false works has delayed the project. The overall construction progress is at 69.64%.
Phase 1C BRT Station	This project is part of the Phase 1C Rea Vaya BRT Trunk route. The overall project scope entails design and construction of fourteen (14) new BRT stations. The stations are mainly located on section 8 and 15 of Phase 1C. There are eleven (11) along Louis Botha Avenue, one (1) on Katherine Street in Sandton and two (2) along Rivonia Road. Above this, are five (5) transition stations that are at the interface of the existing phase 1A and 1B routes with 1C. One (1) in the Hillbrow, two (2) in Joburg CBD and three (3) in Braamfontein. The transition stations have to be converted from a high floor design to a low floor design. This project is likely run over two financial years.	Louis Botha Avenue	This project is likely run over two financial years. The scope of works for the 2016/17 financial year entails implementation of only five stations, one conversion and four new stations.	The main contractor has been appointed and has commenced with the conversion of the existing Art Gallery station from high floor to low floor.
Phase 1C Station NMT - Precinct	Project aims at design and implementation of NMT strategies such as pedestrian walkways soft and hard landscaping, and street lighting upgrade along key streets connecting to the new Rea Vaya Stations on Louis Botha Avenue.  The scope of work for the 2016/17 financial year is to develop detailed designs.	Louis Botha Avenue	Project aims at design and implementation of NMT strategies such as pedestrian walkways, soft and hard landscaping, and street lighting upgrade along key streets connecting to the new Rea Vaya Stations on Louis Botha.  The scope of work for the 2016/17 financial year is to develop detailed designs.	Field investigations and concept designs have been completed. Preliminary design underway.
Selby BRT Bus Depot Phase 1	The project is part of the Phase 1C Rea Vaya BRT infrastructure. It is one of the three depots planned for the next three financial years. This depot is situated in Selby, south of Joburg CBD. The main features will be an Administration Building, Maintenance Building, Wash and Refuelling bays, ITS control centre. The project will be implemented over two financial years and for ease of construction it has been divided into two phases.  The first phase 1 of project entails the perimeter fencing upgrade, the main parking area driveway upgrade and the construction main entrance road into the Depot (along	Selby	The scope of the 2016/17 financial year is to start and finish with the construction of the Phase 1 scope of works.  The first phase will entail the construction of the perimeter fence, bus parking area platform, site access road and administration building.	Construction is progressing well; the overall construction progress is at 70%.

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	Pat Mbatha road intersection with Ignatius Street). The second phase will involve revamping the balance of the property to prepare it for BRT operations and requirements.			
Selby BRT Bus Depot Phase 2	<p>The project is part of the Phase 1C Rea Vaya BRT infrastructure. It is one of the three depots planned for the next three financial years. This depot is situated in Selby, south of Joburg CBD. The main features will be an Administration Building, Maintenance Building, Wash and Refuelling bays, ITS control centre. The project will be implemented over two financial years and for ease of construction it has been divided into two phases.</p> <p>Phase 2 will involve revamping the balance of the property to prepare it for BRT operations and requirements. The works will include the administration, workshop and the remote building conversion to a bus Operations centre, bus wash area and refuelling. As well as the balance of the existing driveway upgrade.</p>	Selby	The scope of works for the 2016/17 financial year is to complete detailed design and start with the construction stage up to 10%.	Concept designs have been approved. Preliminary designs are currently underway. Professional team awaits JDA permission to proceed with the completing detailed designs for Phase 2. Phase 2 may have to be broken down to further phases due to budget constraints. The overall progress is at 15%.
Midrand BRT Bus Depot	The project is part of the Phase 1C Rea Vaya BRT infrastructure. It is one of the three depots planned for the next three financial years. This depot is situated opposite the Gautrain Station. The main features of the depot will be an Administration Building, Maintenance Building, Wash and Refuelling bays, ITS control centre. The project will be implemented over two financial years and for ease of construction it has been divided into two phases. The first phase will entail the construction of the perimeter fence, bus parking area platform, site access road and administration building. The second phase will be the construction of maintenance building and washing and refuelling facility.	Midrand	The scope of works for the 2016/17 financial year is to complete the detailed design.	The current site layout has experienced various drawbacks with regards to regulatory authority entrance and exit design restrictions, storm water management, peripheral servitudes and parking platforms requirements. The previously approved design layout has been reduced in size and approved by Charles Blok from the JDA. Charles Blok has indicated that the completion date for the bus depot has been revised from 2018 to 2020. A detailed EIA report has been presented to the entire professional team. The only outstanding item is a noise pollution report which will need to be presented to the professional team in due time. The EIA report revealed a natural attenuation area for surface and subsurface rain water and the site plan had to be adapted to accommodate this. The

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
				appointment of a town planner is still on going. The overall progress is at 25%.
Driezik Public Transport Facility	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to improve an existing informal mini bus ranking facility. The overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment upgrade linking to the facility.	Driezik	The overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment upgrade linking to the facility. The scope of works for the 2016/17 financial year entails concept development, detailed design and construction stage up to 30%.	This project was delayed last financial year due to land availability issues. However, this year the City has identified a suitable erf and the process of field investigation is underway. The site topographical survey has been finalised and traffic impact assessment to be finalised to inform the detailed design process. Concept designs have been completed and approved by Transportation and JDA EXCO. The overall progress is at 10%.
Alex BRT Loop	The Alex Loop is one of the Phase 1C Rea Vaya BRT complementary routes. The purpose of complementary routes is to provide feeder services to the trunk routes on non-dedicated lanes. This route aims at connecting the greater Alexandra Community to the Section 8 and 15 Rea Vaya BRT operations. The overall scope of works entails public environmental upgrades, roads upgrades, commuter shelters and general civil infrastructure. The project will be implemented over three financial years. The traffic impact assessment and high level concept were completed during the 2015/16.	Alexandra	The overall scope of works entails public environmental upgrades, roads upgrades, commuter shelters and general civil infrastructure. The project will be implemented over three financial years. The traffic impact assessment and high level concept were completed during the 2015/16. The scope of works of the 2016/17 financial year is to complete all field investigation and detailed designs.	Traffic Impact Assessment and concept design have been completed. Preliminary layout design is underway. Topographical land survey has been completed.
Ghandi Square Interchange	The Gandhi Square Terminal is one of the four key terminals for the Phase 1C Rea Vaya BRT. The project entails design and construction of an Intermodal Public Transport facility in Gandhi Square, Johannesburg CBD, which will accommodate BRT buses, Mini Bus Taxis, and Metro Buses.	Inner City Southwestern Precinct	The Gandhi Square Terminal is one of the four key terminals for the Phase 1C Rea Vaya BRT. The project entails design and construction of an Intermodal Public Transport facility in Gandhi Square, Johannesburg CBD, which will accommodate BRT buses, Mini Bus Taxis, and Metro Buses. The scope of works for the 2016/17 financial year is to complete the concept designs.	Concept design is 40% complete Options for the positioning of the station have been investigated. The overall progress is at 5%.
Phase 1C Landscaping	This project entails implementation of hard and soft landscaping along Section 15 (Louis Botha Avenue), Section 8 (Katherine Street) and the Great Walk (from Alexandra to Katherine Street). For ease of implementation the project has been divided into three	Louis Botha Avenue	This project entails implementation of hard and soft landscaping along Section 15 (Louis Botha Avenue), Section 8 (Katherine Street) and the Great Walk (from Alexandra to Katherine Street). For ease of	The Great Work Landscaping section has been completed. The Katherine Street section and the Louis Botha Avenue section construction is progressing well at an advanced stage.

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	<p>sub-projects; Section 15 Landscaping, Section 8 Landscaping and Great Walk Landscaping.</p> <p>The construction stage for Great Walk and Katherine Street started during the 2015/16 financial year. The scope of work for this financial year is to complete the construction stage for three projects.</p>		<p>implementation the project has been divided into three sub-projects; Section 15 Landscaping, Section 8 Landscaping and Great Walk Landscaping.</p> <p>The construction stage for Great Walk and Katherine Street started during the 2015/16 financial year. The scope of work for this financial year is to complete the construction stage for three projects.</p>	
Emthonjeni Terminal	The Emthonjeni Terminal is one of the four key terminals for the Phase 1C Rea Vaya BRT. The project entails design and construction of an Intermodal Public Transport facility in Ivory Park which will accommodate BRT Complementary buses, Mini Bus Taxis, BRT Park and Ride facilities and informal trading stalls.	Ivory Park	<p>The Emthonjeni Terminal is one of the four key terminals for the Phase 1C Rea Vaya BRT. The project entails design and construction of an Intermodal Public Transport facility in Ivory Park which will accommodate BRT Complementary buses, Mini Bus Taxis, BRT Park and Ride facilities and informal trading stalls.</p> <p>The scope of works for the 2016/17 financial year is to complete the detailed designs.</p>	The project has been on hold since October 2016 and only resumed in January 2017. Concept design is being revised to incorporate the City's comments and is 95% complete. The traffic study is being revised to align with the revised concept. It is 80% complete. The overall progress is at 9%.
Section 15J: Watt Road Works	Section 15J is part of the Section 15 Trunk route. It entails the construction of pedestrian bridge structure along Louis Botha Avenue between Houghton Drive and Lily Street, road widening, sidewalks upgrading and retaining structures along Louis Botha Avenue between Andries Street and Chadwick Avenue. The construction stage for this project started during the 2015/16 financial year and the scope of works for the 2016/17 financial year is to complete the construction stage.	Alexandra	The construction stage for this project started during the 2015/16 financial year and the scope of works for the 2016/17 financial year is to complete the construction stage.	The construction stage is on-going and is an advanced stage.
Old Pretoria Road	The Old Pretoria Road is one of the Phase 1C Rea Vaya BRT complementary routes. The purpose of complementary routes is to provide feeder services to the trunk routes on non-dedicated lanes. This route will connect both Section 8 and 15 with Midrand and Tembisa along the Old Pretoria Road. The overall scopes of works entail road widening, non-motorist transport infrastructure, commuter shelters and general civil infrastructure upgrades. The project will be implemented over three financial years.	Midrand	The scope of works for the 2016/17 financial year is to appoint a Civil and Traffic Engineer, conduct necessary field investigations, traffic impact assessment and develop a concept design.	The bid for the appointment of professional team has closed and bid evaluation is underway.

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Zakariya Park Public Transport Facility	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to improve an existing informal mini bus ranking facility. The overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment upgrade linking to the facility.	Zakariya Park	This project is part of the City of Johannesburg service delivery programmes. The objective of the project to improve an existing informal mini bus ranking facility. The overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment upgrade linking to the facility. The scope of works for the 2016/17 financial year is entails appointment of professional team, field investigation and concept development.	The tender evaluation process to appoint the professional team is underway. Concept design development to be finalised before end of the financial year.
Soweto Metrorail Station Precinct NMT	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to improve pedestrian connectivity and mobility to existing Metro Rail Stations. The overall scope of works entails design and construction of Non-Motorised Transport (NMT) facilities linking the Railway Stations in Dube, Naledi, Marafi, Ihlanzeni, Ikhwezi, Phefeni, Phumulong and Mzimbhlophe.	Soweto	The overall scope of works entails design and construction of Non-Motorised Transport (NMT) facilities linking the Railway Stations in Dube, Naledi, Marafi, Ihlanzeni, Ikhwezi, Phefeni, Phumulong and Mzimbhlophe. The scope of works for the 2016/17 financial year is entails appointment of professional team, field investigation, precinct plans and concept development.	The tender process for appointing the professional team is at evaluation stage. To finalise professional team composition.
Roodepoort Holding Facility	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to improve an existing informal mini bus ranking facility. The overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment upgrade linking to the facility.	Roodepoort	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to improve an existing informal mini bus ranking facility. The overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment upgrade linking to the facility. The scope of works for the 2016/17 financial year is entails appointment of professional team, field investigation and concept development.	The tender process to appoint the professional team is underway.
Emndeni Public Transport Facility	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to improve an existing informal mini bus ranking facility. The	Emndeni	The overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment	The tender evaluation for appointing professional team is underway. Concept design development to be finalised before

