

City of Johannesburg

GROUP GOVERNANCE

2026-
2027

BUSINESS PLAN

“Reimagining
Governance:
Ethical Leadership
and Digital
Technology”



a world class African city

TABLE OF CONTENTS

DEFINITION OF ACRONYMS.....	4
DEFINITIONS OF KEY TERMS	5
1. EXECUTIVE SUMMARY.....	7
2. STRATEGIC OVERVIEW	8
2.1 VALUES AND BEHAVIOUR DESCRIPTION.....	8
3. CORE MANDATE	9
4. LEGISLATIVE AND POLICY ENVIRONMENT	10
4.1 GOVERNANCE FRAMEWORK OBJECTIVES.....	10
5. STRATEGIC OBJECTIVES	12
5.1 OBJECTIVES.....	12
5.2 LONG-TERM, MEDIUM-TERM, AND SHORT-TERM STRATEGIC ALIGNMENT	12
5.3 ALIGNMENT OF LONG-TERM STRATEGY, MAYORAL PRIORITIES, AND STRATEGIC OBJECTIVES.	13
5.4 ALIGNING THE SOI, NDP, & MTDP STRATEGIC FRAMEWORKS.	16
6. SITUATIONAL ANALYSIS	18
6.1 GOVERNANCE STRATEGIC CHALLENGES	18
6.2 GOVERNANCE STRATEGIC INTERVENTIONS	18
6.3 SWOT ANALYSIS	19
6.4 PESTEL ANALYSIS	20
6.5 RISK ASSESSMENT.....	20
7. STRATEGIC RESPONSE.....	24
8. CORPORATE SCORECARD AND TECHNICAL INDICATOR DECSRIPTION.....	29
8.1 CORPORATE SCORECARD	29
8.2 CIRCULAR 88 COMPLIANCE INDICATORS.....	35
8.3 SERVICE STANDARDS CHARTER	35
9. PROGRAMME RESOURCE CONSIDERATION	42
9.1 OPERATIONAL BUDGET.....	42
9.2 CAPITAL BUDGET	42
10. MANAGEMENT AND ORGANISATIONAL STRUCTURE	43
10.1 GROUP GOVERNANCE HIGH-LEVEL ORGANOGRAM.....	43
10.2 HUMAN CAPACITY ANALYSIS.....	43
11. COMMUNICATION AND STAKEHOLDER MANAGEMENT	44
12. AUDIT MATTERS.	45
13. APPROVAL.....	46
ANNEXURE 1: STRATEGIC RISKS REGISTER.....	48

LIST OF TABLES

Table 1: Values and Behavior Description	8
Table 2: Alignment of Long-term strategy, mayoral priorities, and strategic programmes.	15
Table 3: Departmental Scorecard 2026/2027	30
Table 4: Gate-Keeping Indicators 2026/2027	33
Table 5: National Treasury Circular 88 Compliance Indicators for Metros	35
Table 6: Technical Indicator Descriptions (TIDS).....	36
Table 7: Budget Forecasting and Sources of funding	42
Table 8: Workforce EE profile by 30 November 2025	43
Table 9: Stakeholder Matrix	44
Table 10: Internal Audit / Auditor General Matrix	45

Definition of Acronyms

ABASA	Association for the Advancement of Black Accountants of Southern Africa	MFMA	Municipal Finance Management Act
ACA	Academy for Chartered Accountants	MMC	Member of Mayoral Committee
ACCA	Association of Chartered Certified Accountants.	MOI	Memorandum of Incorporation
Act	Acting	MOE	Municipal Owned Entity
AGSA	Auditor General South Africa	M&E/OP	Monitoring & Evaluation/Organisational Performance
AI	Artificial Intelligence	MTDP	Medium-Term Development Framework
C88	Circular 88	NDP	National Development Plan
CA (SA)	Chartered Accountants South Africa	NED	Non-Executive Director
CAPEX	Capital Expenditure	OPEX	Operational Expenditure
CBP	Community Based Planning	SAICA	South African Institute of Chartered Accountants
CIMA	Chartered Institute of Management Accountants	SAIPA	South African Institute of Professional Accountants
COGTA	Co-operative Governance and Traditional Affairs	SAP	Systems Applications and Products
COJ	City of Johannesburg	SDA	Service Delivery Agreement
DDM	District Development Model	SDBIP	Service Delivery Budget and Implementation Plan
EMT	Executive Management Team	SLP	Social and Labor Plan
EWG	Ethics Working Group	SLA	Service Level Agreement
GAC	Group Audit Committee/Group Advisory Committee	SLS	Service Level Standard
GCR	Gauteng City Region	SMS	Strategic Management Support
GDS	Growth Development Strategy	SOI	Statement of Intent
GG	Group Governance	UH	Unit Head
GGT	Growing Gauteng Together	UIFW	Unauthorised, Irregular, Fruitless & Wasteful expenditures
GGT 2030	Growing Gauteng Together 2030	YTD	Year to Date
GLU	Government of Local Unity		
GPAC	Group performance Audit Committee		
IAC	Independent Audit Committee		
ICT	Information and Communication Technology		
IDP	Integrated Development Plan		
IODSA	Institute of Directors South Africa		
IOT	Internet of Things		
IR	Integrated Report		
JRA	Joburg Road Agency		
KPI	Key Performance Indicator		
LED	Local Economic Development		
MayCom	Mayoral Committee		
MEs	Municipal Entities		

Definitions of Key Terms

Accreditation rating	Is an evaluation or score given to an institution, program, or organisation based on its adherence to specific standards of quality and performance. This rating is assigned by SAICA for the CA training program after a thorough review process.
Customer perception	Refers to the opinions, feelings, and beliefs that customers have about services that the City renders to the residents.
Customer Satisfaction Survey	Is a tool used to understand client's satisfaction levels with the services the city offers. It is a type of customer experience survey used to gauge customers' needs and understand their problems.
E-Governance	Is the leveraging of ICT to deliver government services, exchange information, and facilitate communication transactions. It integrates various stand-alone systems and processes to enhance the efficiency, transparency, and accessibility of government operations.
Ethics strategy	is a comprehensive plan that outlines how an organisation will promote and maintain ethical behaviour within its operations.
Fourth Industrial Revolution	Refers to the ongoing transformation of industries through the integration of advanced technologies such as artificial intelligence (AI), robotics, the Internet of Things (IoT), biotechnology, and quantum computing.
Good governance	Means that processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal.
Governance Forum	Is a structured platform where stakeholders, and other relevant parties, come together to discuss, deliberate, and make decisions on governance-related issues.
Governance Framework	Is a structured system that outlines the roles, responsibilities, processes, and rules required for effective decision-making and management within an organisation.
Government of Local Unity	Various political parties' coalition formation currently governing the City of Joburg.
Government of National Unity	Various political parties' coalition formation currently governing the Republic of South Africa.
Integrated Report	is a comprehensive document that combines both financial and non-financial information to provide a holistic view of an organisation's performance, strategy, governance, and prospects.
Quality of life	Is a concept which aims to capture the well-being, whether of a population or individual, regarding both positive and negative elements within the entirety of their existence at a specific point in time.
Service Delivery Agreements	Is a formal contract between two parties that outlines the terms and conditions under which services will be delivered.
Service Level Standards	Are the established criteria that define the expected level of service provided to customers.
Shareholder compacts	Is an agreement between the City of Joburg as the sole shareholder of the Municipal Entities and the Board of Directors of these entities.
Statement of Intent	It is a document developed by the Government of National Unity that outlines the understanding between two or more parties, which they intend to formalize into a legally binding agreement.

PART 1

EXECUTIVE SUMMARY & STRATEGIC OVERVIEW



"Reimagining
governance: Ethical
Leadership & Digital
Technology"



a world class African city

1. EXECUTIVE SUMMARY

The Group Governance Department is the custodian of good governance within the City of Johannesburg (CoJ), ensuring accountability, oversight, and ethical leadership across 13 municipal entities and 17 departments. Our mandate is anchored in the GLU priority of Good Governance. This priority frames our responsibility to uphold good corporate governance, accountability, strengthen oversight, and ensure that all our Municipal Entities operate with discipline, and transparency.

The Group Governance Department is responsible for establishing and maintaining a Governance Framework, procedures, and controls that guide the decision-making bodies within the City. The Governance Framework puts strong emphasis on good corporate governance and accountability. Through its focus on improving shareholder value, effective governance oversight, and committee support, Group Governance work towards a well governed, managed, and developed City. Additionally, the Department also invests in developing future Chartered Accountants, through its Academy for Chartered Accountants programme. The Department act as a glue that hold the City together, ensuring that all aspects of the City's Governance systems work together towards a common goal.

The GLU Priority of Good governance is the foundation of organisational stability. Without strong governance practices towards clean audits outcomes, compliant SCM processes, credible reporting, and decisive consequence management; the City become vulnerable to financial instability and service delivery decline. Good governance is not just a technical requirement; it is a strategic enabler of better service delivery. When governance is strong, financial sustainability improves, operational decisions become clearer, and service delivery outcomes are more consistent and reliable.

As part of the departments' commitment to contribute to the Government of Local Unity's Eleven priorities, the department plays a crucial role in the implementation of the "good governance" mayoral priority and plays a pivotal role in contributing to the implementation of the Integrated Development Plan (IDP) programs as well. This is achieved through various strategic initiatives such as appointing qualified Non-Executive Directors of Municipal Entities, conducting regular governance assessment of Municipal Entities' quarterly and annual performance, service level standards, and Integrated Reports, appointing and placing Trainee Accountants to improve SAICA accreditation rating of the City's training programme, raising awareness on ethics and diligently tracking the implementation of Group Advisory Committees and Council resolutions. The department is also committed in conforming to the Growth and Development Strategy 2040 and other relevant frameworks.

The City of Johannesburg proudly hosted Africa's first-ever G20 Summit under the theme "Solidarity, Equality, and Sustainability." This historic event showcased the City's ability to deliver a world-class experience while maintaining operational continuity, reinforcing Johannesburg's position as Africa's leading financial hub. Key milestones included the CEO-City Clean-up Campaign, a flagship Public-Private Collaboration initiative that strengthened partnerships with businesses and enhanced the City's investor appeal.

Recently, the Group Governance Department convened a strategic session to review progress and set priorities for the 2026–2027 financial year. During this session, the MMC for Finance, Cllr Loyiso Masuku, highlighted key expectations

from Group Governance which include that the Department must take a take center stage in driving good governance; proactively monitor performance of municipal entities; ensure fit-for-purpose board appointments; embraced the digital revolution and strengthen governance integration. In closing, the MMC emphasised that this is a critical time with the current term of office towards the end, the department must ensure to deliver on its key commitments to advance the progress of the City.