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
	overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment upgrade linking to the facility.		upgrade linking to the facility. The scope of works for the 2016/17 financial year is entails appointment of professional team, field investigation and concept development.	end of the financial year.
Orange Farm Ext 7 Public Transport Facility	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to improve an existing informal mini bus ranking facility. The overall scope of works entails design and construction of a taxi rank, informal trading facilities and public environment upgrade linking to the facility.	Orange Farm	The scope of works for the 2016/17 financial year entails appointment of professional team, field investigation and concept development.	The tender evaluation process to appoint the professional team is underway.
Auckland Park NMT: Phase 1	This project is part of Auckland Park Precinct Development which forms part of the Empire Perth TOD Corridor. The Auckland Park Precinct has been identified by the City of Johannesburg as one of the main precincts on the Empire Perth Corridor. The main objective of this project is to implement NMT infrastructure in order to support and encourage pedestrian and cyclist mobility. Above this, to promote pedestrian connectivity to all the Rea Vaya BRT Stations in the area. The overall scope of works for this project entails construction of pedestrian walkways, street light upgrades, road upgrades, services upgrades and soft and hard landscaping. For ease of implementation the project has been divided into two phases. The construction stage for phase 1 commenced during the 2015/16 financial year and the scope of works for the 2016/17 financial year is to complete the construction stage.	Knowledge Precinct	The overall scope of works for this project entails construction of pedestrian walkways, street light upgrades, road upgrades, services upgrades and soft and hard landscaping. For ease of implementation the project has been divided into two phases. The construction stage for phase 1 commenced during the 2015/16 financial year and the scope of works for the 2016/17 financial year is to complete the construction stage.	Project has been completed.
Auckland Park NMT: Phase 2	This project is part of Auckland Park Precinct Development which forms part of the Empire Perth TOD Corridor. The Auckland Park Precinct has been identified by the City of Johannesburg as one of the main precincts on the Empire Perth Corridor. The main objective of this project is to implement NMT infrastructure in order to support and encourage pedestrian and cyclist mobility. Above this, to promote pedestrian connectivity to all the Rea Vaya BRT Station in the area.	Knowledge Precinct	The overall scope of works for this project entails construction of pedestrian walkways, street light upgrades, road upgrades, services upgrades and soft and hard landscaping. For ease of implementation the project has been divided into two phases. The detailed design stage for phase 2 was completed during the 2015/16 financial year and the scope of works for the 2016/17 financial year is to appoint the main	Project has been completed.

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
			contractor and complete the construction stage.	

### 3.7.5 ALEX RENEWAL PROGRAMME

The Alexandra Renewal Project (ARP) which is established to coordinate intergovernmental activities to develop Alex. Manage the development of Alexandra through capital investments, overseeing integrated investments by other departments and entities, and facilitating community based initiatives and local economic development strategies. Most of the work involves human settlement development projects such as hostel upgrading, housing development and the construction of community facilities. The corresponding regional focus areas of this programme include:

- Alexandra and the OR Tambo Corridor (includes Randburg, Sandton Cosmo City, Modderfontein, Frankenwald)

TABLE 23: ALEX RENEWAL PROGRAMME

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
Alexandra Automotive Industrial Park	This project is part of the Alexandra Renewal Programme. It aims at creating economic opportunities for emerging enterprises in Alexandra and surrounding areas. The overall scope of works entails design and construction of a new Automotive Facility which aims at creating a formalized work hub for local enterprises	Alexandra	The overall scope of works entails design and construction of a new Automotive Facility which aims at creating a formalized work hub for local enterprises. The scope of works for this financial year entails continuation of the construction stage up to practical completion.	Construction works are underway and will be completed by end May 2017. The overall construction progress is at 71.2%.
Alexandra Heritage Centre	This project is sponsored by the Department of Tourism. The overall objective of the project is to complete the construction of the Heritage facility in Alexandra which was started by the ARP some years ago.	Alexandra	The scope of works for this financial year is to complete the construction stage and handover the project to the Client and Arts and Culture Department.	Construction has been 100% completed. Practical completion will be shared after water and electricity connection has been finalised. Stakeholder meeting held to discuss the operational plan of the Heritage Centre Post-Construction.
4th Avenue Clinic (Alexandra)	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility	Alexandra	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility. The scope of works for this financial year entails continuation of the construction stage up to practical completion.	Contract awarded to ABE Contracting Services with the site handover conducted mid-March 2016. Demolition of main structure complete by end of quarter. The overall progress is at 40%.
Old Ilkage housing	Planning, design and construction of new housing development in Alexandra Township.	Alexandra	The scope of works for this financial year entails concept development, field	Concept development is underway. There are two families occupying a part of the site

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
development (Alexandra)			investigation, detailed design and commence construction up to 25%	which could make it difficult to complete the project. At this moment the project is on-hold because land has not been identified and the JDA team has requested our MMC's intervention.
Thoko Mngoma Clinic (Alexandra)	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility	Alexandra	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to design and construct a new primary health care facility. The scope of works for this financial year entails continuation of the construction stage up to practical completion.	Construction phase for stage 5 is on-going. For Stage 4 contract awarded to ABE Contracting Services with the site handover conducted mid-March 2016. Demolition of main structure complete by end of quarter. The overall progress is at 40%.
Linear Markets (Ivory Park and Alexandra)	This project is part of the City of Johannesburg service delivery programmes. The objective of the project is to formalise informal trading activities in Alexandra in front of the Pan Africa Mall and in Ivory Park in front of the Kopanong Shopping Centre. The implementation of this project started last financial year, 2015/16. Last financial year the project was funded by Department of Economic Development (DED). However this financial year they have failed to make available the required budget to complete the project. The JDA will re-allocate some R 10 million of the budget from the Old Ikage housing project to this project.	Alexandra	The scope of works for the 2016/17 financial year entails continuation of the construction stage up to practical completion stage.	Construction is at an advanced stage in Ivory Park Linear Market the overall progress is at 95%. Alexandra Linear Market is at 45%. Delays are due to City Power cables which have not been relocated and City Power is anticipating on starting with the relocation from the 3 <sup>rd</sup> or April 2017 until 13 <sup>th</sup> April 2017. Other delays were due to the Alexandra Business Forum who stopped the contractor on site for a week. Alexandra Linear market site handover was done on the 20 <sup>th</sup> April 2016; and Ivory Park linear market site handover was done on the 20 <sup>th</sup> May 2016.
Vincent Tshabalala Pedestrian Bridge (Pedestrian Bridge Vincent Tshabalala Road New Bulk Infrastructure FAR EAST BANK EXT.9 E)	Vincent Tshabalala Bridge is part of the Alexandra Renewal Programme. The overall scope of works entails design and construction of a Pedestrian Bridge over Vincent Tshabalala Road connecting River Park and the Far East Bank. The scope of works for the 2016/17 financial year entails concept design, detailed design, and contractor appointment and construction stage up to 40%.	Alexandra	Vincent Tshabalala Bridge is part of the Alexandra Renewal Programme. The overall scope of works entails design and construction of a Pedestrian Bridge over Vincent Tshabalala Road connecting River Park and the Far East Bank. The scope of works for the 2016/17 financial year entails concept design, detailed design, and contractor appointment and construction stage up to 40%.	Field investigations and concept development has been finalized and awaiting approval from JDA EXCO and Client Department early April 2017. TIA and field studies have been undertaken. Delays were due to community unrest as the SMMEs briefing on the 21 <sup>st</sup> November 2016 was disrupted and subsequently cancelled because of issues raised by the Region E SMME Forum. One of their demands was that they want to have a meeting with the Regional Director about their issues. Negotiations will resume early in April 2017 with Regional Director and

Project Name	Project Description	Node / Precinct	Scope of Work 2016/17	Progress / Highlight as at 31 March 2017
				furthermore schedule a public meeting. The overall construction progress is at 8%.
Maputo Park (open spaces) Development of open Space New Precinct Redevelopment ALEXANDRA EXT.53 E	Maputo Park is part of the Alexandra Renewal Programme. The overall scope of works entails design and construction of a Public Park. The scope of works for the 2016/17 financial year entails the appointment of the main contractor and commencement with construction up to practical completion. However, this project was delayed last financial year due to illegal occupants that have been on the site for years. The ARP office has been dealing with this issue since last financial year but to date it has not been resolved. If by the end of quarter two the matter is still outstanding the project will have to be cancelled and budget reallocated.	Alexandra	Maputo Park is part of the Alexandra Renewal Programme. The overall scope of works entails design and construction of a Public Park. The scope of works for the 2016/17 financial year entails the appointment of the main contractor and commencement with construction up to practical completion.	The project was delayed last financial year due to illegal occupants that have been on the site for years. The ARP office has been dealing with this issue since last financial year but to date it has not been resolved. If by the end of quarter three the matter is still outstanding the project will have to be cancelled and budget reallocated. The tender process for the appointment of the main contractor has closed and the evaluation process is underway.

### 3.7.6 PROGRAMME EXPENDITURE BY FUNDING SOURCE

For period ended 31 March 2017

TABLE 24: EXPENDITURE BY FUNDING SOURCE

	CAPEX FOR QUARTER			CAPEX YEAR TO DATE				Annual	Budget
	Actual	Budget	Variance	Actual	Budget	Variance	Var	Budget	Used
	R	R	R	R	R	R	%	R	%
<b>PROJECTS BY FUNDING SOURCE</b>									
<b>Corridors of Freedom</b>									
Mining Belt East	0	R 600 000	(R 600 000)	0	R 1 000 000	(R 1 000 000)	(100,00%)	2 000 000	,00%
Patterson Park	13 930 389	R 24 000 000	(R 10 069 611)	18 497 118	R 40 000 000	(R 21 502 882)	(53,76%)	80 000 000	23,12%
Brixton Social Cluster	308 499	R 7 500 000	(R 7 191 501)	2 515 742	R 12 500 000	(R 9 984 258)	(79,87%)	25 000 000	10,06%
Milpark Precinct Pedestrian Bridge	333 349	R 3 300 000	(R 2 966 651)	409 994	R 5 500 000	(R 5 090 006)	(92,55%)	11 000 000	3,73%
Milpark Precinct NMT	432 692	R 456 000	(R 23 308)	432 692	R 760 000	(R 327 308)	(43,07%)	1 520 000	28,47%
Westdene Dam PL	446 775	R 3 000 000	(R 2 553 225)	446 775	R 5 000 000	(R 4 553 225)	(91,06%)	10 000 000	4,47%
Noordgesig Clinic	0	R 880 800	(R 880 800)	904 053	R 1 468 000	(R 563 947)	(38,42%)	2 936 000	30,79%
Noordgesig Social cluster	423 362	R 3 000 000	(R 2 576 638)	994 549	R 5 000 000	(R 4 005 451)	(80,11%)	10 000 000	9,95%
Orchards Clinic	0	R 900 000	(R 900 000)	0	R 1 500 000	(R 1 500 000)	(100,00%)	3 000 000	,00%
Langlaagte Pharmacy	1 238 393	R 3 654 300	(R 2 415 907)	1 933 067	R 6 090 500	(R 4 157 433)	(68,26%)	12 181 000	15,87%
Naming and Branding	114 875	R 492 600	(R 377 725)	177 515	R 821 000	(R 643 485)	(78,38%)	1 642 000	10,81%
Sub-total	17 228 333	47 783 700	( 30 555 367 )	26 311 504	79 639 500	( 53 327 996 )	( 66,96%)	159 279 000	16,52%
<b>City of Johannesburg_Budget Office</b>									
Orlando East Station Precinct	1 358 790	R 3 000 000	(R 1 641 210)	1 358 790	R 5 000 000	(R 3 641 210)	(72,82%)	10 000 000	13,59%
Nancefield Station Precinct	0	R 2 100 000	(R 2 100 000)	3 174 451	R 3 500 000	(R 325 549)	(9,30%)	7 000 000	45,35%
Louis Botha COF SMP: Orange Grove	0	R 3 000 000	(R 3 000 000)	0	R 5 000 000	(R 5 000 000)	(100,00%)	10 000 000	,00%