2. STRATEGIC OVERVIEW



2.1 Values and Behaviour Description

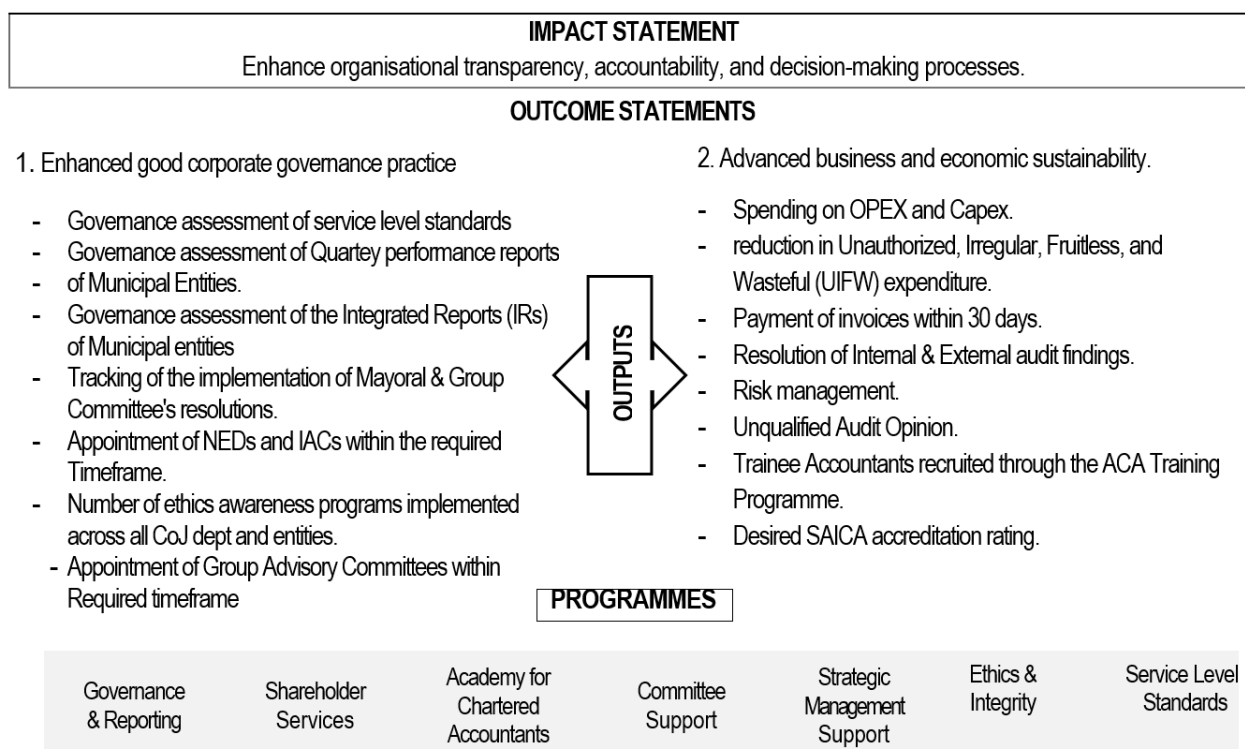
Table 1: Values and Behavior Description

Value	Behavior Description
• Transparency	We commit to openness in our decisions, processes, and communication by sharing clear information that will build trust with stakeholders.
• Accountability	We always take responsibility for our actions, decisions, and results and learn from outcomes.
• Integrity	We act with honesty, fairness, and consistency. Doing the right thing even when no one is watching.
• Ethical Leadership	We strive to lead by example, promoting ethical conduct, respect, and fairness at all levels. We foster a culture where ethical behaviour is expected and upheld.
• Innovation	We encourage creativity, curiosity, and continuous learning and improvement by embracing new ideas, technologies, and approaches.
• Collaboration	We believe in the power of working together to achieve shared goals, through mutual respect, open communication, and diverse perspectives.

3. CORE MANDATE

The Group Governance Department is tasked with delineating the relationship between the City and its Municipal Entities (MEs) to uphold exemplary corporate governance standards. It is responsible for clarifying governance roles and responsibilities, enhancing oversight, and providing comprehensive support and decision-making information. This enables Executives to make timely, qualitative decisions, effectively addressing service delivery challenges.

- Appointment of Boards of Directors (NEDs & IACs) and Group Advisory Committees (GACs), in line with the provision of governance support.
- Ensure quality and standards of reporting across City entities, for informed leadership decisions.
- Assessment of the MEs quarterly performance report using the 4 critical path matrixes (Expenditure Management, Financial and Revenue Management, Supply Chain Management and Clean Audit).
- Assessment of the MEs Integrated Annual Report to ensure compliance with statutory prescript, King codes and International Integrated Reporting Framework.
- Represents the Shareholder in the MEs Board and Sub-Committee meetings.
- Ensuring that all departments and MEs adhere to the Service Standards commitments to residents.
- Act as the custodian of ethical standards across the City and its entities, serving as the steward for driving the implementation of the ethics strategy.
- Provide a platform for the professional development and growth of prospective Chartered Accountants (CAs) and enhance financial skills within the City of Johannesburg.
- Provide high-level administration for all City Committees to enhance decision-making, including the monitoring and evaluation of implementation of resolutions by the Group Advisory Committees (GACs) and the Mayoral Committee.
- Provide oversight to ensure tighter control and greater synergy between policy and priority implementation, while respecting the duties and responsibilities of the Board of Directors of the Municipal Entities and members of the Group Advisory Committees.
- Promote a positive corporate governance image and fulfil the role of the 'Governance Forum of Company Secretaries' across the City entities.
- Provide support to MMCs in overseeing and managing SDAs with Municipal Entities and offer high-level coordination of Municipal Entities oversight to enable and empower MMCs to effectively exercise their oversight role.
- Provide local and international best practice direction and solutions across all core Departments and Municipal Entities in the City, while consistently protecting the shareholder's interests through high-level coordination.



4. LEGISLATIVE AND POLICY ENVIRONMENT

The Group Governance Department serves as the executive arm of the City of Johannesburg Metropolitan Municipality. It was established to oversee and enhance the governance value proposition within the City and its Municipal Entities.

The Department's mandate is to define the relationship between the City and its Municipal Entities to ensure good corporate governance. It clarifies governance roles and responsibilities, enhances oversight, and provides improved support and decision-making information. This enables executives to make timely and qualitative decisions.

4.1 Governance Framework objectives

The Department is mandated to monitor the implementation of the City of Johannesburg's Governance Framework. The objectives of the framework are as follows:

- a) **Accountability:** Clearly define roles and responsibilities to ensure that individuals and teams are accountable for their actions and decisions.
- b) **Transparency:** Provide clear and accessible information about the organization's operations, decisions, and performance to stakeholders.
- c) **Risk Management:** Identify, assess, and manage risks to protect the organisation from potential threats and ensure stability.
- d) **Compliance:** Ensure that the organisation adheres to relevant laws, regulations, and standards.
- e) **Decision-Making:** Establish structured processes for making informed and timely decisions.
- f) **Stakeholder Engagement:** Foster strong relationships with stakeholders by considering their interests and maintaining open communication.
- g) **Performance Monitoring:** Continuously monitor and evaluate the organization's performance to ensure it meets its strategic objectives.
- h) **Ethical Conduct:** Promote a culture of integrity and ethical behaviour throughout the organisation.

The following are the key international/regional conventions and national and provincial statutes relevant to the implementation of the mandate of the Department.

International / Regional conventions.

- a) United Nations' Sustainable Development Goals
- b) African Union's Agenda 2063

Regulatory Frameworks

- a) Constitution of the RSA, 108 of 1996.
- b) Local Government: Municipal Finance Management Act 56 of 2003.
- c) Local Government: Municipal Systems Act 32 of 2000.
- d) Local Government: Municipal Structures Act 117 of 1998.
- e) Local Government: Municipal Planning and Performance Management Regulations, 2001.
- f) Employment Equity Act 55 of 1998.
- g) Companies Act 71 of 2008.
- h) King V 2025
- i) Academy of Chartered Accountants Programme policy.
- j) The South African Institute for Chartered Accountants Training Regulations
- k) The 2015 Local Government Anti-Corruption Strategy
- l) City of Johannesburg Governance Framework.
- m) By laws.
- n) Division of Revenue Act 5 of 2002; and
- o) MOI, SLAs, Shareholder Compact, and SDAs.
- p) Shareholder Policy
- q) ESG framework
- r) International Integrated Reporting framework

National / Provincial strategic frameworks:

- a) National Development Plan 2030
- b) Growth and Development Strategy 2040
- c) Medium Term Development Plan (2024/2029)
- d) Government of National Unity Statement of Intent (SOI)
- e) Growing Gauteng Together, 2030

Local Frameworks/Plans

- a) Integrated Development Plan
- b) Service Delivery & Budget Implementation Plan
- c) Business Plan (Annual Performance Plan)
- d) Annual Operational Plans
- e) Governance Framework