	CAPEX FOR QUARTER			CAPEX YEAR TO DATE				Annual	Budget
	Actual	Budget	Variance	Actual	Budget	Variance	Var	Budget	Used
	R	R	R	R	R	R	%	R	%
<b>PROJECTS BY FUNDING SOURCE</b>									
Rotunda Park	11 409 998	R 7 599 000	R 3 810 998	14 494 908	R 12 665 000	R 1 829 908	14,45%	25 330 000	57,22%
Randburg Renewal Precinct	0	R 3 750 000	(R 3 750 000)	6 823 387	R 6 250 000	R 573 387	9,17%	12 500 000	54,59%
Jabulani Station Precinct	0	R 5 100 000	(R 5 100 000)	3 173 231	R 8 500 000	(R 5 326 769)	(62,67%)	17 000 000	18,67%
Jukskei River upgrading	0	R 300 000	(R 300 000)	0	R 500 000	(R 500 000)	0,00%	1 000 000	,00%
Westbury Pedestrian Bridge	3 391 346	R 1 800 000	R 1 591 346	5 553 538	R 3 000 000	R 2 553 538	85,12%	6 000 000	92,56%
Turffontein COF SMP : Phase 1	466 200	R 21 150 000	(R 20 683 800)	3 155 747	R 35 250 000	(R 32 094 253)	(91,05%)	70 500 000	4,48%
Empire Perth COF SMP : Phase 1	247 800	R 19 500 000	(R 19 252 200)	1 009 584	R 32 500 000	(R 31 490 416)	(96,89%)	65 000 000	1,55%
Balfour Park transit precinct	0	R 450 000	(R 450 000)	0	R 750 000	(R 750 000)	(100,00%)	1 500 000	,00%
Westbury Renewal Precinct	131 355	R 3 480 000	(R 3 348 645)	131 355	R 5 800 000	(R 5 668 645)	(97,74%)	11 600 000	1,13%
Campus Square Bridge	0	R 4 500 000	(R 4 500 000)	0	R 7 500 000	(R 7 500 000)	0,00%	15 000 000	,00%
Westbury NMT Phase 4	0	R 2 700 000	(R 2 700 000)	1 073 770	R 4 500 000	(R 3 426 230)	(76,14%)	9 000 000	11,93%
Westdene Dam Precinct	0	R 6 000 000	(R 6 000 000)	0	R 10 000 000	(R 10 000 000)	(100,00%)	20 000 000	,00%
Diepsloot	0	R 600 000	(R 600 000)	0	R 1 000 000	(R 1 000 000)	(100,00%)	2 000 000	,00%
Kliptown Precinct Re-Development	3 510 658	R 15 000 000	(R 11 489 342)	13 800 752	R 25 000 000	(R 11 199 248)	(44,80%)	50 000 000	27,60%
Milpark Precinct NMT Phase 1	0	R 3 300 000	(R 3 300 000)	0	R 5 500 000	(R 5 500 000)	(100,00%)	11 000 000	,00%
Auckland Park Station Precinct NMT 1	4 788 932	R 7 020 000	(R 2 231 068)	35 130 909	R 11 700 000	R 23 430 909	200,26%	23 400 000	150,13%
Auckland Park Station Precinct NMT Phase2	0	R 6 900 000	(R 6 900 000)	0	R 11 500 000	(R 11 500 000)	(100,00%)	23 000 000	,00%
UJ to Laanglagte NMT	692 294	R 3 000 000	(R 2 307 706)	692 294	R 5 000 000	(R 4 307 706)	(86,15%)	10 000 000	6,92%
4th Avenue Clinic	725 566	R 4 170 000	(R 3 444 434)	831 535	R 6 950 000	(R 6 118 465)	(88,04%)	13 900 000	5,98%
Open Spaces Development	0	R 1 050 000	(R 1 050 000)	634 279	R 1 750 000	(R 1 115 721)	(63,76%)	3 500 000	18,12%

	CAPEX FOR QUARTER			CAPEX YEAR TO DATE				Annual	Budget
	Actual	Budget	Variance	Actual	Budget	Variance	Var	Budget	Used
	R	R	R	R	R	R	%	R	%
<b>PROJECTS BY FUNDING SOURCE</b>									
Old Ikage Housing Development	0	R 360 000	(R 360 000)	0	R 600 000	(R 600 000)	(100,00%)	1 200 000	,00%
Vincent Tshabalala Pedestrian Bridge	164 798	R 900 000	(R 735 203)	768 438	R 1 500 000	(R 731 563)	(48,77%)	3 000 000	25,61%
Refuse Bins	0	R 90 000	(R 90 000)	0	R 150 000	(R 150 000)	(100,00%)	300 000	,00%
Thoko Mngoma Clinic	167 411	R 3 000 000	(R 2 832 589)	225 565	R 5 000 000	(R 4 774 435)	(95,49%)	10 000 000	2,26%
Ivory Park Linear Markets	228 763	R 4 020 000	(R 3 791 237)	7 732 514	R 6 700 000	R 1 032 514	15,41%	13 400 000	57,71%
Operational capex	0	R 3 000 000	(R 3 000 000)	5 123 345	R 5 000 000	R 123 345	2,47%	10 000 000	51,23%
Sub-total	27 283 912	136 839 000	( 109 555 088 )	104 888 393	228 065 000	( 123 176 607 )	( 54,01%)	456 130 000	23,00%
<b>Transportation COJ Funding</b>									
Karsene Parkade	26 777 307	R 33 690 000	(R 6 912 693)	49 571 032	R 56 150 000	(R 6 578 968)	(11,72%)	112 300 000	44,14%
Zakariya Park Transport Facility	0	R 240 000	(R 240 000)	0	R 400 000	(R 400 000)	(100,00%)	800 000	,00%
Soweto Metrorail Station Precinct	0	R 1 500 000	(R 1 500 000)	0	R 2 500 000	(R 2 500 000)	(100,00%)	5 000 000	,00%
Roodepoort Holding Facility	0	R 240 000	(R 240 000)	0	R 400 000	(R 400 000)	(100,00%)	800 000	,00%
Emdeni Public Transport Facility	0	R 240 000	(R 240 000)	0	R 400 000	(R 400 000)	(100,00%)	800 000	,00%
Orange Farm Public Transport Facility	0	R 240 000	(R 240 000)	0	R 400 000	(R 400 000)	(100,00%)	800 000	,00%
Sub-total	26 777 307	36 150 000	( 9 372 693 )	49 571 032	60 250 000	( 10 678 968 )	( 17,72%)	120 500 000	41,14%
<b>Community Development</b>									
Union Sports Complex	0	R 2 400 000	(R 2 400 000)	372 734	R 4 000 000	(R 3 627 266)	(90,68%)	8 000 000	4,66%

	CAPEX FOR QUARTER			CAPEX YEAR TO DATE				Annual	Budget
	Actual	Budget	Variance	Actual	Budget	Variance	Var	Budget	Used
	R	R	R	R	R	R	%	R	%
<b>PROJECTS BY FUNDING SOURCE</b>									
Rabie Ridge Sports Centre	23 823	R 2 700 000	(R 2 676 177)	3 587 077	R 4 500 000	(R 912 923)	(20,29%)	9 000 000	39,86%
Lehae Library	427 440	R 2 100 000	(R 1 672 560)	2 377 635	R 3 500 000	(R 1 122 365)	(32,07%)	7 000 000	33,97%
Sub-total	451 262	7 200 000	( 6 748 738 )	6 337 445	12 000 000	( 5 662 555 )	( 47,19%)	24 000 000	26,41%
<b>Department of Health</b>									
Claremont Renewal Clinic	0	R 3 831 000	(R 3 831 000)	0	R 6 385 000	(R 6 385 000)	(100,00%)	12 770 000	,00%
Zandspruit New Clinic	0	R 0	R 0	0	R 0	R 0		0	
Florida Clinic	498 113	R 3 831 000	(R 3 332 887)	498 113	R 6 385 000	(R 5 886 887)	(92,20%)	12 770 000	3,90%
Ebony Park	696 509	R 3 831 000	(R 3 134 491)	734 991	R 6 385 000	(R 5 650 009)	(88,49%)	12 770 000	5,76%
Bophelong Clinic	63 525	R 240 000	(R 176 475)	63 525	R 400 000	(R 336 475)	(84,12%)	800 000	7,94%
Eldorado Park Clinic	0	R 0	R 0	0	R 0	R 0		0	
Protea South Clinic	63 525	R 240 000	(R 176 475)	63 525	R 400 000	(R 336 475)	(84,12%)	800 000	7,94%
Sub-total	1 321 672	11 973 000	( 10 651 328 )	1 360 154	19 955 000	( 18 594 846 )	( 93,18%)	39 910 000	3,41%
<b>Emergency Management Services</b>									
Cosmo City Fire Station	5 463 688	R 4 500 000	R 963 688	12 866 454	R 7 500 000	R 5 366 454	71,55%	15 000 000	85,78%
Lehae Training Academy	968 197	R 900 000	R 68 197	968 197	R 1 500 000	(R 531 803)	(35,45%)	3 000 000	32,27%
Lehae Fire Station	845 508	R 1 200 000	(R 354 492)	845 508	R 2 000 000	(R 1 154 492)	(57,72%)	4 000 000	21,14%
Sub-total	7 277 394	6 600 000	677 394	14 680 160	11 000 000	3 680 160	33,46%	22 000 000	66,73%
<b>Department of Housing</b>									
Braamfisherville	230 714	R 3 600 000	(R 3 369 286)	935 313	R 6 000 000	(R 5 064 687)	(84,41%)	12 000 000	7,79%

	CAPEX FOR QUARTER			CAPEX YEAR TO DATE				Annual	Budget
	Actual	Budget	Variance	Actual	Budget	Variance	Var	Budget	Used
	R	R	R	R	R	R	%	R	%
<b>PROJECTS BY FUNDING SOURCE</b>									
Internal Roads									
Sub-total	230 714	3 600 000	( 3 369 286 )	935 313	6 000 000	( 5 064 687 )	( 84,41%)	12 000 000	7,79%
<b>Inner City Development Grant</b>									
Nancefield TOD	2 594 663	R 7 800 000	(R 5 205 337)	2 610 813	R 13 000 000	(R 10 389 187)	(79,92%)	26 000 000	10,04%
Golden Harvest Rehabilitation Centre	1 292 078	R 1 200 000	R 92 078	3 322 029	R 2 000 000	R 1 322 029	66,10%	4 000 000	83,05%
4th Avenue Clinic PL	2 206 710	R 2 700 000	(R 493 290)	2 206 710	R 4 500 000	(R 2 293 290)	(50,96%)	9 000 000	24,52%
Thoko Mngoma Clinic PL	1 265 874	R 900 000	R 365 874	1 265 874	R 1 500 000	(R 234 126)	(15,61%)	3 000 000	42,20%
Sub-total	7 359 325	12 600 000	( 5 240 675 )	9 405 426	21 000 000	( 11 594 574 )	( 55,21%)	42 000 000	22,39%
<b>Inner City Fund</b>									
Hillbrow Tower Precinct	953 059	R 6 000 000	(R 5 046 941)	953 059	R 10 000 000	(R 9 046 941)	(90,47%)	R 20 000 000	4,77%
Commuter Links	4 779 941	R 5 250 000	(R 470 059)	11 932 037	R 8 750 000	R 3 182 037	36,37%	17 500 000	68,18%
Inner City Core	128 987	R 9 000 000	(R 8 871 013)	128 987	R 15 000 000	(R 14 871 013)	(99,14%)	30 000 000	,43%
Mayfair PEU	20 203	R 450 000	(R 429 797)	20 203	R 750 000	(R 729 797)	(97,31%)	1 500 000	1,35%
Fordsburg PEU	20 203	R 450 000	(R 429 797)	20 203	R 750 000	(R 729 797)	(97,31%)	1 500 000	1,35%
Park Station Precinct	1 077 136	R 6 000 000	(R 4 922 864)	1 077 136	R 10 000 000	(R 8 922 864)	(89,23%)	20 000 000	5,39%
Inner City Managed Lanes	0	R 3 000 000	(R 3 000 000)	0	R 5 000 000	(R 5 000 000)	(100,00%)	10 000 000	,00%
Eastern Gateway	0	R 750 000	(R 750 000)	0	R 1 250 000	(R 1 250 000)	(100,00%)	2 500 000	,00%
Sub-total	6 979 530	30 900 000	( 23 920 470 )	14 131 626	51 500 000	( 37 368 374 )	( 72,56%)	103 000 000	13,72%
<b>Neighbourhood Development Partnership Grant</b>									
Jabulani TOD	8 326 649	R 11 319 000	(R 2 992 351)	11 580 194	R 18 865 000	(R 7 284 806)	0,00%	37 730 000	30,69%