5. STRATEGIC OBJECTIVES

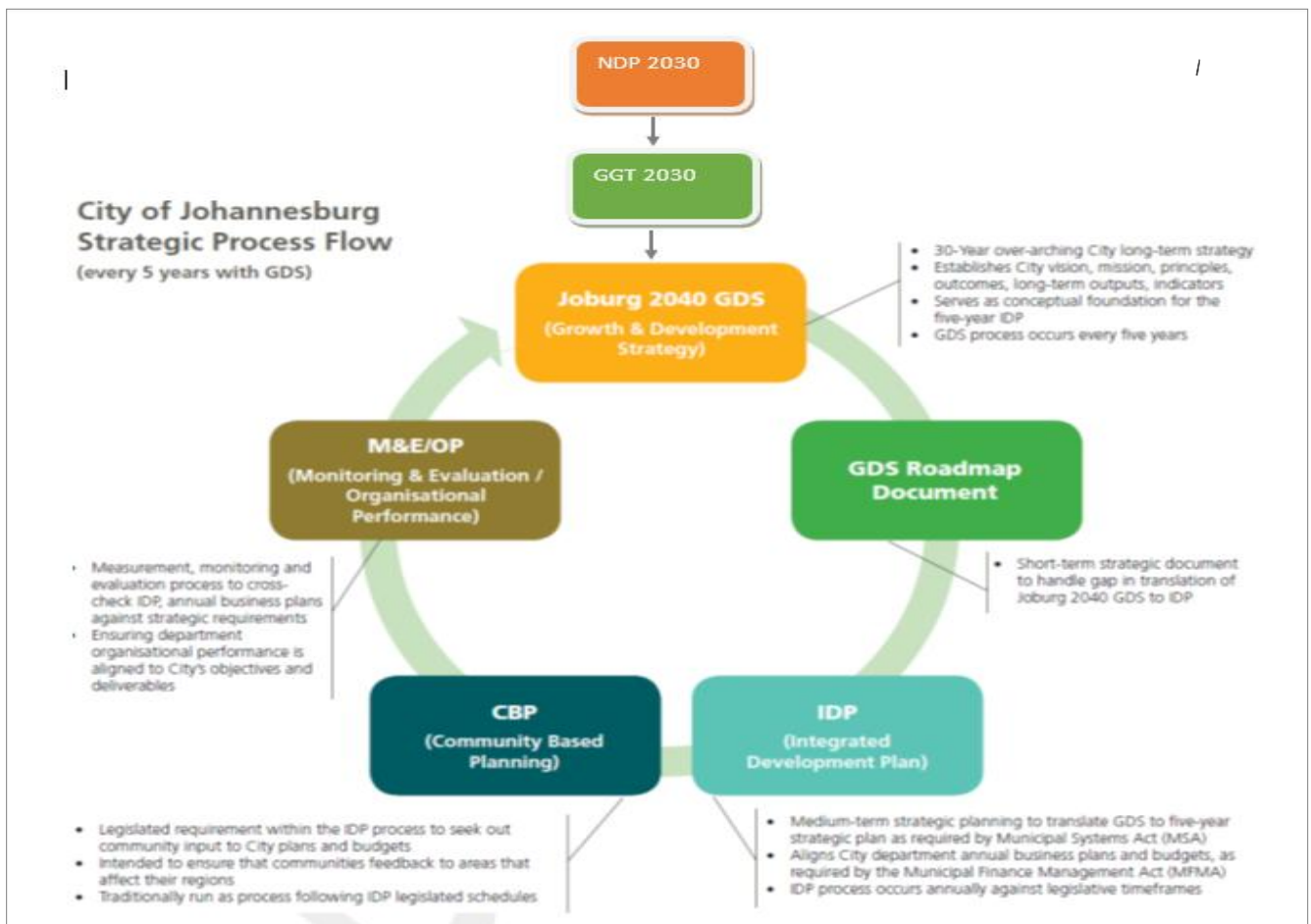
5.1 Objectives

- 5.1.1 Establishing Clear Governance Frameworks: Defining roles, responsibilities, and accountabilities from the Board to the Chief Executive Officers to ensure clarity and efficiency. Ensure the appointment of qualified board members who are fit for purpose and possess the necessary expertise.
- 5.1.2 Enhancing Oversight and Accountability: Implementing robust oversight mechanisms to monitor compliance, performance, and integrated reporting. Promote good corporate governance and fulfil the role of the “Governance Forum of Company Secretaries” across the group.
- 5.1.3 Facilitating Effective Decision-Making: Providing comprehensive committee support and information to enable timely and qualitative decision-making by executives. Provide heightened support to the Mayoral Committee, GACs’, the Executive Management Team (EMT) and all other committees of the city, to improve decision-making and accountability.
- 5.1.4 Promoting Ethical Practices: Upholding and practicing sound ethical principles and standards across the organisation. Instil high ethics standards across the City and its Municipal Entities, through the provision of high impact driven ethical awareness.
- 5.1.5 Significant Contribution to the Development of Qualified financial Specialists: Contribute significantly to the supply of exceptional financial professionals within the City of Johannesburg and South Africa through training of prospective CA(SA)s.
- 5.1.6 Enhance Customer Satisfaction through Monitoring Service Standards: Establishing specific, measurable targets for Service Level Standards, and continuously tracking the implementation of Service Level Standards against the Service Level Standard Charter.

5.2 Long-Term, Medium-Term, and Short-Term Strategic Alignment

The diagram below illustrates the City’s strategic planning process. As depicted, the Growth and Development Strategy (GDS) lead to the GDS Roadmap, which subsequently informs the IDP. The IDP collaborates with Municipal Owned Entities (MOEs) and departmental Business Plans, known as Service Delivery and Budget Implementation Plans (SDBIPs), which in turn guide Performance Management. Each of these elements plays a crucial role in the overall strategic planning processes within the City of Johannesburg.

Diagram 1: The City of Johannesburg Strategic Planning Process



The Integrated Development Plan (IDP) functions as a strategic tool for incremental five-year planning, supported by annual revisions. This approach facilitates the achievement of long-term goals through medium-term delivery. Concurrently, individual departmental business plans provide detailed operational planning for the upcoming financial year by outlining specific deliverables per department. Therefore, aligning departmental business plans with long-term strategies is of paramount importance. Establishing these plans without a long-term perspective could have serious implications for the city's service delivery agenda and national development goals.

5.3 Alignment of Long-term strategy, Mayoral priorities, and Strategic objectives.

- 5.3.1 The Department aligns primarily with GDS Outcome 4: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region. This outcome emphasises institutional capability, accountability, and sound governance which is reinforced through the GLU Mayoral Priority of Good Governance. Good Governance priority seeks to strengthen oversight, improve decision-making integrity, and enhance organisational performance across the City and its Municipal Entities.
- 5.3.2 Following the change in the City's administration in February 2023, the City of Johannesburg ushered in the Government of Local Unity (GLU), which identified Good Governance as a central strategic priority for the term. In direct support of this priority, the Department is mandated to strengthen institutional accountability, ethical leadership, and sound governance across the City and its Municipal Entities.

- 5.3.3 The Department operationalises Good Governance through the provision of executive secretariat and governance support to key decision-making and oversight structures, including Group Advisory Committees, the Mayoral Committee, the Executive Management Team, and Municipal Entity Boards. These services ensure structured decision-making, compliance with legislative and governance prescripts, and effective oversight of organisational performance.
- 5.3.4 The Department also drives municipal entity performance oversight, monitors Service Level Standards to strengthen accountability for service delivery, and provides corporate governance support to reinforce internal control, transparency, and regulatory compliance. The Department also contributes to building institutional capability through the Academy of Chartered Accountants, supporting the development of ethical and financially competent public-sector professionals.

Through this integrated governance, oversight, and capability-building functions, the Department ensures that the City operates in a lawful, transparent, and accountable manner, thereby advancing the Good Governance priority as the foundation for effective and sustainable administration.

Table 2: Alignment of Long-term strategy, mayoral priorities, and strategic programmes.

GDS OUTCOME	GDS OUTPUT	MAYORAL PRIORITY	STRATEGIC OBJECTIVE	STRATEGIC PROGRAM
Outcome 4: A high performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region	1. Partnerships, intergovernmental & international relations	Good Governance	Promote ethical culture, transparency, and integrity.	Implementation of ethics awareness programmes. Partnerships with other state organs such as SIU, PSC, NPA etc. Participation in intergovernmental structures such as Gauteng Ethics Advisory Council (GEAC).
	2. A responsive, accountable, efficient and productive metropolitan government	Good Governance	Strengthen governance, oversight, and institutional accountability across the City and Municipal Entities.	Executive secretariat and governance support to Mayoral Committee, EMT, Group Advisory Committees, and Municipal Entity Boards.
			Strengthening governance capability and effectiveness of Municipal Entity Boards.	Appointment of Non-Executive Directors within required timeframe.
			Strengthening shareholder oversight and fiduciary accountability of Municipal Entities.	Support MMCs on oversight and management of Service Delivery Agreements (SDAs).
	3. Financially sustainable and resilient city	Financial Sustainability	Strengthening shareholder oversight and governance performance of Municipal Entities.	Governance assessment of the MEs quarterly performance report using the 4 critical path matrixes (Expenditure Management, Financial and Revenue Management, Supply Chain Management and Clean Audit).
			Strengthen governance assurance and reporting credibility of Municipal Entities.	Governance assessment of Integrated Annual Reports of Municipal Entities to ensure compliance with statutory prescript, King codes and International Integrated Reporting Framework.
	4. Meaningful citizen participation and empowerment	Job Opportunities and Creation	Strengthening financial governance capacity in the City while creating job opportunities.	Recruitment and training of trainee accountants through the Academy of Chartered Accountants.
	5. Guaranteed customer and citizen care and service	Sustainable Service Delivery	Ensure adherence to the Service Standards commitments to residents.	Assessment of Service Level Standards of Departments and Municipal Entities.

5.4 Aligning the SOI, NDP, & MTDP strategic frameworks.

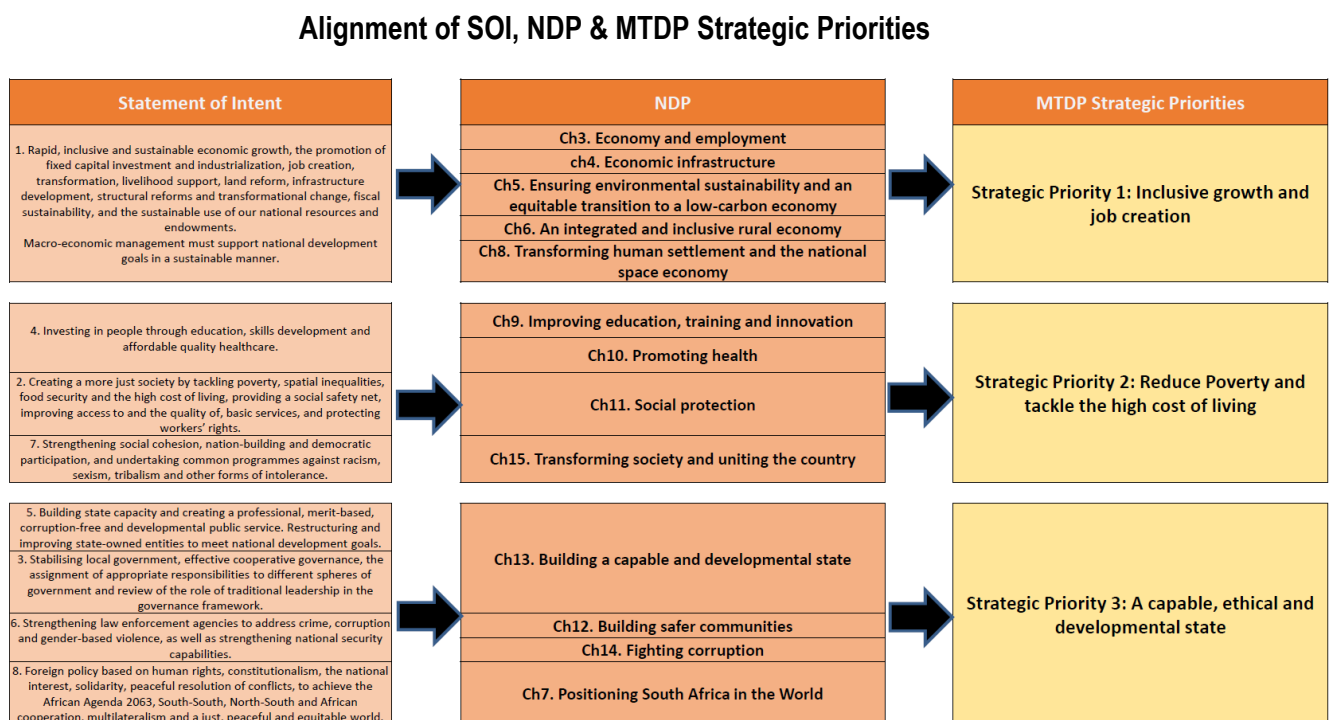
The 7th Administration, also known as the Government of National Unity (GNU), has outlined its vision through the Statement of Intent (SOI), the National Development Plan (NDP), and the Medium-Term Development Plan (MTDP) for 2024–2029. These documents collectively aim to transform South Africa by prioritizing inclusive and sustainable growth, social well-being, and ethical governance.

The NDP sets forth 13 key outcomes to be achieved by 2030, focusing on critical areas such as education, health, economic growth, employment, and infrastructure, with the goal of creating an equitable and resilient future for all South Africans. Complementing this, the MTDP identifies three strategic priorities:

1. Promoting inclusive economic growth and job creation
2. Improving living conditions and enhancing health and well-being
3. Building a capable, ethical, and developmental state

Together, the NDP and MTDP form an integrated framework guiding government interventions to achieve sustainable development, reduce inequality, and improve the quality of life. The department further contributes to the strategic priority of building a capable, ethical, and developmental state, as outlined in Chapter 13 of the NDP and Statements of Intent 3 and 5.