	CAPEX FOR QUARTER			CAPEX YEAR TO DATE				Annual	Budget
	Actual	Budget	Variance	Actual	Budget	Variance	Var	Budget	Used
	R	R	R	R	R	R	%	R	%
<b>PROJECTS BY FUNDING SOURCE</b>									
Alexandra Automotive	403 280	R 6 900 000	(R 6 496 720)	504 406	R 11 500 000	(R 10 995 594)	(95,61%)	23 000 000	2,19%
Sub-total	8 729 928	18 219 000	( 9 489 072 )	12 084 599	30 365 000	( 18 280 401 )	( 60,20%)	60 730 000	19,90%
<b>Department of Social Development</b>									
Westbury TDC	1 950 203	R 9 000 000	(R 7 049 797)	2 034 345	R 15 000 000	(R 12 965 655)	(86,44%)	30 000 000	6,78%
Sub-total	1 950 203	9 000 000	( 7 049 797 )	2 034 345	15 000 000	( 12 965 655 )	( 86,44%)	30 000 000	6,78%
<b>Department of Tourism</b>									
Alexandra Heritage Centre	0	R 300 000	(R 300 000)	0	R 500 000	(R 500 000)	(100,00%)	1 000 000	,00%
Sub-total	-	300 000	( 300 000 )	-	500 000	( 500 000 )	( 100,00%)	1 000 000	,00%
<b>Transportation PTIS Fund</b>									
Phase 1C Station	38 321 531	R 31 500 000	R 6 821 531	104 803 819	R 52 500 000	R 52 303 819	99,63%	105 000 000	99,81%
Station Retrofits	0	R 300 000	(R 300 000)	0	R 500 000	(R 500 000)	(100,00%)	1 000 000	,00%
Selby Depot	22 785 312	R 19 500 000	R 3 285 312	39 729 620	R 32 500 000	R 7 229 620	22,24%	65 000 000	61,12%
Selby Depot Ph2	0	R 4 500 000	(R 4 500 000)	0	R 7 500 000	(R 7 500 000)	(100,00%)	15 000 000	,00%
Mldrand Depot	0	R 2 115 000	(R 2 115 000)	1 577 230	R 3 525 000	(R 1 947 770)	(55,26%)	7 050 000	22,37%
Land	1 729 267	R 3 000 000	(R 1 270 733)	7 733 577	R 5 000 000	R 2 733 577	54,67%	10 000 000	77,34%
Alex Urban Upgrade Phase 3	0	R 4 500 000	(R 4 500 000)	786 334	R 7 500 000	(R 6 713 666)	(89,52%)	15 000 000	5,24%
Section 9 Sandton to Randburg	0	R 1 500 000	(R 1 500 000)	0	R 2 500 000	(R 2 500 000)	(100,00%)	5 000 000	,00%
Gandhi Square	151 673	R 300 000	(R 148 328)	151 673	R 500 000	(R 348 328)	(69,67%)	1 000 000	15,17%

	CAPEX FOR QUARTER			CAPEX YEAR TO DATE				Annual	Budget
	Actual	Budget	Variance	Actual	Budget	Variance	Var	Budget	Used
	R	R	R	R	R	R	%	R	%
<b>PROJECTS BY FUNDING SOURCE</b>									
Sandton Loop	8 099 272	R 15 000 000	(R 6 900 728)	56 612 321	R 25 000 000	R 31 612 321	126,45%	50 000 000	113,22%
Alex Loop	173 250	R 600 000	(R 426 750)	173 250	R 1 000 000	(R 826 750)	(82,68%)	2 000 000	8,66%
Phase 1A Feeder Routes	7 055 705	R 6 900 000	R 155 705	20 646 791	R 11 500 000	R 9 146 791	79,54%	23 000 000	89,77%
Phase 1C Landscaping	247 115	R 4 500 000	(R 4 252 885)	1 735 605	R 7 500 000	(R 5 764 395)	(76,86%)	15 000 000	11,57%
Section 15 Road Works Phase 2	9 529 262	R 18 000 000	(R 8 470 738)	42 725 684	R 30 000 000	R 12 725 684	42,42%	60 000 000	71,21%
Section 8A	10 556 226	R 21 000 000	(R 10 443 774)	44 674 166	R 35 000 000	R 9 674 166	27,64%	70 000 000	63,82%
Section 8B	0	R 885 000	(R 885 000)	4 802 358	R 1 475 000	R 3 327 358	225,58%	2 950 000	162,79%
Old Pretoria Road	0	R 300 000	(R 300 000)	0	R 500 000	(R 500 000)	(100,00%)	1 000 000	,00%
Great Walk Bridge 15l	6 518 160	R 21 000 000	(R 14 481 840)	14 062 992	R 35 000 000	(R 20 937 008)	(59,82%)	70 000 000	20,09%
Section15J: Watt Road Works	7 739 047	R 21 000 000	(R 13 260 953)	10 531 151	R 35 000 000	(R 24 468 849)	(69,91%)	70 000 000	15,04%
Rosebank to Sandton NMT	0	R 9 900 000	(R 9 900 000)	81 300	R 16 500 000	(R 16 418 700)	(99,51%)	33 000 000	,25%
Driezic Public Transport	256 301	R 1 500 000	(R 1 243 699)	367 340	R 2 500 000	(R 2 132 660)	(85,31%)	5 000 000	7,35%
Emthonjeni Terminal	0	R 2 400 000	(R 2 400 000)	123 375	R 4 000 000	(R 3 876 625)	(96,92%)	8 000 000	1,54%
Contractual Claims	0	R 300 000	(R 300 000)	1 233 775	R 500 000	R 733 775	146,76%	1 000 000	123,38%
Sub-total	113 162 119	190 500 000	( 77 337 881 )	352 552 359	317 500 000	35 052 359	11,04%	635 000 000	55,52%
<b>TOTAL</b>	<b>218 751 700</b>	<b>511 664 700</b>	<b>(292 913 000 )</b>	<b>594 292 357</b>	<b>852 774 500</b>	<b>(258482 143 )</b>	<b>( 30,31%)</b>	<b>1705549 000</b>	<b>34,84%</b>

### 3.7.7 ECONOMIC DEVELOPMENT

A cluster of the JDA's economic development programmes that aims to (i) Develop skills and capacity within the construction industry in Johannesburg (ii) Optimise the JDA's contribution to inclusive economic growth and empowerment, and the transformation of the construction industry; and (iii) establish a monitoring and reporting system to measure the impact of the JDA's managing contractor development programme.

**TABLE 25: EPWP PERFORMANCE**

JDA Programme	Q1 Number of EPWP Work Opportunities	Q2 Number of EPWP Work Opportunities	Q3 Number of EPWP Work Opportunities	2016/17 YTD Number of EPWP Work Opportunities
1	40	8	20	68
2	44	27	29	100
3	143	42	83	268
4	345	80	105	530
5	0	19	34	53
<b>Total</b>	<b>572</b>	<b>176</b>	<b>271</b>	<b>1019</b>

**TABLE 26: JOZI@WORK PERFORMANCE**

Project Work-packages	Q1 Number of Jozi@Work	Q2 Number of Jozi@Work	Q3 Number of Jozi@Work	2016/17 YTD Number of Jozi@Work
Sandton Loop	22	0	0	22
Auckland	27	0	0	27
Phase 1C Landscaping (great walk)	5	0	0	5
Phase 1C Landscaping	5	0	0	5
<b>Total</b>	<b>59</b>	<b>0</b>	<b>0</b>	<b>59</b>

### 3.7.8 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.

Performance in these areas is explained in the sections below:

#### SECTION 8: SUPPLY CHAIN MANAGEMENT

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

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

There are two bid adjudication committees, one for capital expenditure and the other for operating expenditure. The Capital Expenditure Bid Adjudication Committee members include the Chief Financial Officer (chairperson), two Senior Development Managers (whose bid is not being adjudicated on), the Risk and Compliance Manager, the Executive Manager: Development Facilitation and the Supply Chain Manager. The Operating Expenditure Bid Adjudication Committee includes the Chief Financial Officer (chairperson), the Supply Chain Manager, and the Executive Manager: Marketing, the IT Manager, and the Risk and Compliance Manager. Neither committee is authorised to make procurement decisions above R10 million.

### ***Supply chain deviations and approval***

According to regulation 36(1)(a) of the Municipal Supply Chain Management Regulations, the accounting officer may dispense with 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
- If acquiring special works of art
- If acquiring animals for zoos
- In any other exceptional case where it is impossible or impractical to follow official procurement processes.

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

There were neither Deviations nor Ratification from 1 January 2017 - 2016 to 31 March 2017.

There were no unsolicited bids to the JDA from January 2017 to March 2017 with all procurement going through the Supply Chain processes.

According to Regulation 44 of the Municipal Supply Chain Management Regulations the regulation prohibits municipal entities from awarding contracts to a person who is in the service of the state. To date the JDA has not awarded any contract to a person who is in the employment of the state.

## **SECTION 9: BLACK ECONOMIC EMPOWERMENT**

The JDA reports on the BBBEE share of both actual expenditure and contractual commitments for all active contracts. The table below shows the BBBEE share of capital and operating expenditure. For the quarter under review, the overall BBBEE share of expenditure was R 109 162 574.81. This constitutes an achievement of 97% per cent.

**TABLE 27: SUMMARY OF BBBEE EXPENDITURE**

Description	3 <sup>rd</sup> Quarter Only			YTD		
	Total Expenditure	BBBEE Claimed	BBBEE %	Total Expenditure	BBBEE Claimed	BBBEE %
Capex	R 104 405 248.10	R 103 159 191.96	99%	R 350 024 838,10	R 339 924 305,96	97%
Opex	R 7 596 117.39	R 6 003 382.85	79%	R 27 215 444,39	R 25 151 631,85	92%
<b>Consolidated Opex and Capex</b>	<b>R 112 596 117.39</b>	<b>R 109 162 574.81</b>	<b>97%</b>	<b>R 377 240 282,49</b>	<b>R 365 075 937,81</b>	<b>97%</b>

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

The JDA confirms the validity of BBBEE certificates by verification agencies by tracing the name of the agency to the South African National Accreditation System’s list of accredited agencies.

Each BBBEE level is translated into a BBBEE score reflected as a percentage. For example, BBBEE level 6 equals 60%, while BBBEE level 1 equals 135%.

**TABLE 28: BBBEE POINTS**

B-BBEE Status Level Of Contributor	B-BBEE Recognition	Number of Points	
		Tenders up to R1 million	Tenders above R1 million
1	135%	20	10
2	125%	18	9
3	110%	16	8
4	100%	12	5
5	80%	8	4
6	60%	6	3
7	50%	4	2
8	10%	2	1
Non-Compliant contributor	0%	0	0

## SECTION 10: ENTERPRISE / SMME DEVELOPMENT

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

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

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

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

The JDA reports on the SMME share of both actual expenditure and contractual commitments for all active contracts. The table below shows the SMME share of capital and operating expenditure. The SMME share of JDA's operating and capital expenditure was R 36 646 051,55 for quarter under review. This constitutes an achievement of 33% for the period under review.

**TABLE 29: SUMMARY OF SMME EXPENDITURE<sup>22</sup>**

Description	3 <sup>rd</sup> Quarter Only		YTD	
	SMME Expenditure	SMME %	SMME Expenditure	SMME %
Capex	R 34 083 461,92	33 %	R 80 833 558,92	23%
Opex	R 2 562 589.63	34%	R 10 109 684,63	37%
<b>Consolidated Opex and Capex</b>	<b>R 36 646 051,55</b>	<b>33%</b>	<b>R 90 943 243,55</b>	<b>24%</b>

## SECTION 11: 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 30: AMOUNTS OWED BY AND TO GOVERNMENT DEPARTMENTS AND PUBLIC ENTITIES**

Name of department	Amounts owed		Account status	Comments
	Current <30 days	>30 days		
	R' 000	R' 000		
City of Johannesburg - CAM & USDG	0	91 478	Account current	Most claims were settled in the 1st and 2nd quarter. March claims to be submitted in April.
City of Johannesburg - Department of transportation	97 822	196 817	Account overdue	Most claims were settled in the 1st and 2nd quarter. March claims to be submitted in April.
City of Johannesburg - Department of planning	17 003	38 958	Account overdue	Most claims were settled in the 1st and 2nd quarter. March claims to be submitted in April.
City of Johannesburg - Housing	0	13 305	Account overdue	Most claims were settled in the 1st and 2nd quarter. March claims to be submitted in April.
City of Johannesburg - Department of Health	0	7 401	Account overdue	Most claims were settled in the 1st and 2nd quarter. March claims to be submitted in April.

<sup>22</sup> Note: Any discrepancies between this table and the financial statements are due to timing differences between when the expenditure is captured in the Development Information Management System and the report on actual invoices paid. These variances are not significant and the ratios remain valid.