Diagram 2: Aligning the SOI, NDP, & MTDP strategic.



PART 2

STRATEGIC ANALYSIS & STRATEGIC RESPONSE



"Reimagining
Governance Ethical
Leadership & Digital
Technology"



a world class African city

6. Situational Analysis

6.1 Governance Strategic Challenges

Within local government, governance functions are uniquely shaped by political dynamics that influence priorities and decision-making processes. This environment often heightens the challenge of balancing immediate operational needs with long-term strategic goals, as urgent issues and political considerations may take precedence. Additionally, the ever-changing regulatory landscape requires governance bodies to remain agile, ensuring that policies and procedures align with evolving compliance standards. Promoting a culture of strategic thinking and embedding long-term planning across local government operations is essential yet must account for the inherent complexities of political and administrative dynamics.

The department should prioritize promoting a culture that emphasizes strategic thinking and aligns with the city's overarching mission and vision. Strengthening coordination among city departments and municipal entities is critical to enhancing governance, accountability, and informed decision-making. Achieving seamless collaboration within large or complex institutions, such as the city, poses challenges, but implementing streamlined processes can help simplify coordination.

Furthermore, the slow adoption of technology within the city undermines the effectiveness of governance. While integrating modern technologies into governance processes offers significant opportunities to improve efficiency, it also brings challenges related to implementation, staff training, and ensuring robust cybersecurity measures. Addressing these issues is essential to realizing the full potential of technological advancements in governance.

6.2 Governance Strategic Interventions

To address the challenges faced in governance, targeted strategic interventions are essential for driving effective and sustainable outcomes. These interventions may include the following:

Enhancing Coordination Mechanisms

Establishing clear and efficient coordination frameworks between departments and municipal entities is critical for improving governance. This could include creating cross-departmental committees, leveraging shared digital platforms, and implementing streamlined communication protocols to enhance collaboration.

Regulatory Compliance and Adaptation

Strengthening mechanisms to monitor and adapt to regulatory changes is critical. This includes forming dedicated teams to track new laws, updating policies in a timely manner, and ensuring regular compliance audits to maintain alignment with evolving standards.

Building Resilience Against Political Dynamics

Strategic interventions must account for local political dynamics, ensuring that governance functions remain stable and consistent. This could involve creating policies that depoliticize critical governance functions and promoting an environment of impartiality in decision-making.

It is envisaged that governance can be more effective, adaptive, and aligned with both immediate operational needs and long-term strategic objective through the implementing these interventions.

6.3 SWOT Analysis

STRENGTHS	WEAKNESSES
Clear Shareholder Policy and the Governance Framework in place.	Outdated Organogram: The department's organizational structure is outdated and needs to be revised to reflect current operational needs and skills diversity.
Strong Compliance and Risk Management Culture: The department has established a framework for compliance and risk management, ensuring adherence to regulations and effective mitigation of risks.	Limited use of contemporary technological tools (AI, Databases, Shared drives, Power BI etc).
Clear Strategic Direction: A well-defined strategic direction provides the department with guidelines and principles to align operations with its broader goals.	Weak Marketing of CA Training Program: The public sector CA training program is poorly marketed, requiring a robust marketing strategy to enhance its value proposition.
Expert, multidisciplinary team	Misaligned performance metrics (Annual review of the Performance Measurement Metrics is necessary)
OPPORTUNITIES	THREATS
Development of Trainee Accountants: Early exposure to senior management provides trainee accountants with valuable experience, boosting their self-esteem, adaptability, and psychological growth.	Regulatory Challenges: The constant evolution of regulations can make compliance difficult, requiring the department to stay agile and up to date.
Development of an Agile MOE Performance Assessment Tool: The department has successfully designed a new, agile assessment tool tailored for monitoring and evaluating MOE (Municipal Owned Entities) performance, enhancing efficiency and responsiveness.	Executive and Political Instability: Frequent changes in leadership and political shifts disrupt governance and decision-making processes. Interference in board members' appointments: Resulting in board members that are not fit for purpose.
Finalization of the Service Level Standards Framework: Progress has been made with the near completion of the service level standards framework, which will establish clear benchmarks for service delivery and accountability.	Resistance to Change: Resistance within the department can impede the adoption of new practices, such as flexible working arrangements essential for adapting to economic pressures.
Completion of the Ethics Office Structure: The department has presented the structure of the Ethics Office, to ensure a solid foundation for promoting ethical governance and practices.	Continuous unethical behaviour within departments and entities due to the lack of ethics function institutionalisation.

6.4 PESTEL Analysis

PESTEL Analysis: External Environment

 Political Political instability, conflicting mandates requiring co-governance, and unfunded units challenge strategic planning.	 Economic Financial pressures, budget constraints for skills development, and shifting priorities restrict resources for core objectives and training initiatives.
 Social Increased stakeholder expectations, prolonged vacancies impacting morale, and workload pressures hinder team performance and service delivery.	 Technological Rapid technological advancements necessitate adaptation, e-governance implementation, and improved technological resource management.
 Environmental Climate change impacts, inadequate disaster management planning, and ESG imperatives require robust environmental strategies and risk mitigation.	 Legal Evolving legal frameworks, weak accountability for compliance violations, growing data protection requirements, and labor relations challenges necessitate stringent oversight.

6.5 Risk Assessment

This risk assessment focuses on strategic challenges and develop interventions to mitigate potential risks within the department. It identifies key risks, their potential impact and mitigation strategies to ensure effective governance within the local government context.

The Department is faced with significant risks stemming from political dynamics, technological delays, insufficient of ethical standards and regulatory changes amongst other challenges. Mitigation strategies such as depoliticising governance, adopting technology, endorsement of ethical strategy and enhancing compliance mechanisms can improve and strengthen departments resilience in implementing both immediate and long-term objectives.

OUTCOME	KEY RISKS	ROOT CAUSE	RISK MITIGATIONS	DUE DATE
Enhanced good corporate governance practice.	1. Inability to provide adequate support to executive (MMCs)	Inaccurate and unverified performance information submitted by MEs	Development of digital assessment and reporting tool	December 2026
	2. Inadequate standardisation and enforcement of service level Standard (SLAs) across departments	Lack of City-wide Service Level Standards Policy/Framework	Development of SLS framework for the City.	September 2026
	3. Failure to adopt the Ethics programme	1. Lack of institutionalisation and an approved ethics strategy. 2. Lack of formalised Ethics structure. 3. Complex regulatory environment	1. Finalisation and Council approval of the Ethics Strategy 2. Establishment of a fully functional Ethics Office with allocated staff and budget	June 2027

OUTCOME	KEY RISKS	ROOT CAUSE	RISK MITIGATIONS	DUE DATE
	4. Political instability affecting governance continuity and Board appointments	Coalition dynamics, leadership changes, and weak political / administrative protection	1. Strengthen institutional governance frameworks to ensure continuity (Reviewed Shareholder Policy) 2. Formalise standardised appointment processes (Skills Matrix) 3. Maintain updated board succession and skills pipeline (Members recruitment database)	31 December 2026 31 March 2027 30 June 2027

6.6 Climate Action Plan

The climate action plan comprises of two (2) Goals and ten (10) themes associated with the goals. **Goal 1:** Net Zero Emissions refers to city actions that are geared towards reducing greenhouse gas emissions. **Goal 2:** A Resilient City is about city actions that must be undertaken to protect the city against negative impacts of climate. The Department contributes to **Goal 1: Net Zero Emissions, and Theme 2:** Optimized energy efficiency in buildings. The Department will strive to ensure that the building in which it operates is net zero carbon through retrofits and usage of electricity sparingly by 2030. The Department does not have direct KPIs that relates to CAP themes of the climate change.

Medium-Term Expenditure									
Outcome	Output	Output indicators	Annual targets						
			Audited actual performance			Estimated performance.	Medium Term Expenditure Framework		
			2022/23	2023/24	2024/25		2026/27	2027/28	2028/29
Net Zero Emission by 2030	Reduced greenhouse gas emission	% Reduction of carbon emission in the building through efficiency & renewables	N/A	N/A	N/A	25%	50%	75%	100%

Indicator						
Output indicators	Annual Targets	Q1	Q2	Q3	Q4	Evidence
% Reduction of carbon emission in the building through efficiency & renewables ¹ .	25%	5%	10%	15%	25%	Quarterly inspection reports from EISD.

6.7 Perception Management

As part of our perception management strategy, the ACA office will actively seek opportunities to promote and expand the Academy for Chartered Accountants Training Programme. This will be achieved through the following initiatives:

1. Conducting roadshows at institutions of higher learning.
2. Participating in professional bodies such as ACCA, CIMA, SAIPA, and ABASA.

Additionally, the unit will consistently share positive news, including accreditation ratings, advertisements, and appointment of trainee accountants, in collaboration with Group Communication. The Ethics Office will also publish quarterly bulletins highlighting our achievements.

Indicator						
Output indicators	Annual Targets	Q1	Q2	Q3	Q4	Evidence
Number of Ethics & ACA bulletin circulated to enhance positive customer perception.	6	2	1	2	1	CoJ Messaging on Jozinet screenshot.
Number of Corporate Social Investment (CSI) initiatives conducted	1 (Mandela day)	1	-	-	-	Report Pictures

6.8 Response to customer satisfaction survey and CBP

The Department does not have any specific Community-Based Planning (CBP) priorities that require a direct response. However, the Department has the responsibility to monitor whether the delivery departments' responses adequately addresses CBP priorities through the monitoring of service level standards

6.9 Intergovernmental collaboration

Governance oversight and performance monitoring will be integrated into the District Development Model (DDM) One Plan to strengthen multi-sphere alignment. As part of our mandate to uphold high ethical standards across the City and its Municipal Entities, we actively engage in impactful ethical awareness initiatives through robust intergovernmental collaboration.

6.9.1 Participation in the Gauteng Municipal Ethics Forum

We are proud to be part of the Gauteng Municipal Ethics Forum, which serves as a platform for knowledge-sharing, benchmarking, and enhancing ethical governance practices.

6.9.2 Partnership with Gauteng Provincial Treasury

The Gauteng Provincial Treasury, as the custodian of ethical standards, plays a pivotal role in strengthening ethical governance by providing continuous training to ethics officers and champions across municipalities.

6.9.3 The Gauteng Ethics Advisory Council (GEAC)

The Gauteng Ethics Advisory Council (GEAC) is the Gauteng provincial government body aimed at promoting integrity, fight corruption, and provide oversight, advice, and advocacy across all departments. The Department through our Acting Ethics Officer is a participative member of this council. It aims to build a corruption-free administration by releasing biennial reports on the state of ethics.

This collaborative approach ensures alignment with provincial ethical standards and reinforces our commitment to promote a culture of integrity and accountability.

P | **C**
ART

**MEASURING OUR
PERFORMANCE**



a world class African city

7. Strategic Response

7.1 Key Performance Areas per Programme

PROGRAMME 1	GROUP GOVERNANCE AND REPORTING & SLS
--------------------	---

STRATEGIC OBJECTIVE

To protect and advance the City's shareholder interests in Municipal Entities (MEs) by representing the City on ME governing bodies, ensuring governance excellence across the municipal group, and delivering high-quality, reliable reporting that enables informed leadership decision-making through consistent standards, effective oversight, and integrated reporting.

MANDATE

Shareholder Protection	Performance & Oversight	Governance Excellence
- Safeguard shareholder interests in Municipal Entities - Represent the City on ME governing bodies - Advise on strategic alignment	- Execute quarterly and annual performance assessments - Monitor City-wide service level standards - Implement early warning systems for governance issues	- Establish uniform governance and compliance standards - Provide quality reporting for informed leadership decisions - Promote integrated reporting frameworks

Medium-Term Expenditure

Outcome	Output	Output indicators	Annual targets						
			Audited actual performance	Planned	Estimated performance	Medium Term Expenditure Framework			
			2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Enhanced good corporate governance practice	SLS reports from MEs & Depts reporting on service level standards assessed in one consolidate report.	Percentage of Municipal Entities and Core Departments achieving ≥85% performance against Service Level Standard (SLS) Charter.	New indicator	New indicator	72.7%	74.7%	76.7%	78.7%	80.7%
Enhanced good corporate governance practice.	Quarterly performance of MEs assessed.	% Governance assessment of quarterly performance reports of 13 Municipal entities.	100%	100%	100%	100%	100%	100%	100%
	Integrated Report of MEs assessed.	% Governance assessment of the Integrated Reports of 13 Municipal entities.	100%	100%	100%	100%	100%	100%	

PROGRAMME 2	ETHICS AND INTERGRITY MANAGEMENT
--------------------	---

STRATEGIC OBJECTIVE

To cultivate a culture of ethics, transparency, and accountability throughout the organisation, ensuring all actions and decisions align with the highest standards of Ethics and Integrity.

Medium-Term Expenditure

Outcome	Output	Output indicators	Annual targets						
			Audited actual performance		Planned	Estimated performance.	Medium Term Expenditure Framework		
			2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Enhanced good corporate governance practice	Reduced unethical conduct, and improved culture of integrity.	Number of ethics awareness programs implemented across all CoJ dept and entities.	09	11	8	12	14	16	18

PROGRAMME 3	SHAREHOLDER SERVICES
--------------------	-----------------------------

STRATEGIC OBJECTIVE

To act as a shareholder for the 13 Municipal Entities (MEs) and maximize shareholder value by ensuring these entities execute the shareholder's mandate and fulfil their fiduciary and management responsibilities. The Department is finalizing the revised Shareholder Policy, which will address the deficiency regarding the board competency framework and aligns board appointment processes with a skills matrix and King V principles.

Core Mandate	Summary
1. Shareholder Value	Support the shareholder to maximize shareholder value.
2. Board Appointments	Oversee the selection and appointment of board members.
3. Compliance Oversight	Ensure adherence to legal and regulatory requirements.
4. Governance Advisory	Provide expert advice on governance best practices.
5. Institutional Capacity Building	Enhance the board's ability to function effectively.

Medium-Term Expenditure

Outcome	Output	Output indicators	Annual targets						
			Audited actual performance		Planned	Estimated performance.	Medium Term Expenditure Framework		
			2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Enhanced good corporate governance practice	NEDs for 13 MEs appointed	% Appointment of NEDs and IACs within required timeframe.	100%	46%	100%	100%	100%	100%	100%

PROGRAMME 4	ACADEMY FOR CHARTERED ACCOUNTANTS (ACA)
--------------------	--

STRATEGIC OBJECTIVE

To train prospective chartered accountants and to increase the number of qualified financial professionals within the City of Johannesburg and Public Sector at large.

Medium-Term Expenditure

Outcome	Output	Output indicators	Annual targets						
			Audited actual performance		Planned	Estimated performance	Medium Term Expenditure Framework		
			2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Advanced business and economic sustainability	Trainee accountants appointed	Number of trainee Accountants recruited through the ACA Training Programme.	0	4	2	3	3	4	4
	Medium accreditation rating	Desired SAICA accreditation rating	High	Medium	Medium	Medium	Medium	Low	Low

PROGRAMME 5	GROUP COMMITTEE SUPPORT (GCS)
--------------------	--------------------------------------

STRATEGIC OBJECTIVE

To deliver strategic administrative and secretarial support aimed at streamlining processes and enhancing the efficiency of committee operations, ensuring timely and effective decision-making.

Medium-Term Expenditure

Outcome	Output	Output indicators	Annual targets						
			Audited actual performance		Planned	Estimated performance	Medium Term Expenditure Framework		
			2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Enhanced good corporate governance practice	GACs for all committees appointed.	% Appointment of Group Advisory Committees within required timeframe.	New	New	100%	100%	100%	100%	100%
	Committee resolutions tracked.	% Tracking of the implementation of Mayoral & Advisory Committee's resolutions	100%	100%	100%	100%	100%	100%	100%

STRATEGIC OBJECTIVE

Provision of comprehensive strategic and administrative support as well as transversal business solutions that enables the Department to execute its core functions efficiently.

This programme consists of the following sub-programmes Business Planning and Performance Management, Finance and Supply Chain Management, Human Resources Management and Administration.

OBJECTIVE

- To ensure effective management of organisational and employee performance, track progress and enhance employee performance through continuous feedback and development.
- To ensure effective management of the financial resources and assets of the department.
- To ensure effective management of human resources, organisational risk, internal control, compliance, and audit.

KEY PERFORMANCE INDICATORS

Medium-Term Expenditure

Outcome	Output	Output indicators	Annual targets						
			Audited actual performance		Planned	Estimated performance.	Medium Term Expenditure Framework		
			2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Advanced business and economic sustainability	Unqualified audit outcome	Audit outcome	Unqualified audit outcome	Unqualified audit outcome	Unqualified without matters	Unqualified without matters	Unqualified without matters	Unqualified without matters	Unqualified without matters
	Capital budget spent	% spent on capital budget	TBD	TBD	95%	96%	97%	98%	98%
	Capital budget spent	% spent on operating budget	TBD	TBD	95%	96%	97%	98%	98%
	Reduced in UIFW expenditure	% reduction in UIFW expenditure	TBD	TBD	100%	100%	100%	100%	100%
	Payment of invoices within 30 days	% of valid invoices paid within 30 days	TBD	TBD	95%	96%	97%	98%	98%
	Internal audit findings resolved	% resolution of Internal Audit findings	100%	TBD	91%	92%	93%	94%	94%
	External audit findings resolved	% resolution of AG findings	100%	TBD	91%	92%	93%	94%	94%
	Mitigation of risks	% risks mitigated.	TBD	TBD	85%	86%	87%	88%	88%

PART 3

CORPORATE SCORECARD

TECHNICAL INDICATOR DESCRIPTION

CIRCULAR 88



"Reimagining
Governance:
Ethical
Leadership &
Digital
Technology"

Joburg

a world class African city

8. CORPORATE SCORECARD AND TECHNICAL INDICATOR DECSRIPTION

8.1 Corporate scorecard

Table 3: IDP and Institutional SDBIP Scorecard

GDS OUTCOME: OUTCOME 4: A HIGH PERFORMING, SMART METROPOLITAN GOVERNMENT THAT PRO-ACTIVELY CONTRIBUTES TO AND BUILDS A SUSTAINABLE, SOCIALLY INCLUSIVE, LOCALLY INTEGRATED AND GLOBALLY COMPETITIVE GAUTENG CITY REGION.																			
MAYORAL PRIORITY: GOOD GOVERNANCE																			
NO	KEY PERFORMANCE INDICATOR	BASELINE 2024/25	2026/27 TARGET	2027/28 TARGET	2028/29 TARGET	2026/27 QUARTERLY PERFORMANCE TARGETS				2026/27 BUDGET PER PROJECTS R 000						MEANS OF VERIFICATION	LEAD DEPT/ME	SUPPORT	CLUSTER
						Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
KPI 28	Percentage of Municipal Entities and Departments achieving ≥85% compliance of Service Level Standards (SLS) Charter Measured Quarterly	New indicator	74.7%	76.7%	76.7%	68.7%	70.7%	72.7%	74.7%	0	-	-	-	-	-	Quarterly consolidated SLS report. Minutes of GPAC Feedback given to MEs.	GG	All Dept & Entities	All Clusters

Table 4: Departmental Scorecard 2026/2027

GDS OUTCOME: OUTCOME 4: A HIGH PERFORMING, SMART METROPOLITAN GOVERNMENT THAT PRO-ACTIVELY CONTRIBUTES TO AND BUILDS A SUSTAINABLE, SOCIALLY INCLUSIVE, LOCALLY INTEGRATED AND GLOBALLY COMPETITIVE GAUTENG CITY REGION.																			
MAYORAL PRIORITY: GOOD GOVERNANCE																			
NO	KEY PERFORMANCE INDICATOR	BASELINE 2024/25	2026/27 TARGET	2027/28 TARGET	2028/29 TARGET	2026/27 QUARTERLY PERFORMANCE TARGETS				2026/27 BUDGET PER PROJECTS R 000						MEANS OF VERIFICATION	LEAD DEPT/ME	SUPPORT	CLUSTER
						Q1	Q2	Q3	Q4	Cape	Opex	Q1	Q2	Q3	Q4				
KPI 1	Percentage of Municipal Entities and Core Departments achieving ≥85% performance against Service Level Standard (SLS) Charter.	New indicator	74.7%	76.7%	76.7%	68.7%	70.7%	72.7%	74.7%	0	-	-	-	-	-	Quarterly consolidated report. Minutes of GPAC Feedback given to MEs.	GG	All Dept & Entities	All Clusters
KPI 2	% of Governance assessment of quarterly performance reports of 13 Municipal entities ¹	100%	100%	100%	100%	100%	100%	100%	100%	0	-	-	-	-	-	Signed consolidated report. Minutes of the Shareholder Mayoral Committee. Feedback given to MEs.	GG	All Entities	All Clusters
KPI 3	% of Governance assessment of the Integrated Reports (IRs) of 13 Municipal Entities.	100%	100%	100%	100%	-	100% Draft	100% Final	-	0	-	-	-	-	-	Signed consolidated report. Minutes of the Shareholder	GG	All Entities	All Clusters

¹ One consolidated report for all CoJ entities per quarter – report aims to achieve clean Audit. Evidence thereof is the reports and minutes of the Mayoral Committee. Reports are submitted retrospectively which means for the current quarter, a report of the previous quarter will be submitted.