Name of department	Amounts owed		Account status	Comments
	Current <30 days	>30 days		
	R' 000	R' 000		
City of Johannesburg - GSPCR	0	977	Account overdue	Most claims were settled in the 1st and 2nd quarter. March claims to be submitted in April.
City of Johannesburg - Other departments	9 129	116 608	Account overdue	Most claims were settled in the 1st and 2nd quarter. March claims to be submitted in April.
<b>Total</b>	<b>123 954</b>	<b>465 544</b>		

## CHAPTER 4: HUMAN RESOURCES & ORGANISATIONAL MANAGEMENT

### SECTION 1: HUMAN RESOURCE MANAGEMENT

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

Until recently the JDA was a non-unionised work environment. Since November 2016, the JDA has started with IMATU (Independent Municipal and Allied Trade Union) membership subscriptions. JDA respects and promotes the exercise of employment laws.

The JDA has a total of 109 positions as per organogram approved in 2014/15 financial year. The structure includes:

- A Top Management consists of level 1 and 2 which accounts for the CEO and Executive Management Committee team i.e. the Chief Executive Officer, the Chief Financial Officer, the Executive Manager: Development Implementation, the Executive Manager: Planning and Strategy, the Executive Manager: Development Facilitation, the Executive Manager: Marketing and Communications and the Executive Manager: Corporate Services, the Chief Audit Executive and the Company Secretary, who both report to the Board.
- Senior Management consists of level 3 and 4 comprising Senior Development Managers, Executive Support Manager, Internal Audit Manager, Finance Manager, Budget Manager, Supply chain manager, Planning Manager, monitoring and evaluation manager, planning project manager, communications and marketing manager, the human Resources Manager, the IT Manager, the Risk and Compliance Manager, the Legal Manager, development facilitation manager, manager: stakeholder relations, enterprise development manager, and development managers. .
- Professional and Middle Management consists of level 5 and 6, comprising personal assistants, coordinators, accountants, accounts payable officer, SCM officer, data officer, receptionists, marketing business partners, IT support officer, IT & IS administration officer, HR generalists, assistants development managers and legal officer.
- Skilled technical, academically qualified and junior management are level 7 and 8, comprising leaners, coordinators, a receptionist, personal assistants, accounts payable officers, IT support officers, the IT and information systems administration officer, the fixed asset register officer, the messenger/caretaker and the procurement coordinator.
- Semi-skilled workers, comprising a driver and a receptionist.
- Unskilled workers, comprising housekeepers and cleaners.

The staff organogram with 109 based on approved positions has:

- A total of 95 JDA employees, this includes 11 employees from Sandton office on the City of Johannesburg Payroll.

- There are 14 vacant positions.

**Learnership Programme**

There are two (2) learners at the end of 3<sup>rd</sup> quarter. They are all based in the Internal Audit department. The learnership programme provides an excellent opportunity for learners to acquire practical work experience in their field of expertise, as well as all other operational areas of the JDA. It provides a fantastic opportunity for learners to get a practical feel of the work environment. It is for this reason that the JDA fully supports and subscribes to a learnership program.

**Injuries, sickness and suspensions**

The Basic Conditions of Employment Act 75 of 1997, is a statutory instrument that provides guidelines for basic conditions of employment, critical among them being an employee’s right to take leave .To ensure proper management of leave, the JDA has implemented an employee self-service web platform which allows employees to electronically apply for leave, as well as obtain electronic approvals on their leave application. The table below provides statistics of sick leave taken in this quarter. It is important to note that the number of sick leave days taken was very low.

The following tables shows sick leave statistics for permanent staff only, who are on the JDA payroll and therefore excludes temporary employees and seconded employees, not on the JDA payroll

**TABLE 31: COST OF SICK LEAVE (EXCLUDING INJURIES ON DUTY): 3<sup>RD</sup> QUARTER 2016/17**

Salary band	Total sick leave	Proportion of sick leave without medical certificate	Employees using sick leave	Total employees in post	Average sick leave per employee	Estimated cost
	Days	%	No.	No.	Days	R 000
Top management	0	0	0	1	0	0
Executive management (including chief audit executive)	1	0	0	6	0	3 523.12
Senior management	10	0	2	18	0.5	12 368
Middle management	15	0	6	25	0.6	5 102.87
Skilled technical/junior management	17	0	3	27	0.62	5 891.25
Semi-skilled	0	0	0	2	0	0
Unskilled	10	0	4	5	2.2	23 879.80
<b>TOTAL</b>	<b>52</b>	<b>0</b>	<b>15</b>	<b>84</b>	<b>3.92</b>	<b>50 765.04</b>

Two employees were reported injured on duty, and are currently continuing medical assessment for the injuries.

**SECTION 2: EMPLOYEE REMUNERATION (TOTAL COSTS INCLUDING EXECUTIVES)**

For the period under review, the JDA paid a total of 95 employees. The total remuneration costs at 3rd Quarter is R 9 862 958.90 which includes pension fund.

### SECTION 3: KEY VACANCIES

As of the 3<sup>rd</sup> Quarter of 2016/17, the JDA's total staff-complement including permanent, non-permanent staff and seconded staff is 95 employees.

A key HR strategy of the JDA is to ensure that there is adequate human resources capacity to efficiently deliver on the JDA's expanded mandate.

**TABLE 32: STAFF ESTABLISHMENT**

Description	2016/17				
	Approved no. of posts per approved organogram	Additions to the structure	No. of employees	No. of vacancies	% of vacancies
Top management	1	0	1	0	0%
Executive management	8	0	7	1	13%
Senior management	22	0	18	4	18%
Middle management	34	0	30	4	12%
Skilled technical/junior management	30	0	29	1	3%
Semi-skilled	4	0	3	1	25%
Unskilled housekeepers/cleaners	6	0	5	1	17%
Intern / Learners	4	0	2	2	50%
<b>Total</b>	<b>109</b>	<b>0</b>	<b>95</b>	<b>14</b>	<b>13%</b>

#### **Turnover rates from 2010/11 to 2016/17**

In the current year under review, so far, staff turnover is 6%, due to resignations and dismissals.

Percentages of staff turnover in the financial year range 2010/2011 to 2015/2016 are between 5% and 16%, with the lowest being in the 2012/2013 financial year and the highest being 2014/2015 financial year.

**TABLE 33: ANNUAL TURNOVER RATE**

Details	Total appointments at beginning of financial year	Terminations during financial year (YTD)	Turnover rate
	No.	No.	%
2010/11	54	5	9
2011/12	50	5	10
2012/13	55	3	5
2013/14	61	9	14.75
2014/15	86	14	16
2015/16	87	8	9
2016/17	95	8	8

#### **Attrition Turnover Rates for 3rd Quarter 2016/17**

In the 3rd Quarter of the current financial year, there are 3 employees who left the as result of dismissal, contract non-renewal and one deceased and is therefore 4%. The JDA continues to ensure that there are

proper retention strategies in place employ tried and tested retention strategies to ensure that rigorous employee retention strategies that will ensure that employees are retained.

**TABLE 34: QUARTERLY TURNOVER RATES FOR 2016/17**

Q3	Total appointments at 3rd Quarter	Terminations	Turnover rate
	No.	No.	%
Q3	95	4	4

**Retention Initiatives**

The third quarter demonstrates healthy staff retention as they have been no attrition to report. JDA remains committed to combat continues to mitigate resignations through various initiatives, which seek to make the JDA an employer of choice by way of offering competitive market related remunerations structures to promote staff retention as follows:

- Job Evaluations and Salary Benchmarking Process exercise has been undertaken and the final report with recommendation on job evaluations and salary benchmarking exercise has been presented to all JDA structures including EXCO, HR& REMCO. The recommendation of the two governance structures will be presented to the Board for approval.
- Employee Climate Survey – The JDA has completed its employee climate survey through an independent service provider.

**SECTION 4: EMPLOYMENT EQUITY**

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

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

The Employment Equity Plan was developed to promote an environment and culture that supports open communication, where everyone is encouraged to express their views without fear of being victimised, and to ensure fair and consistent application and implementation of all employment practices and procedures. Structures and resources have been put in place to coordinate and monitor employment equity implementation across the organisation. The JDA undertakes an annual review of its employment equity processes and general employment practices to inform the implementation of the Employment Equity Plan. The JDA 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 35: EMPLOYMENT EQUITY DEMOGRAPHICS STATUS FOR PERIOD UNDER REVIEW**

Occupational Levels	Male	Female	Foreign Nationals	Total

	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Executive Management	3	0	0	2	2	0	0	0	0	0	7
Senior Management	5	1	1	2	7	0	2	0	0	0	18
Professionally qualified and experienced specialists and mid-management	12	0	0	1	12	2	1	2	0	0	30
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	7	0	0	0	18	1	2	1	0	0	29
Semi-skilled and discretionary decision making	1	0	0	0	2	0	0	0	0	0	3
Unskilled and defined decision making	0	0	0	0	5	0	0	0	0	0	5
<b>TOTAL PERMANENT</b>	<b>29</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>46</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>93</b>
Temporary employees	1	0	0	0	1	0	0	0	0	0	2
<b>GRAND TOTAL</b>	<b>30</b>	<b>1</b>	<b>1</b>	<b>5</b>	<b>47</b>	<b>3</b>	<b>5</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>95</b>

TABLE 36: STAFF MOVEMENTS

Staff movements	African		Coloured		Indian		White		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Appointments	0	1	0	0	0	0	1	0	2
Dismissals	0	0	0	0	0	0	0	0	0
Retirements	0	0	0	0	0	0	0	0	0
Absenteeism	0	0	0	0	0	0	0	0	0
Termination/other	1	0	0	0	0	0	1	0	2
<b>TOTAL</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>

The JDA targets and achievements for period under review:

- 91.5% of its employees are black (target: 80%).
- 61.05 % of its staff members are female (target: 45%).
- 9% of its employees who are black women are in management positions
- The JDA has employees with physical disabilities, exceeding the CoJ's strategic target of 2% by 0.3%  
The JDA is committed to improve the percentage representation of people from designated groups across all occupational categories.

## SECTION 5: SKILLS DEVELOPMENT AND TRAINING

The JDA is committed to employee training and development, ensuring variety of skills set, thus building a pool of competent employees. It aims to provide an integrated learning experience to its employees that will

strengthen their commitment to the organisation's values, enhance leadership capability and improve the JDA's capacity to meet current and future business requirements.

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

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

The JDA has created a culture of both on-the-job and off-the-job learning, which is embraced by all employees. Training is an on-going process of improving employees' knowledge, skills and attitude to enhance job performance, create opportunities for growth and advance careers.

The JDA funds appropriate training and development programmes that are practical and outcomes-based. It also supports employees who wish to attain further qualifications to improve their productivity.

A budget of R591 226.00 has been allocated for training and development for the 2016/17 financial year. The actual expenditure for period under review is R 274 008. 77. The JDA supports the attainment of further educational qualifications by employees in order to improve their productivity. All training interventions were provided as part and parcel of the approved individual learning plans.

## **SECTION 6: PERFORMANCE MANAGEMENT & SUCCESSION PLANNING**

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.

Despite the JDA's increasing budget allocation and portfolio, which has put strain on employees' performance, the JDA will continue to implement measures to improve its operational effectiveness in 2016/17 financial year.

## **SECTION 7: DISCIPLINARY MATTERS AND OUTCOMES**

During the period under review, there was one (1) disciplinary matter that resulted in a dismissal.

## **SECTION 8: LEAVE & PRODUCTIVITY MANAGEMENT**

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

The next table gives an analysis of the various leave types and how they were utilised by JDA employees in the third quarter of the 2016/2017 financial year. The most highly utilised leave type is annual leave with a total of 135 days and the least taken leave type is study leave with a total of 4 days taken.

Fifty two (52) Days were taken as sick in the 3<sup>rd</sup> Quarter.

**TABLE 37: LEAVE ANALYSIS – QUARTER 3 2016/17**

Type of Leave	January 2017	February 2017	March 2017	Total
Annual Leave	77	42	16	135
Sick Leave	7	23	22	52
Family Responsibility	1	7	4	12
Study Leave	0	2	2	4
<b>TOTAL</b>	<b>85</b>	<b>74</b>	<b>44</b>	<b>203</b>

## SECTION 9: EMPLOYEE WELLNESS

The JDA is committed to maintaining a healthy workforce and providing a safe and hygienic working environment. The JDA’s Employee Wellness Programme, which is outsourced to Right to Care Health Services, offers behavioural risk management, free trauma counselling and free legal and financial advice for all employees. Right to Care provides a confidential, 24-hour personal support and information service, which employees, as well as their partners and immediate family, may access through a toll-free number for assistance with health, financial, legal and other issues.

The JDA receives statistical information on the issues discussed to enable it to identify and implement solutions to the particular issues raised. The identities of the employees who use this service remain strictly confidential.