GDS OUTCOME: OUTCOME 4: A HIGH PERFORMING, SMART METROPOLITAN GOVERNMENT THAT PRO-ACTIVELY CONTRIBUTES TO AND BUILDS A SUSTAINABLE, SOCIALLY INCLUSIVE, LOCALLY INTEGRATED AND GLOBALLY COMPETITIVE GAUTENG CITY REGION.																			
MAYORAL PRIORITY: GOOD GOVERNANCE																			
NO	KEY PERFORMANCE INDICATOR	BASELINE 2024/25	2026/27 TARGET	2027/28 TARGET	2028/29 TARGET	2026/27 QUARTERLY PERFORMANCE TARGETS				2026/27 BUDGET PER PROJECTS R 000						MEANS OF VERIFICATION	LEAD DEPT/ME	SUPPORT	CLUSTER
						Q1	Q2	Q3	Q4	Cape	Opex	Q1	Q2	Q3	Q4				
																Mayoral Committee. Feedback given to MEs.			
KPI 4	Number of ethics awareness programs implemented across all CoJ dept and entities ² .	12	12	16	16	3	3	3	3	0	-	-	-	-	-	Registers Communiqué etc..	GG	All Dept & Entities	Governance
KPI 5	% Appointment of NEDs and IACs within required timeframe ³	100%	100%	100%	100%	-	-	100%	-	0	-	-	-	-	-	Appointment reports for NEDs and IACs. Minutes	GG	All Entities	All Clusters
KPI 6	% Appointment of Group Advisory Committees within required timeframe.	New indicator	100%	100%	100%	-	-	100%	-	0	-	-	-	-	-	Appointment reports for GACs. Minutes of the Mayoral Committee	GG	All Dept & Entities	All Clusters

² Focus is on rolling out Ethics awareness workshop and quarterly bulletins.

³ The appointment, rotation and retiring of board members should happen within twelve months, and not later than fifteen months in circumstances beyond the department's control.

GDS OUTCOME: OUTCOME 4: A HIGH PERFORMING, SMART METROPOLITAN GOVERNMENT THAT PRO-ACTIVELY CONTRIBUTES TO AND BUILDS A SUSTAINABLE, SOCIALLY INCLUSIVE, LOCALLY INTEGRATED AND GLOBALLY COMPETITIVE GAUTENG CITY REGION.																			
MAYORAL PRIORITY: GOOD GOVERNANCE																			
NO	KEY PERFORMANCE INDICATOR	BASELINE 2024/25	2026/27 TARGET	2027/28 TARGET	2028/29 TARGET	2026/27 QUARTERLY PERFORMANCE TARGETS				2026/27 BUDGET PER PROJECTS R 000						MEANS OF VERIFICATION	LEAD DEPT/ME	SUPPORT	CLUSTER
						Q1	Q2	Q3	Q4	Cape	Opex	Q1	Q2	Q3	Q4				
KPI 7	% Tracking of the implementation of Mayoral & Advisory Committee’s resolutions.	100%	100%	100%	100%	100%	100%	100%	100%	0	-	-	-	-	-	Quarterly reports on tracking of the implementation of resolutions.	GG	All Dept & Entities	All Clusters
KPI 8	Number of trainee Accountants recruited through the ACA Training Programme. ⁴	4	3	3	4	-	-	-	3	0	-	-	-	-	-	ACA recruitment report	GG	-	Governance
KPI 9	Maintain and Sustain a SAICA Accreditation Rating	Medium	Low	Low	Low	Low	Low	Low	Low	0	-	-	-	-	-	SAICA Evaluation report	GG	All Dept & Entities	Governance

⁴ The number of trainees appointed is dependent on the SAICA approved quota and the availability of budget

Table 5: Gate-Keeping Indicators 2026/2027

GDS OUTCOME: OUTCOME 4: A HIGH PERFORMING, SMART METROPOLITAN GOVERNMENT THAT PRO-ACTIVELY CONTRIBUTES TO AND BUILDS A SUSTAINABLE, SOCIALLY INCLUSIVE, LOCALLY INTEGRATED AND GLOBALLY COMPETITIVE GAUTENG CITY REGION.																			
STRATEGIC PRIORITY: GOOD GOVERNANCE.																			
NO	KEY PERFORMANCE INDICATOR	BASELINE 2024/25	2026/27 TARGET	2027/28 TARGET	2028/29 TARGET	2026/27 QUARTERLY PERFORMANCE TARGETS				2026/27 BUDGET PER PROJECTS R 000						MEANS OF VERIFICATION	LEAD DEPT/ME	SUPPORT	CLUSTER
						Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
KPI 10	% spent on capital budget against approved capital budget ⁵	100%	95%	95%	95%	25%	50%	75%	95%	0	0	-	-	-	-	SAP Budget Report	GG	Finance	Governance
KPI 11	% spent on operating budget against approved operating budget ⁶ .	95%	95%	95%	95%	25%	50%	75%	95%	0	-	-	-	-	-	SAP Budget Report	GG	Finance	Governance
KPI 12	% reduction in unauthorized, irregular, fruitless, and wasteful (UIFW) expenditure incurred by the Department	100%	100%	100%	100%	40%	30%	20%	10%	-	-	-	-	-	-	Quarterly UIFW report.	GG	GFI S	Governance
KPI 13	% of valid invoices paid within 30 days of invoice date	100%	95%	95%	95%	95%	95%	95%	95%	-	-	-	-	-	-	Departmental quarterly reports. SAP Reports	GG	Finance	Governance

⁵ KPI is not going to be included/counted in quarterly departmental reports if Capex budget is not allocated.

⁶ KPI 10 to 16 will not be counted in the overall performance of the department although they will be reported on quarterly basis.

GDS OUTCOME: OUTCOME 4: A HIGH PERFORMING, SMART METROPOLITAN GOVERNMENT THAT PRO-ACTIVELY CONTRIBUTES TO AND BUILDS A SUSTAINABLE, SOCIALLY INCLUSIVE, LOCALLY INTEGRATED AND GLOBALLY COMPETITIVE GAUTENG CITY REGION.

STRATEGIC PRIORITY: GOOD GOVERNANCE.

NO	KEY PERFORMANCE INDICATOR	BASELINE 2024/25	2026/27 TARGET	2027/28 TARGET	2028/29 TARGET	2026/27 QUARTERLY PERFORMANCE TARGETS				2026/27 BUDGET PER PROJECTS R 000						MEANS OF VERIFICATION	LEAD DEPT/ME	SUPPORT	CLUSTER
						Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4				
KPI 14	% resolution of Internal Audit findings	100%	93%	95%	95%	93%	93%	93%	93%	-	-	-	-	-	-	Internal audit report on findings	GG	GIA S	Gov ernance
KPI 15	% resolution of AG findings	100%	93%	95%	95%	93%	93%	93%	93%	-	-	-	-	-	-	Management letter. Annual/Quarterly dashboard. Mayoral committee minutes.	GG	GIA S	Gov ernance
KPI 16	% implementation of strategic risk mitigations.	100%	85%	85%	85%	85%	85%	85%	85%	-	-	-	-	-	-	GRAS management report.	GG	GR AS	Gov ernance
KPI 17	Percentage achievement of service level standards against the SLS Charter.	New indicator	85%	85%	85%	85%	85%	85%	85%	0	-	-	-	-	-	SLS Report and evidence.	GG	All Dept & Entities	All Clusters

8.2 Circular 88 Compliance Indicators

Table 6: National Treasury Circular 88 Compliance Indicators for Metros

These indicators are for planning and reporting for compliance purposes. **No target setting is required for these indicators.**

No	Compliance Indicator	2024/25 Baseline	Means of Verification
C2 (GG)	Number of Executive Committee or Mayoral Executive meetings held		Agenda & Minutes
C7 (GG)	Number of formal (minuted) meetings - to which all senior managers were invited-		

The department does not have any output and outcome C88 indicators. Instead, the department focuses on two compliance indicators which are reported on a quarterly basis, 1) Number of Mayoral committee meetings held, and 2) Number of Executive Management Team meetings held.

8.3 Service Standards Charter

The City promotes the monitoring and championing of service delivery. This will enable citizens and stakeholders to hold the municipality accountable for its performance. The development and implementation of a Service Level Charter support this process by clearly outlining expected service standards and performance commitments by departments. Group Governance presents the following service level commitments:

No.	Core Service	Service Level Standards
1.	Maintain shareholder value	100% of MES quarterly performance assessment
2.	Shareholder compliance oversight	100% tracking and monitoring Company Secretaries (COSEC) reports monthly.
3.	Management and monitoring of SAICA Trainee assessments.	100% of required trainee assessment reviews finalized and signed off on the SAICA Electronic Assessment Tool (EAT).
4.	Coordination of professional development for Trainee Accountants	100% facilitation of structured technical and/or soft skills training workshop quarterly
5.	Coordinating of EMT, Mayoral Clusters, Group Advisory Committees' meetings and Mayoral Committee	80% convening of meetings according to the approved CoJ year planner.
6.	GACs Chairpersons reports to Mayoral Committee	100% compliance with submission of Quarterly reports to Mayoral Committee
7.	Ethics awareness	Two (2) ethics awareness articles issued to COJ employees per quarter

Table 7: Technical Indicator Descriptions (TIDS)

Scorecard (TIDS)

KPI NO.	KPI	SHORT DEFINITION	PURPOSE / IMPORTANCE	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION	DATA LIMITATION	CALCULATION TYPE	REPORTING CYCLE	NEW INDICATOR	DESIRED PERFORMANCE	INDICATOR RESPONSIBILITY
KPI 1	Percentage of Municipal Entities and Core Departments achieving ≥85% performance against Service Level Standard (SLS) Charter.	The proportion of entities/departments meeting ≥85% performance against SLS Charter (covering governance, service delivery, and efficiency).	Facilitate the acceleration of basic service delivery.	SLS quarterly performance reports from entities and Core Departments.	Number of entities/Depts scoring ≥85% / Total entities/depts audited) *100	Any non-submission of quarterly SLS reports by MEs & Depts. The KPI is depended on all 13 MEs & 11 Core Depts as implementers of service standards.	Non-cumulative	Quarterly	Yes	74.7%	Service standard unit
KPI 2	% Governance performance quarterly assessments conducted in all 13 Municipal entities.	Governance assessment of entities quarterly performance to enhance service delivery performance	Ensure uniform norms and standards for governance models, compliance, and accountability reporting & serve as an early warning system.	Consolidated Governance Quarterly Assessment Reports.	Number of reports received & assessed from MEs/Total number of MEs *100	Any non-submission of quarterly reports by Municipal Entities. This KPI is depended on all 13 MEs to submit performance reports and evidence for assessment. Furthermore, the KPI must serve on these following committees; EMT, GPAC and Maycom.	Non-cumulative	Quarterly (Reported retrospectively)	No	100% assessment of 13 MEs quarterly performance.	Group Governance and Reporting Unit (Unit Head)
KPI 3	% of Governance Assessment of the Integrated Reports (IRs) of 13 Municipal Entities	Governance Assessment of the Integrated Reports (IR) for all entities.	Ensure compliance to reporting standards frameworks & Support Investor Relations reporting and ensure an Integrated Report that is beyond just compliance minimum.	Reports from entities	Number of IR received & assessed from MEs/Total number of MEs *100	Any non-submission of reports by Municipal Entities. This KPI is depended on all 13 MEs to submit performance reports and evidence for assessment. Furthermore, the KPI must serve on these following committees; EMT, GPAC and Maycom.	Non-cumulative	Annual	No	100%	Group Governance and Reporting Unit (Unit Head)