The JDA holds Wellness Day events four times. Employees can have their basic health assessed and receive feedback and guidance on corrective measures and counselling.

## SECTION 10: EMPLOYEE BENEFITS

The JDA participates in two retirement benefit schemes: eJoburg Retirement Fund (81 permanent employees) and City of Johannesburg Pension Fund (1 permanent employee). The total remuneration costs for the 3<sup>rd</sup> Quarter is R 9,862,958.90 which includes pension fund.

JDA contributed an amount of R395,560.29 to Group Life Cover for all its employees and directors.

## SECTION 11: 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 Programme runs awareness and educational campaigns, provides free condoms, shares videos and offers free helplines. The programme ensures that employees with HIV/AIDS are treated in a fair, consistent manner and are informed about their rights and employee benefits.

In the period under review, the JDA and ICAS have had wellness day and further wellness days set for the remainder of the financial year, where the HIV/AIDS awareness is prioritized through testing and counselling to all JDA staff.

### ***Occupational Health and Safety***

Independent consultant Ubomi Safety Consulting conducted monthly occupational health and safety compliance audits during period under review in 2016/17 financial year. These audits identify risks and cases of non-compliance with the Occupational Health and Safety Act (1993), enabling the JDA to implement risk mitigation plans to reduce the risks and address cases of non-compliance. A report prepared in March 2017 estimated that the JDA's compliance rate for period under review was 87.37%.

## CHAPTER 5: FINANCIAL PERFORMANCE

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

#### STATEMENT OF FINANCIAL POSITION FOR THE QUARTER ENDED 31 MARCH 2017

	Prior year Quarter ended 31 March 2016	Quarter ended 31 March 2017			Year to date			
ASSETS	Actual	Actual	Budget	Variance	Actual	Budget	Variance	Notes
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>Non-current assets</b>	<b>9 711</b>	<b>17 093</b>	<b>7 627</b>	<b>10 301</b>	<b>17 093</b>	<b>7 627</b>	<b>10 301</b>	<b>1</b>
Property plant and equipment	7,963	7 623	6 460	1 163	7 623	6 460	1 163	
Deferred tax	356	-	835		-	835		
Intangible assets	1,392	9 470	332	9 138	9 470	332	9 138	
<b>Current assets</b>	<b>669 016</b>	<b>530 011</b>	<b>371 557</b>	<b>94 626</b>	<b>530 011</b>	<b>371 557</b>	<b>94 626</b>	<b>2</b>
Trade and other receivables	662,861	465 544	364 095	101 449	465 544	364 095	101 449	
Vat Receivable		63 828		-	63 828	-	-	
Cash and cash equivalents	6,155	639	7 462	( 6 823)	639	7 462	( 6 823)	
<b>Total assets</b>	<b>678 727</b>	<b>547 104</b>	<b>379 184</b>	<b>104 927</b>	<b>547 104</b>	<b>379 184</b>	<b>104 927</b>	
<b>EQUITY AND LIABILITIES</b>								
<b>Capital and reserves</b>	<b>37 543</b>	<b>35 113</b>	<b>47 374</b>	<b>-12 261</b>	<b>35 113</b>	<b>47 374</b>	<b>-12 261</b>	

	Prior year Quarter ended 31 March 2016	Quarter ended 31 March 2017			Year to date			
ASSETS	Actual	Actual	Budget	Variance	Actual	Budget	Variance	Notes
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Contribution from owner	16 278	16 278	16 278	-	16 278	16 278	-	
Accumulated surplus/(deficit)	21 265	18 835	31 096	( 12 261)	18 835	31 096	( 12 261)	
<b>Non-current liabilities</b>	<b>59 000</b>	<b>38 869</b>	<b>15 678</b>	<b>23 191</b>	<b>38 869</b>	<b>15 678</b>	<b>23 191</b>	
Finance lease obligation	760	573	-	573	573	-	573	
Deferred taxation	12 303	13 911	5 581	8 330	13 911	5 581	8 330	
Project funds payable	45 937	24 385	10 097	14 288	24 385	10 097	14 288	3
<b>Current liabilities</b>	<b>582 184</b>	<b>473 123</b>	<b>316 132</b>	<b>156 124</b>	<b>473 123</b>	<b>316 132</b>	<b>156 991</b>	<b>4</b>
Loans from shareholders	223 834	314 041	102 719	211 322	314 041	102 719	211 322	
Trade and other payables	328 712	155 857	200 248	( 44 391)	155 857	200 248	( 44 391)	
VAT payable	24 776	0	10 003	( 10 003)	0	10 003	( 10 003)	
Finance lease obligation		573	141	432	573	141	432	
Bank Overdraft		867			867	0	867	
Provisions – bonus	4 862	1 785	3 021	( 1 236)	1 785	3 021	( 1 236)	
<b>Total equity and liabilities</b>	<b>678 727</b>	<b>547 105</b>	<b>379 184</b>	<b>205 743</b>	<b>547 105</b>	<b>379 184</b>	<b>205 743</b>	

Notes	
1	Non-current assets variance is mainly due to the increase of intangible assets due to the implementation costs of the SAP system. Currently, the project implementation module is the only module in use, the other modules such finance, SCM and payroll has been purchased but have not yet been brought into use.
2	Current asset variance is mainly due to trade and other receivables line item. Trade and other receivables consist of trade receivables, prepaid expenditure and rental debtors. The variance is due to long outstanding claims not yet recovered from the various departments regarding capital expenditure on projects implemented by the JDA. Majority of the long outstanding claims relates to the City of Johannesburg: Department of Transportation (NDOT) and some of which relates to the current claims for the month of March.
3	The non-current liability variance is mainly due to the Projects Funds Payable line item. The Projects Funds Payable relates to funds that we received in advance for the implementation of projects. The balance relates to BRT Land funds that are held for current year purchase.
4	The current liability variance is mainly due to the Loans from shareholder line item which relates specifically to the overdrawn treasury account and trade and other payables. The overdrawn balance is mainly due capital claims not yet received from the City. The JDA has contractual obligations with all our capital project suppliers and payments to these suppliers are made before the City Departments reimburse the JDA for the actual expenditure incurred. The longer the delay between these two processes the greater the impact on the JDA's cash flow. The trade and other payables line item includes current amounts owing to suppliers for expenditure incurred in March 2017 and retentions withheld from projects implemented for 2015/16 and 2016/17. The retention balances are only released to the suppliers upon final completion of the project and inspection.

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

### STATEMENT OF FINANCIAL PERFORMANCE FOR THE QUARTER ENDED 31 MARCH 2017

	Prior year	Original approved	Adjusted approved	Quarter ending 31 March 2017			Year to date			Notes		
	Quarter ended 31 March 2016			budget	budget	Actual	Budget	Variance	Actual		Budget	Variance
	Actual			R'000	R'000	R'000	R'000	R'000	R'000		R'000	R'000
Gross revenue	47,158	104 555	104 555	9 230	31 367	( 22 137)	40 807	52 278	( 11 471)	5		
Operating costs	(64,468)	( 97 596)	( 97 596)	( 18 775)	( 24 399)	5 624	( 60 123)	( 73 197)	13 074	6		
<b>Gross surplus/(deficit)</b>	<b>(17,310)</b>	<b>6 959</b>	<b>6 959</b>	<b>( 9 545)</b>	<b>6 968</b>	<b>( 16 513)</b>	<b>( 19 316)</b>	<b>( 20 920)</b>	<b>1 603</b>			
Other operating income and expenditure	( 17 310)	( 6 959)	( 6 959)	( 5 464)	( 1 740)	( 3 724)	( 10 732)	( 5 219)	( 5 513)			
Interest expense	(12,786)	( 6 959)	( 6 959)	( 5 464)	( 1 740)	( 3 724)	( 10 732)	( 5 219)	( 5 513)	7		
Interest income	0	0	0	0	0	0	0	0	0			
<b>Deficit before tax</b>	<b>(30,096)</b>	<b>0</b>	<b>0</b>	<b>( 15 010)</b>	<b>5 228</b>	<b>( 20 237)</b>	<b>( 30 048)</b>	<b>( 26 139)</b>	<b>( 3 910)</b>			
Taxation	0	0	0	0	0	0	0	0	0			
<b>Surplus/(Deficit) after tax</b>	<b>(30,096)</b>	<b>0</b>	<b>0</b>	<b>( 15 010)</b>	<b>5 228</b>	<b>( 20 237)</b>	<b>( 30 048)</b>	<b>( 26 139)</b>	<b>( 3 910)</b>			

<b>Notes</b>	
5	The variance is mainly due to a lower than budgeted development management fees earned on overall capital expenditure. At the end of the third quarter, 32% of the overall capital budget was spent which is 18% lower than the original target. Included in revenue is also tender fee income, rental of the Bus Factory and operating subsidy.
6	The variance relating to operating costs relates mainly to the lower than expected employee costs line item. This is as a result of current vacant positions that are still currently being filled. These positions include the Chief Financial Officer, Executive Manager: Corporate Services and Executive Manager: Marketing & Communications.
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 were 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 pay 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: Department of Transportation (NDOT). 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.

### SECTION 3: CASH FLOW STATEMENT

CASHFLOW STATEMENT FOR THE QUARTER ENDED 31 MARCH 2017

	Prior year quarter ended 31 March 2016	Quarter ended 31 March 2017			Year to date			Notes
	Actual	Actual	Budget	Variance	Actual	Budget	Variance	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>Cash flows from operating activities</b>								
	<b>91 023</b>	<b>( 295 584)</b>	<b>( 149 646)</b>	<b>( 145 938)</b>	<b>( 132 620)</b>	<b>( 149 646)</b>	<b>17 026</b>	
Receipts								
Grants	16,785	4 235	4 235	0	16 942	4 235	12 707	
Interest received	0	0	0	0	0	0	0	8
Cash receipts from CAPEX funding	552,802	247 193	365 075	( 117 882)	947 528	365 075	582 453	9
Other receipts	1,735	382	310	72	728	310	418	
	0	0		0			0	
Payments	0	0		0			0	
Employee cost	-39,304	( 15 034)	( 13 216)	( 1 818)	( 42 695)	( 13 216)	( 29 479)	
Suppliers	-428,210	( 526 896)	( 506 000)	( 20 896)	( 1 044 391)	( 506 000)	( 538 391)	10
Interest paid	( 12 785)	( 5 464)	( 50)	( 5 414)	( 10 732)	( 50)	( 10 682)	11
<b>Cash flows from investing activities</b>	<b>( 2 820)</b>	<b>( 233)</b>	<b>( 4 500)</b>	<b>4 267</b>	<b>5 123</b>	<b>( 4 500)</b>	<b>9 623</b>	
Expenditure to maintain operating capacity								
Property, plant and equipment acquired	( 2 514)	0	( 4 500)	4 500	0	( 4 500)	4 500	12
Proceeds from sale of property, plant and equipment								

	Prior year quarter ended 31 March 2016	Quarter ended 31 March 2017			Year to date			Notes
	Actual	Actual	Budget	Variance	Actual	Budget	Variance	
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
<b>Cash flows from operating activities</b>								
Purchase of intangible assets	( 306)	( 233)		( 233)	5 123		5 123	12
<b>Cash flows from financing activities</b>	<b>( 88 208)</b>	<b>295 817</b>	<b>154 146</b>	<b>141 671</b>	<b>127 497</b>	<b>154 146</b>	<b>( 26 649)</b>	
Movement in project funds payable		0	0	0	0	0	0	
Proceeds from Shareholders' loan								
Repayments of Shareholders' loan	( 88 087)	295 817	154 212	141 605	127 563	154 212	( 26 649)	10
Finance lease repayments	( 121)	0	( 66)	66	( 66)	( 66)	0	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>( 5)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>( 0)</b>	<b>0</b>	<b>( 0)</b>	
<b>Cash and cash equivalents at beginning of the year</b>	<b>6 160</b>	<b>639</b>	<b>639</b>	<b>639</b>	<b>639</b>	<b>639</b>	<b>639</b>	
<b>Cash and cash equivalents at the end of the year</b>	<b>6 155</b>	<b>( 639)</b>	<b>( 639)</b>	<b>( 639)</b>	<b>( 639)</b>	<b>( 639)</b>	<b>( 639)</b>	