KPI NO.	KPI	SHORT DEFINITION	PURPOSE / IMPORTANCE	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION	DATA LIMITATION	CALCULATION TYPE	REPORTING CYCLE	NEW INDICATOR	DESIRED PERFORMANCE	INDICATOR RESPONSIBILITY
KPI 4	Number of ethics awareness programmes implemented across all CoJ dept. and entities.	Ethics awareness rolled out across all CoJ departments and entities.	Providing awareness and knowledge sharing on the City's ethics policy framework and strategy	Attendance registers Ethics newsletters circulated	Count the number of ethics awareness sessions held per quarter and the number of newsletters circulated.	Non-attendance of invited employees to the sessions. This KPI is dependent on all 13 MEs & 11 Depts releasing nominated officials to attend the ethics awareness sessions.	Non-cumulative	Quarterly	No	12	Ethics office (Ethics Officer)
KPI 5	% Appointment of NEDs and IACs within required timeframe	Appointment of NEDs to the board at the AGM in terms of the Companies Act 17 of 2008	To comply with the requirement of the Companies Act and Shareholder Policy in ensuring that governance structures are in place	Compile appointment reports and submit to council for approval	Number of boards appointed for 13 Entities/Total number of entities within CoJ *100	Resignations and negative security clearance outcome of the NED	Non-cumulative	Annually	No	100%	Shareholders Unit (Unit Head)
KPI 6	% Appointment of Group Advisory Committees within required timeframe	Appointment of Group Advisory Committees on a yearly basis	Enhance governance oversight	Appointment report Minutes	Number of advisory committees staffed/Total number of advisory committees *100	Non approval of the appointments in time and late receipt of security clearance outcomes	Non-cumulative	Annually	Yes	100%	Group Committee Support Unit (Unit Head)
KPI 7	% Tracking of the Mayoral & Advisory Committee's resolutions	Tracking the progress of the implementation of Mayoral & Advisory committee's resolutions.	The KPI focuses on improving service delivery by ensuring that projects, programs, and plans are implemented on a quarterly basis as per the committee's resolution	Minutes and reports	Resolutions tracked/Total number of resolutions taken *100.	Non submission of status report with regards to the implementation of resolutions taken. This KPI is dependent on all 13 MEs & 11 Depts to submit status report with regards to the implementation of resolutions affecting their respective Entities & Depts.	Non-cumulative	Quarterly	No	100%	Group Committee Support Unit (Unit Head)

KPI NO.	KPI	SHORT DEFINITION	PURPOSE / IMPORTANCE	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION	DATA LIMITATION	CALCULATION TYPE	REPORTING CYCLE	NEW INDICATOR	DESIRED PERFORMANCE	INDICATOR RESPONSIBILITY
KPI 8	Number of trainee Accountants recruited through the ACA Training programme.	Trainee Accountants attracted through the ACA programme.	This KPI ensures the complete roll out of the CA 2025 training programme in the City and its entities, based on the agreed timeframes with the, CoJ and South African Institute of Chartered Accountants (SAICA). To build internal skills and capacity for the City.	Trainee accountant recruit's contracts and names are submitted to SAICA for contract approval. Trainees are placed in departments and entities.	Counting the number of newly appointed trainees	SAICA assessment outcome. The KPI is dependent on SAICA quota.	Non-cumulative	Annual	No	3	ACA Office (Training Officer)
KPI 9	Maintain and Sustain a SAICA Accreditation Rating	Outcome following the evaluation process of ACA training programme.	Maintain training accreditation with SAICA.	SAICA Evaluation report	Rating given by SAICA after assessment of the programme.	Not meeting all SAICA compliance requirements	Non-cumulative	Quarterly	No	Low accreditation rating.	ACA Office (Training Officer)
KPI 10	Percentage capital budget spent against approved capital budget	The Capex spent on projects against the approved budget. The objective is to improve, stabilize and sustain a positive financial position	To report on the departmental capital budget and ensure a Sound financially managed Department as per the MFMA	SAP reports and the acquisition plans	YTD actual spending/Total allocated budget *100	None	Cumulative	Quarterly	No	95%	Management Support Services (Finance Manager)
KPI 11	Percentage operating budget spent against approved budget	Operational costs spent by the organisation against the allocated budget against the allocated budget. The objective	To report on the departmental operational budget and ensure a Sound financially managed	SAP reports and the acquisition plans	YTD actual spending/Total allocated budget *100	None	Cumulative	Monthly/ Quarterly	No	95%	Management Support Services (Finance Manager)

KPI NO.	KPI	SHORT DEFINITION	PURPOSE / IMPORTANCE	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION	DATA LIMITATION	CALCULATION TYPE	REPORTING CYCLE	NEW INDICATOR	DESIRED PERFORMANCE	INDICATOR RESPONSIBILITY
		is to improve, stabilize and sustain a positive financial position	Department as per the MFMA								
KPI 12	Percentage reduction in unauthorized, irregular, fruitless, and wasteful (UIFW) expenditure incurred citywide	Percentage reduction on UIFWE compared to the previous financial year AG finding.	Protection of financial resources for the city.	Quarterly UIFW dashboard by GRAS	The UIFW Expenditure closing balance of the current financial year against (will be compared with) the closing balance of the previous financial year.	None	Non-cumulative	Quarterly/ Annually	No	50%	MSS
KPI 13	Percentage of valid invoices paid within 30 days	It measures the percentage of valid invoices paid within 30 days. The objective is to increase the number paid within 30 days	To ensure that suppliers are paid in line with legislation.	Departmental quarterly reports.	Total number of invoices processed & submitted for the month/Total number of invoices received from companies *100	None	Non-cumulative	Monthly	No	100%	MSS
KPI 14	Percentage resolution of Internal Audit findings	It measures the number of audit findings resolved against the total number of audit findings issued by the internal audit	To ensure that the control environment improves.	Internal Audit Reports	Total number of internal audit findings resolved/total number of internal audit findings (excluding findings that are less than 60 days) *100	None	Cumulative	Annually	Yes	95%	MSS
KPI 15	Percentage resolution of AG findings	It measures the number of audit findings resolved against the total number of audit findings issued by the AGSA	To ensure that the control environment improves.	Internal Audit Reports	Total number of Auditor General findings resolved/total number of Auditor General findings (excluding findings that are less than 60 days) *100	None	Cumulative	Annually	Yes	95%	MSS
KPI 16	Percentage implementation of strategic risk mitigations	The percentage of strategic risk action plans implemented compared to total number of strategic risk action plans.	Good governance practice.	Governance Report; Strategic Risk Plan; Strategic Risk Register and Audit Report	Number of implemented strategic risk action plans divided by total number of strategic risk action plans multiplied by 100	None	Non-cumulative	Quarterly	Yes	85%	MSS

KPI NO.	KPI	SHORT DEFINITION	PURPOSE / IMPORTANCE	SOURCE / COLLECTION OF DATA	METHOD OF CALCULATION	DATA LIMITATION	CALCULATION TYPE	REPORTING CYCLE	NEW INDICATOR	DESIRED PERFORMANCE	INDICATOR RESPONSIBILITY
KPI 17	Percentage achievement of service level standards	The percentage achieved of Service Level Standards against the targets on the Service Standard Charter.	To provide monthly and quarterly reports on the achievement of service standards against the targets set out in the charter.	Service standard charter, Monthly and quarterly report, Evidence / POE.	Number of service standards achieved / total number of service standards of the dept or ME on the Charter * 100 $\frac{\# \text{ of SLS achieved}}{\text{Total SLS of Dept./ME}} * 100$ per Charter	None	Non-cumulative	Quarterly	Yes	85%	

Table 8: Circular 88 (Compliance Technical Indicator Descriptions)

A1 Indicator name	A2 Type of indicator	A3 Indicator origin	A4 Rationale	A5 Operational Definition	A6 Method of calculation	A7 Frequency of reporting	A8 Source	A9 Notes	Metro reporting	B CODE
Number of ExCo or Mayoral Executive meetings held:	Compliance	Back-2-Basics framework. C88 2017.	The indicator measures the frequency of meetings of municipal Exco or Mayoral committee structures	This is the count of the number of Executive Committee (ExCo) or Mayoral Committee meetings held. A Mayoral committee meeting is a meeting of the committee appointed by the Executive Mayor in terms of section 60 of the Structures Act. An Executive Committee refers to the members of Council elected to serve on an executive structure Chaired by the Mayor.	Simple count of the number of Exco or Mayoral committee meetings held	Quarterly	Committee minutes	Cumulative, year to date.	Yes	C2 (GG) (1)
Number of formal (minuted) meetings - to which all senior managers were invited-held:	Compliance	Back-2-Basics framework. C88 2017.	This indicator monitors the inclusion of senior managers in formal (minuted) meetings	This is a count of the number of formal (minuted) meetings to which all senior managers were invited. A senior manager is a municipal manager or acting municipal manager and includes managers directly accountable appointed in terms of section 56 of the Municipal Systems Act.	(1) Simple count of the number of formal (minuted) meetings to which all senior managers were invited	Quarterly	Meeting minutes or other administrative documentation confirming meetings and their participants	Cumulative, year to date.	Yes	C7 (GG)(1)

PART 4

FINANCE

MANAGEMENT & ORGANISATION STRUCTURE

AUDIT RESOLUTION



"Reimagining
Governance: Ethical
Leadership & Digital
Technology"



a world class African city

9. Programme Resource Consideration

9.1 Operational Budget

Table 9: Budget Forecasting and Sources of funding

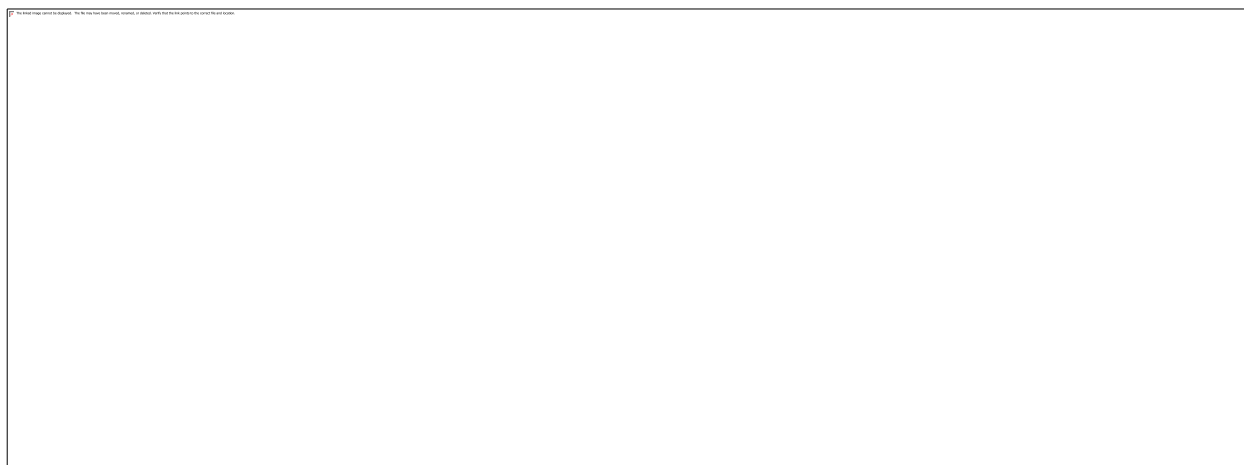
Description	Current year 2025/26		Medium Term Budget 2026/26-2027/28		
	Approved budget 2025/26 R 000	Adjusted budget. 2025/26. R000	Draft budget 2026/27 R 000	Draft budget 2027/28 R 000	Draft budget 2028/29 R 000
REVENUE					
Internal Subsidy from COJ	-	-	-	-	-
Other Internal Revenue	-	-	-	-	-
TOTAL REVENUE	-	-	-	-	-
EXPENDITURE					
Employee related cost	47 534	52 534	55 031	57 921	60 963
Remuneration of councilors	-	-	-	-	-
Bulk purchases – electricity	-	-	-	-	-
Inventory consumed	-	-	-	-	-
Debt impairment	-	-	-	-	-
Depreciation and amortization	502	502	519	538	557
Interest	-	-	-	-	-
Contracted services	10 243	42 777	10 621	11 041	11 400
Transfers & subsidies	-	-	-	-	-
Irrecoverable debts written off	-	-	-	-	-
Operational costs	5 975	5 975	6 189	6 420	6 648
Losses on disposal of assets	-	-	-	-	-
Other losses	-	-	-	-	-
TOTAL DIRECT EXPENDITURE	64 321	101 955	72 533	76 072	79 753
Operational costs- inter-company	585	610	610	640	671
Costing-Internal Expenditure	2	2	2	2	2
TOTAL EXPENDITURE	64 321	101 955	72 533	76 072	79 753
Taxation	-	-	-	-	-
OPERATING (SURPLUS) / DEFICIT for the year	-	-	-	-	-

9.2 Capital Budget

Capital Source of Funding	Current year 2025/26		MTB		
	Original Budget 2026/26 R 000	Proposed Adjusted budget. R000	Indicative 2026/27 R 000	Indicative 2027/28 R 000	Indicative 2028/29 R 000
Loan funding	-	-	-	-	-
CRR and cash	196	195	205	214	223
National grant funding	-	-	-	-	-
Provincial grant funding	-	-	-	-	-
Other / Public contribution	-	-	-	-	-
Total CAPEX	196	195	205	214	223

10. MANAGEMENT AND ORGANISATIONAL STRUCTURE

10.1 Group Governance High-Level Organogram



10.2 Human Capacity Analysis

The Human Capital Management Unit is dedicated to optimizing organisational efficiency and effectiveness through strategic support, oversight, and accountability. This unit plays a crucial role in steering the department's governance by aligning its human resources with the overall strategic goals of the City and its Entities. Currently, 80% of the department's positions are filled, reflecting its central role in the smooth operation and fulfilment of its mandate. The department is committed to promptly filling all funded vacancies to enhance its capacity and improve service delivery. This focus ensures that the department continues to support the city's governance objectives by maintaining a skilled, and adequately staffed workforce.

Table 10: Workforce EE profile by 30 November 2025

The following table represents workforce profile in terms of EE targets for the Group Governance department:

OCCUPATIONAL LEVEL	MALE				FEMALE				FOREIGNER		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
Top Management (L1 & L2)	1	0	0	0	0	0	0	0	0	0	1
Senior Management (L3 & L4)	6	0	0	0	4	0	1	0	0	0	11
Professional Qualified (L5 & L6)	10	0	0	0	3	0	1	1	0	0	15
Skilled Technical (L7 & L8)	5	0	0	1	3	0	0	0	0	0	9
Semi-Skilled (L9&L10)	3	1	0	0	7	0	0	0	0	0	11
Unskilled (L11)	1	0	0	0	1	0	0	0	0	0	2
TOTAL (Permanent)	26	1		1	18		2	1	0	0	49
Temporary (FTC, Intern & Learner)	7	0	0	0	5	0	0	0	0	0	12
GRAND TOTAL	33	1		1	23		2	1	0	0	61

11. COMMUNICATION AND STAKEHOLDER MANAGEMENT

The communication of Group Governance's business mandate, achievements, and challenges is disseminated through multiple channels, including publication on the municipal website. Group Governance operates under a Governance Framework, which serves as the guiding instrument for the City of Johannesburg (CoJ) as a 'holding company' and shareholder, to govern its entities and departments.

The department ensures effective communication as follows:

- 11.1 Effective Governance Structures and Guidelines:** Establishing proper governance structures and guidelines to facilitate effective communication between the City, its core departments, and entities, without infringing on legislative powers and duties.
- 11.2 Clear Governance Roles and Responsibilities:** Clearly communicating and stipulating the governance roles and responsibilities among the CoJ (as holding company shareholder and Executive Authority), the Boards of Directors of the Municipal Entities, and the Managing Directors/Chief Executive Officers and Executive Management. This ensures an appropriate balance of power and delegated authority.
- 11.3 Adequate Oversight and Accountability:** Ensuring adequate oversight, monitoring, and evaluation within the group functions and over corporate entities to maintain accountability, effective communication and enhance shareholder value.
- 11.4 Shareholder Compacts:** Group Governance's relationship and communication with Municipal Entities and Departments as key stakeholders is regulated through specific compacts and service delivery agreements.

Table 11: Stakeholder Matrix

Stakeholders	Role	Interest level (H/L)	Key interests and issues	Communication method	Frequency
AG	Audit	High	Audit performance information & AFS	Email/Management letter	Annually / As and when required
SAICA	Regulatory & professional body	High	Compliance with SAICA Training Regulations	Email Telephone Letters	Bi-annually
IODSA	Regulate Boards appointment	High	Board of Directors governance	Email	As and when required
Political Stakeholders/MMCs	Oversight	High	Administration Oversight	Meetings	Monthly / As and when required
EMT	Strategy development	High	Strategy & policy implementation	Email Telephone	Daily Weekly Monthly Quarterly

Advisory committees/ technical clusters/mayoral committees	Governance oversight	High	Compliance & expert advice	Email Telephone Meetings	Monthly / Quarterly
COGTA/National Treasury	Constitutional & legislative mandate	High	Delivery of basic services effectively and efficiently	Email Telephone	Monthly Quarterly When required
Public	Provide priorities	High	Local economic development	CBP meetings Email Telephone Physical access to municipal offices	Daily Weekly Monthly
Organised Labor	Fair labor practice	High	Equality & enforcement of regulations	Email Telephones	Daily Weekly Monthly
Departments and Municipal Entities	Provide Training platforms.	High	Additional capacity with financial skills.	Meetings Reports E-mails	Continuously
Board of Directors	Governance Oversight, Training and development	High	Compliance & Expert Advice	Email, Meetings	Quarterly
Governance, Risk and Compliance Departments	Integrated Governance Assurance	High	Integrated Governance, Compliance and Risk Management	Email, telephone, Meetings.	When required, quarterly.
Expert institutions (Universities, Profession bodies, private sector)	Strategy Development	Low	Expert advice	Email, telephone, Meetings.	When required, quarterly & annually.
	Research & development.	Low	Local Economic Development (LED) & partner in		
	Social Labor Plans (SLPs)	High	implementation of certain IDP projects.		
	Career ACA				

12. AUDIT MATTERS.

Table 12: Internal Audit / Auditor General Matrix

AUDIT FINDINGS											
2022/2023				2023/2024				2024/2025			
IA	RESOLVED	AG	RESOLVED	IA	RESOLVED	AG	RESOLVED	IA	RESOLVE	AG	RESOLVED
D											
0	0	0	0	0	0	0	0	0	0	0	0

13. APPROVAL

The 2026/27 Service Delivery Budget Implementation Plan (SDBIP) for the Group Governance department is hereby signed off by the following signatories:

Compiled by:

Nhlakanipho Mbatha

Business Planning and Performance Management

SUPPORTED / NOT SUPPORTED



Dr. Ernest Mutenda

Acting Unit-Head: Strategic Management Support

20 May 2026

Date

RECOMMENDED / NOT RECOMMENDED


pp

Adv. Mlandu Kona

Group Head: Group Governance

20 May 2026

Date

APPROVED / NOT APPROVED



Cllr Loyiso Masuku

Deputy Executive Mayor &

MMC: Finance

21 May 2026

Date

ANNEXURE 1

STRATEGIC RISK REGISTER



"Reimagining
Governance:
Ethical Leadership
& Digital
Technology"



a world class African city

ANNEXURE 1: STRATEGIC RISKS REGISTER

No.	Objectives	Linked KPI /KRI	Risk Name	Root Causes	Consequences	Interventions/ Actions to improve management of the risk	Action Owner	Time scale
1	Provide support to MMCs to enable their proper oversight and management of Service Delivery Agreements (SDAs) with Municipal Entities and provide high-level coordination of Municipal Entities oversight to enable and capacitate the MMCs to exercise their oversight role.	- % Governance performance quarterly assessments conducted in 13 Municipal entities -Annual Consolidated Entities Integrated Report (IR)	Inability to provide adequate support to executive (MMCs)	1. Inaccurate and unverified performance information submitted by MEs	1. Misinformed decision-making impacting on service delivery	1.Development of digital assessment and reporting tool 1.1 Phase two (2) Development of digital assessment tools.	Head: Governance and Reporting	30 June 2027
2	Improve the City's responsiveness to service delivery breakdowns	Percentage of Municipal Entities and Core Departments achieving ≥85% performance against Service Level Standard (SLS) Charter.	Inadequate standardisation and enforcement of service level Standard (SLAs) across departments	Lack of City-wide Service Level Standards Policy/Framework	Reliability of performance information being questionable	Approval of SLS framework for the City.	Head: Governance and Reporting	31 December 2026

No.	Objectives	Linked KPI /KRI	Risk Name	Root Causes	Consequences	Interventions/ Actions to improve management of the risk	Action Owner	Time scale
3	Implementation of ethics strategy and ensuring that all CoJ employees maintain high ethical standards so that the organisation's business is conducted honestly, fairly, legally, in a reasonable manner and in good faith.	- Number of ethics awareness programmes implemented across all CoJ dept. and entities	Failure to adopt the Ethics programme	1. Lack of institutionalisation 2. Lack of formalised Ethics structure 3. Lack of an approved Ethics strategy 4. Complex regulatory environment	1. Integrity and good governance not promoted 2. Reputational Damage 2. Non-compliance 4. Operational disruptions (internal and external)	1. Finalisation and Council approval of the Ethics Strategy 2. Establishment of a fully functional Ethics Office with allocated staff and budget	Acting Ethics Officer	30 June 2027 31 March 2027
4	Capacitation of Municipal Entities with appointment of boards.	% Appointment of NEDs and IACs within required timeframe	Political instability affecting governance continuity and Board appointments	1. Coalition dynamics, leadership changes, and weak political /administrative protection	1. Leads to non-compliance with the Companies Act.	1. Strengthen institutional governance frameworks to ensure continuity (Reviewed Shareholder Policy) 2. Formalise standardised appointment processes (Skills Matrix) 3. Maintain updated board succession and skills pipeline (Members recruitment database)	Head: Shareholder Services	31 December 2026 31 March 2027 30 June 2027