Notes	
8	<p>No interest income was earned during the quarter. This was mainly due to an overdrawn treasury account balance during the quarter. Refer to interest expenditure for more detail.</p> <p>Trade and other receivables consist of trade receivables, prepaid expenditure and rental debtors. The variance is due claims that were have not yet been received during the current year.</p>
9	<p>The variance is mainly due to June 2016 payments that were only paid in July 2016.</p> <p>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 were received late or still outstanding from the various departments. The JDA contract 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: Department of Transportation (NDOT). Although most of these claims have been received subsequently, capital expenditure for the three quarters has increased the amount outstanding and these will only be recovered in the following quarter.</p>
10	<p>The capital budget for the current year is R10 millions of which at least 90% of it relates to the implementation of SAP. Although some expenditure has been incurred in the current, these balances are currently majority of the expenditure has been allocated to Intangible assets still under construction and will only be capitalised when the entire system is ready for use. The project implementation module is currently the only module that is in use.</p> <p>No interest income was earned during the quarter. This was mainly due to an overdrawn treasury account balance during the quarter. Refer to interest expenditure for more detail.</p>
11	<p>Trade and other receivables consist of trade receivables, prepaid expenditure and rental debtors. The variance is due claims that were have not yet been received during the current year.</p> <p>The variance is mainly due to June 2016 payments that were only paid in July 2016.</p>
12	<p>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 were 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 pay 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: Department of Transportation (NDOT). Although most of these claims have been received subsequently, capital expenditure for the three quarters has increased the amount outstanding and these will only be recovered in the following quarter.</p>

STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED 31 MARCH 2017

		Share capital	Share premium	Total share capital	Accumulated surplus	Total net assets
			R'000	R'000	R'000	R'000
Opening balance as previously reported		60	16 278	16 278	51 361	67 639
Adjustments		0	0	0	0	0
Prior year adjustments					0	0
<b>Balance at 01 July 2015</b>		<b>60</b>	<b>16 278</b>	<b>16 278</b>	<b>51 361</b>	<b>67 639</b>
Changes in net assets						
Surplus for the year		0	0	0	-2 478	-2 478
Total changes		0	0	0	-2 478	-2 478
<b>Balance at 01 July 2016</b>		<b>60</b>	<b>16 278</b>	<b>16 278</b>	<b>48 884</b>	<b>65 161</b>
Changes in net assets						
Deficit for the year		0	0	0	( 30 048)	( 30 048)
Total changes		60	16 278	16 278	18 836	35 113
<b>Balance at 30 September 2016</b>		<b>60</b>	<b>16 278</b>	<b>16 278</b>	<b>18 836</b>	<b>35 113</b>

## SECTION 4: RATIO ANALYSIS

Key Performance Area	Key Performance Target	Actual 31 March 2016	Actual 31 March 2017	Notes
Current ratio	Above 1 : 1	1.18: 1	1.07:1	1
Solvency ratio	Above 1 : 1	1.06: 1	1.14:1	2
Remuneration to expenditure ratio	60%	47%	60%	3
Maintenance to expenditure ratio	1%	0,19%	0,27%	4
Interest to expenditure ratio	Below 30%	17%	15,00%	5
Net cash position	5 000	6155	639	
% capital budget spent	5%	44%	32%	6
Revenue	52 278	47 158	40 807	
Expenditure	78 416	77 254	70 855	
Surplus/(Deficit)	( 26 139)	( 30 096)	( 30 048)	
<b>Total net assets</b>		<b>37 543</b>	<b>35 113</b>	

Notes	
1	Current ratio exceeds target and is lower than the third quarter of the previous year due to a higher overdraft balance and higher trade receivables in the current financial year. This includes a higher trade payables balance in the third quarter of the previous year as compared to the current year.
2	Solvency ratio is higher than target and higher than the third quarter of the previous year mainly due to a receivables balance which is higher than in the previous third quarter.
3	Remuneration to expenditure ratio is higher than the third quarter of the previous financial year due to a higher number of vacant positions budgeted for but not yet filled as at end of the quarter from the previous year. Although most of these have been filled in the current year, there are still some vacant positions.
4	Maintenance to expenditure ratio is higher than the third quarter of the previous financial year due to maintenance not carried out in the prior year.
5	Although third quarter operational expenditure in the current year is lower compared to the previous financial year, the interest to expenditure ratio is lower than the third quarter of the previous financial year due to lesser interest incurred in the third quarter of the current financial year. The overdraft balance increased due to large capital expenditure payments to suppliers for work implemented in June 2016 which was paid in the first quarter of the current financial year.
6	Although the % capital budget spent is lower than the capital spent in the third quarter of the previous financial year, the overall capital budget has increased.

## SECTION 5: REPORT ON IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE AND DUE PROCESSES

No irregular, fruitless and wasteful expenditure was incurred for the current quarter.

## SECTION 6: PENDING LITIGATIONS AND POSSIBLE LIABILITIES

CASE / MATTER	AMOUNT CLAIMED	DATE INSTITUTED	DISCRIPTION	CURRENT STATUS	ANTICIPATED COMPLETION DATE	CHANCES OF SUCCESS	OF
Ubuntu Kraal (Pty) Ltd vs JDA	± 23 555 160, 06 million	13/12/2013	Damages suffered by Ubuntu Kraal as a result of "alleged" negligence by the JDA and other parties.	On Friday, 13 December 2013 the JDA was served with summons. The summons relate to the "alleged" negligence on the part of the JDA during the widening of the Klipspruit valley road during the construction of the BRT routes around 2010. It is alleged that as a consequence of such construction, which resulted in flooding in 2010 and 2011, damages to buildings and properties to the tune of approximately R23 555 160, 06 was incurred by the plaintiff. The JDA has been cited as the first defendant and the	The matter is still at pleadings stage. It has not yet been set down for trial.	Not determined at this stage.	yet at

CASE / MATTER	AMOUNT CLAIMED	DATE INSTITUTED	DISCRIPTION	CURRENT STATUS	ANTICIPATED COMPLETION DATE	CHANCES OF SUCCESS
				<p>City of Johannesburg as the second defended in the matter, together with other 5 defendants.</p> <p>The JDA has appointed Routledge Modise Attorneys (T/A Hogan Lovells) to assist in defending the matter.</p> <p>Routledge Modise have handed over the matter to the insurers attorneys at the request of the JDA's insurers (Webber Wentzel Bowens). The matter is being defended by the JDA and COJ's insurer's lawyers.</p>		
Tembu Convenience Centre CC vs City of Johannesburg 1 <sup>st</sup> Defendant and Others (JDA-2 <sup>nd</sup> Defendant)	± R10 488 324 million		Damages suffered by Tembu Convenience Centre CC as a result of "alleged" extensive permanent road diversions and/or closures having been effected in order to cater for the BRT system in the area known as "Soweto to Parktown Bus Rapid Network, Section 1, Moroka Police Station to Modderspruit Culvert". It is alleged that COJ or the JDA failed to comply with the relevant legislation and ordinances.	The JDA is defending the matter through its attorneys (Mchunu Inc.) The matter is set down for trial on 1 June 2017.	July 2017	Not yet determined at this stage.
Achusim Chijoike vs (JDA 1 <sup>st</sup> Defendant) and Sykmark Security Services (Pty) Ltd (2 <sup>nd</sup> Defendant)	± R353000.00	10/2013	Injury suffered by Plaintiff as a result of a shooting incident that occurred in December 2010. The Plaintiff alleges that the person implicated in the shooting is linked to the JDA as its employee. Hence the claim of vicarious liability.	<p>The JDA was incorrectly cited as a party to the proceedings. Particulars of defence were submitted to the plaintiff accordingly.</p> <p>The Plaintiff has to date not responded to our pleadings.</p> <p>A letter has been addressed by the JDA's attorneys (Routledge Modise T/A Hogan Lovells) to the Plaintiff to the effect that should we not receive any feedback from them, we shall proceed to seek court approval to withdraw the matter.</p>	The matter stopped at pleadings stage and is likely not going to proceed.	Not yet determined.

CASE / MATTER	AMOUNT CLAIMED	DATE INSTITUTED	DISCRIPTION	CURRENT STATUS	ANTICIPATED COMPLETION DATE	CHANCES OF SUCCESS
				We still await feedback from the Plaintiff's attorneys.		
Bertrams Priority Block vs JDA	Not applicable	February 2008	Relocation of illegal occupants in various buildings around Bertrams Priority Block.	The JDA has through its Attorneys (Edward Nathan Sonneburg ENS) entered into legal proceedings regarding the relocation of illegal occupants in various buildings around Bertrams Priority Block. Eviction proceedings have been instituted in the South Gauteng High Court. Negotiations are underway with the occupants to settle the matter out of court. Progress made since 2012, some occupants have agreed to be reallocated to properties operated by the Johannesburg Social Housing Company. The Few that would be left would, due to inability to meet monthly rentals will be accommodated by the Department of Housing. The parties are working together to reach agreement without a protracted litigation processes.	On-going	Good
Dark Fibre Africa vs JDA and Easyway Tarmac Pave and Projects CC	R42,037.85	14/03/2014	The matter relates to the fibre optic cable that was damaged by opening a trench in the road reserve with a TLB Machine along the road carriage way of Orlando east, near Sefa Sonke street around 22 June 2013. The plaintiff, Dark Fibre Africa (Pty) Ltd is suing the JDA (2 <sup>nd</sup> Defendant) on the basis that JDA used the services of Easyway Tarmac Pave and Projects CC to manage and control the execution of the water pipeline project and to do the drilling and excavation along the road carriage way of Orlando east near the intersection with sefa Sonke street.	The matter is being defended by the lawyers appointed by the JDA's insurers (AON).	The matter is still at pleading stage and has not been set down for trial	The matter has been finalised.

**SECTION 7: INSURANCE CLAIMS AGAINST/TO MOE/DEPARTMENT.**

Four (4) claims for the quarter 3. All claims relate to theft of employee laptops.

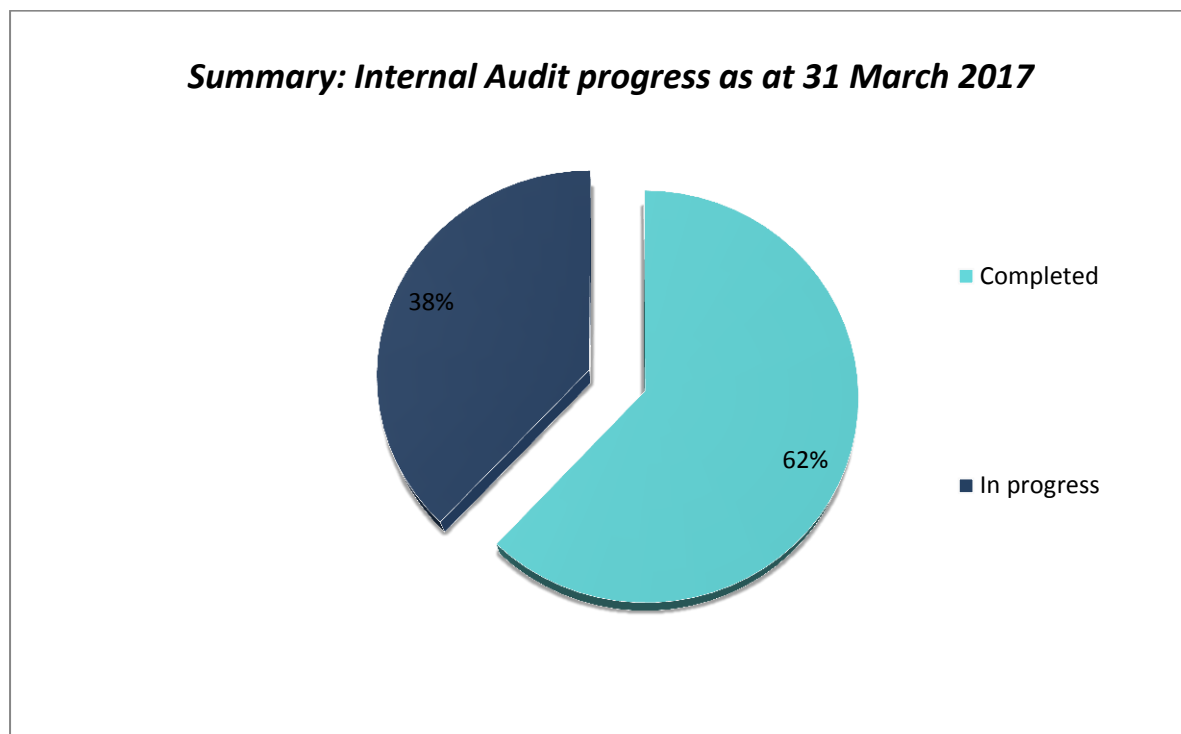
## CHAPTER 6: INTERNAL & EXTERNAL AUDIT FINDINGS

### SECTION 1: RESULTS OF INTERNAL AUDITS

The chart below serves to indicate an overview of the progress for the period 01 January 2017 to 31 March 2017 against the Internal Audit Plan for the 2016/17 financial year.

#### *Third Quarter Progress*

**FIGURE 4: INTERNAL AUDIT PROGRESS AS AT 31 MARCH 2017**



In the period 01 January 2017 to 31 March 2017; the report includes progress on the planned audit projects executed as well as special audit requests (if any) that were undertaken during the reporting period. In the reporting period, there were thirteen (13) audits that were undertaken. Of these 13 audits, (8)62% have been completed and (5)38% are in progress.

**TABLE 38: PROGRESS AGAINST ANNUAL AUDIT PLAN**

No.	Audit Description	Progress as at 31 December 2016	Comments
1.	Stakeholder Management Review 2016/17	In progress	The audit is at the reporting phase. Final Report to be signed off in April 2017.
2.	Review of SCM Tenders above R10million: Rosebank NMT	Complete	Audits Completed. Final Reports issued to management.
3.	Review of SCM Tenders above R10million: Westbury NMT Phase 3:Westdene	Complete	Audits Completed. Final Reports issued to management.
4.	Audit of Q2 Performance Information and Operational Performance 2016/17	Complete	Audits Completed. Final Reports issued to management.
5.	Performance Bonus Review 2015/16 FY – Executive Management	Complete	Audits Completed. Final Reports issued to management and the Board.
6.	Quarterly follow up on unresolved audit findings	Complete	Audits Completed. Final Reports issued to management.

No.	Audit Description	Progress as at 31 December 2016	Comments
7.	Review of Tenders Below R10million	In progress	Audit at reporting phase. Final report to be issued by 30 April 2017.
8.	Implementation of Board Resolutions 2013-2016	Complete	Audits Completed. Final Reports issued to management.
9.	Compliance Management Audit	In progress	Audit at reporting phase. Final report to be issued by 30 April 2017.
10.	Physical Security Audit	Complete	Audits Completed. Final Reports issued to management.
11.	Review of the Risk Management Processes	Complete	Audits Completed. Final Reports issued to management.
12.	Audit of the Corporate Governance processes	In progress	Audit at reporting phase. Final report to be issued by 30 April 2017.
13.	Budget and Expenditure Monitoring	In progress	Audit at execution phase. Final report to be issued by 31 May 2017.

All the areas for improvement identified through the audit efforts were communicated to management through the internal audit reports.

## SECTION 2: PROGRESS ON RESOLUTION OF INTERNAL AUDIT FINDINGS

The table below provides a summary of Internal Audit Findings:

**TABLE 39: INTERNAL AUDIT FINDINGS**

Details	Total
2013/2014 Findings	2
2014/2015 Findings	18
2015/2016 Findings	56
Total Findings	76
Less: Resolved Findings	27
Total of Unresolved Findings (2 for 2013/14, 18 findings for 2014/15 and 29 findings for 2015/16)	49
% Resolved	36%
% Unresolved	64%

Most of the findings that are unresolved relate to the reviewing of Finance Policies, the absence of a Human Resource Performance Management System and the lack of an adequate Records Management Department & management programme. Management is:

- Working relentlessly to ensure that these findings are resolved and that the internal control environment is adequate and operating effectively.
- Verifying compliance on 2015/2016 HR submissions.
- Reviewing remaining policies and highlighted polices in report already completed.
- Ensuring that a policy review and training sessions are undertaken.

## SECTION 3: PROGRESS ON RESOLUTION OF EXTERNAL AUDIT FINDINGS

The table below provides a summary of AG Findings raised in the 2014/2015 and 2015/2016 financial period:

**TABLE 40: AUDITOR GENERAL FINDINGS**

Details	Total
2014/2015 Findings	11
2015/2016 Findings	34
Total Findings	45
Resolved	27
Unresolved	18
% Resolved	60%
% Unresolved	40%

The unresolved findings relate to the finance office (Policies, Ethics & Debt Recovery).

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

The Audit and Risk Committee has in recent meetings requested management to provide a report outlining action plans to ensure that all unresolved findings outstanding from the previous three financial years are resolved by the end of the 2016/17 financial year. The following corrective actions and implementation dates are strictly monitored by the Audit and Risk Committee:

- The status report on the resolutions, in particular the action plan and prescribed timelines as agreed with the individual executive managers.
- The continued one-on-one engagement with Executive Managers and the CEO continue to be prioritised and not only for monitoring executive performance but reinforcing accountability of their functional areas and offering support.
- Emphasis on building a healthy organisational culture which fosters engagement and living up to the JDA values is critical and a priority. There have been considerable changes and announcements made to staff during this transition stage and cohesive leadership become very important at this stage. The HR strategy and implementation plan is being prioritised by the Human Resources Manager who started as of the 1st of November 2016.
- Consequence management will be applied to all Executive Managers who do not adhere to their final revised plan of action as tabled.

#### SECTION 4: STATE OF INTERNAL CONTROLS

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

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

The JDA has a system of internal control to provide cost-effective assurance that the entities goals will be economically, effectively and efficiently achieved. In line with the MFMA, the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and the King Code Report on Corporate Governance, Internal Audit provided the Audit and Risk Committee and Management with quarterly internal audit reports in terms of its approved annual and three-year rolling Internal Audit Plan. In addition the Risk and Compliance unit on quarterly basis follows up the implementation of corrective measures and preventative controls in respect of all financial risks and audit findings, as per reports of the Auditor-General and Internal Audit unit, and reports to the Audit and Risk Committee

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

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

## ANNEXURES

### ANNEXURE 1: ACRONYMS AND ABBREVIATIONS

ACRONYM	Definition
BBBEE	Broad-based black economic empowerment
BRT	Bus rapid transit
CBD	Central business district
CPC	Community Participation Consultant
CoJ	City of Johannesburg
CSA	Capability support agents
EPWP	Expanded Public Works Programme
GDS	Growth and Development Strategy Joburg 2040
GMS	Growth Management Strategy
GRAP	Generally Recognised Accounting Practice
ICT	Information and communication technology
IT	Information technology
King III	King Report on Governance for South Africa and the King Code of Governance Principles
KPI	Key performance indicator
MFMA	Municipal Finance Management Act (2003)
NMT	Non-motorised transit
SMME	Small, medium and micro enterprise

## ANNEXURE 2: KPI DESCRIPTIONS AND SCORECARD

### Key Performance Indicator Overview

Priority 6: Financial Sustainability				
IDP programme	Key Performance Indicator	Evidence	Means of verification	Outcome Statement/s
Capital project management	1. % budget spent on city-wide infrastructure	Invoices received, processed and paid	Financial system management report	A financially viable, effective and well-governed development agency (MoE) that champions the delivery on the City's 2040 GDS Vision
Enhanced corporate governance, through 100% compliance with financial, risk and performance management guidelines	2. Clean audit opinion with a percentage of internal and AG audit findings of the previous financial year resolved	Internal Audit, Annual Financial and Performance reports  AG Management Letter	Annual Financial Statement  AG Report	

Priority 4: Transforming sustainable human settlements				
IDP programme	Key Performance Indicator	Evidence	Means of verification	Outcome Statement/s
Improved Mobility	3. Number of kilometres of walkway and cycle lanes completed	Physical Inspection  3 <sup>rd</sup> Party Certificate	Review of Practical Completion certificates (3rd Party Certificate)	Well planned, packaged and implemented projects that catalyse/contribute to the creation high-quality, sustainable urban environments in targeted areas over the MTEF
Compact, integrated and livable urban form and spaces	4. Number of detailed local area plans, detailed local area implementation plans, or area-based studies produced, reviewed or updated	Detailed local area plans, detailed local area implementation plans or area-based studies produced, reviewed or updated <sup>23</sup>	JDA Exco approval. Exco minutes.  Proof of client sign-off / acceptance	
	5. Number of area-based or sector based partnerships formalised	Area or sector based partnerships, in the form of MoU's, contracts, letters of intent or commitment	JDA Exco approval. Exco minutes.	Improved stakeholder and investor confidence results in increased co-investment and/or 3rd party investment and long-term property values
	6. Number of projects at concept design phase	Project Concept Design report as per JDA/CoJ Standards	JDA Exco approval. Exco minutes.  Proof of client sign-off.	Well planned, packaged and implemented projects that catalyse/contribute to the creation high-quality, sustainable urban environments in targeted areas over the MTEF
	7. Number of projects at detailed design phase	Project Design report as per JDA/CoJ Standards	Sign-off on Design Report by Client or PM or Principal Agent	MTEF
	8. Number of contracts awarded	JDA BAC Approval (Letter)	Letter of Intent or	

<sup>23</sup> To JDA and / or CoJ Policy Standards

Priority 4: Transforming sustainable human settlements				
IDP programme	Key Performance Indicator	Evidence	Means of verification	Outcome Statement/s
	9. Number of projects at practical completion	Practical Completion certificates (3rd Party)	Acceptance Letter Review of Practical Completion certificates (3rd Party Certificate) Physical inspection	
	10. Number of Area Based Precinct Management business plans / frameworks developed	Area Based Management business plans / frameworks as per JDA/CoJ Standards	JDA Exco approval. Exco minutes. Proof of client sign-off.	Sustainable urban management entrenched through partnership-led models in targeted areas over the MTEF
	11. Number of Media Releases Marketing Projects	Project related Press Releases as reflected on the JDA Website and / or Social Media Platforms with project name and date presented	Press Releases or Social Media Articles Published (Quarterly).	Improved stakeholder and investor confidence results in increased co-investment and/or 3rd party investment and long-term property values
	12. Number of area or project impact (case studies) or performance assessments completed	Impact / performance assessments or case studies per JDA/CoJ Standards	JDA Exco approval. Exco minutes.	Evidence-based transformation of urban spaces that realise their maximum development potential

Priority 1 and 2: Employment creation, investment attraction and retention Informal Economy, SMME and Entrepreneurial support				
IDP programme	Key Performance Indicator	Evidence	Means of verification	Outcome Statement/s
City wide job creation programme - 250 000 jobs by 2016	13. Number of EPWP opportunities as created	EPWP Database	ID copies, contracts or pay slips	Job creation, SMME development and participation and economic transformation contribution accelerated through strategic and targeted procurement programmes
	14. Number of jobs created city-wide	Finalised Work packages Employment database	Name and ID Copies of labourers	
Enterprise Development	15. Percentage of SMME expenditure as a share of total expenditure	SCM verified certificates Contacts awarded	Procurement system report Database of SMME's	

Priority 12: Good governance				
IDP programme	Key Performance Indicator	Evidence	Means of verification	Outcome Statement/s

<b>Priority 12: Good governance</b>				
<b>IDP programme</b>	<b>Key Performance Indicator</b>	<b>Evidence</b>	<b>Means of verification</b>	<b>Outcome Statement/s</b>
To improve governance profile of the City	16. % of predetermined objectives achieved	Internal Audit, Annual Financial and Performance reports  AG Management Letter	Annual Financial Statement  AG Report	A financially viable, effective and well-governed development agency (MoE) that champions the delivery on the City's 2040 GDS Vision
To reduce the levels of corruption in the City	17. % delivery on reported cases of corruption	Fraud and Corruption Investigation Register Strategic Risks Tracking Report	Verification of Strategic Risks Tracking Report by Group Risk and Assurance Services	

<b>Day-to-day Programme</b>				
<b>IDP programme</b>	<b>Key Performance Indicator</b>	<b>Evidence</b>	<b>Means of verification</b>	<b>Outcome Statement/s</b>
Other IDP or Day-to Day programmes	18. Percentage of BBBEE expenditure as a share of total expenditure	All necessary BBBEE information certified by an accredited certification authority <sup>24</sup>	Procurement system report	Job creation, SMME development and participation and economic transformation contribution accelerated through strategic and targeted procurement programmes
	19. Percentage spend on JDA operating budget against approved operating budget	Based on invoices received, processed and paid	Financial system report	A financially viable, effective and well-governed development agency (MoE) that champions the delivery on the City's 2040 GDS Vision
	20. Percentage implementation of the strategic risk management plan findings resolved	Strategic Risks Tracking Report	Verification of Strategic Risks Tracking Report	
	21. Percentage implementation new ERP System (SAP)	Implementation Progress Report	JDA Exco approval. Exco minutes SAP Implementation Progress Report (Quarterly)	

<sup>24</sup> The JDA confirms the validity of BBBEE certificates by verification agencies by tracing the name of the agency to the South African National Accreditation System's list of accredited agencies.