



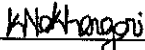
CITY OF JOHANNESBURG

**METROPOLITAN TECH COMPANY
SOC LTD**

FINAL BUSINESS PLAN 2026/27

APPROVALS

Sign Off –:



Khuliso Makhese
Acting Chief Financial Officer
Metropolitan Tech Company

2026/05/19

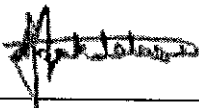
Date



Thedi Moropa
Chief Executive Officer
Metropolitan Tech Company

2026/05/19

Date



Makhate Jonas Nqakalatsane
MTC Board Chairperson
City of Johannesburg

20/05/2026

Date



Cllr Kenny Kunene
Member of Mayoral Committee – Transport
City of Johannesburg

20/05/2026

Date

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ABBREVIATIONS

AGSA	Auditor-General of South Africa AI Artificial Intelligence
AOPO	Annual Objectives and Performance Outcomes
Board	Board of Directors
Capex	Capital Expenditure
CBP	Community Based Planning
CCTV	Closed-Circuit Television
COJ	City of Johannesburg
CSIR	Council for Scientific and Industrial Research
DCDT	Department of Communications and Digital Technologies
EBM	Enterprise Business Model
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
GDS 2040	Growth and Development Strategy 2040
GDPR	General Data Protection Regulation
GCIS	Government Communication and Information System
GCRO	Gauteng City-Region Observatory
ICT	Information and Communication Technology
ICASA	Independent Communications Authority of South Africa
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
IoT	Internet of Things
JBN	Johannesburg Broadband Network
KPA	Key Performance Area
KPI	Key Performance Indicator
King IV	King IV Report on Corporate Governance
MFMA	Municipal Finance Management Act
MOV	Means of Verification
MTC	Metropolitan Tech Company
MOE	Municipal-Owned Entity
NDP	National Development Plan
Opex	Operating Expenditure
POPIA	Protection of Personal Information Act
QPR	Quarterly Performance Report
SDA	Service Delivery Agreement
SDBIP	Service Delivery and Budget Implementation Plan
SITA	State Information Technology Agency
SOP	Standard Operating Procedure
WiFi	Wireless Fidelity
5G	Fifth Generation Mobile Network



CHAPTER 1: EXECUTIVE SUMMARY



1. CHAPTER 1: EXECUTIVE SUMMARY

The Metropolitan Tech Company (MTC) is a municipal-owned entity of the City of Johannesburg mandated to provide and enable digital infrastructure, broadband connectivity, and ICT services that support municipal operations and advance the City's Smart City agenda. As the custodian of the City's digital enabler, MTC plays a central enabling role in ensuring that technology platforms, systems, and connectivity infrastructure support effective service delivery, sound governance, and inclusive socio-economic development.

Following approval by the Board and the City of Johannesburg Council, the Entity was formally rebranded from the Metropolitan Trading Company to the Metropolitan Tech Company, reaffirming its role as a technology-led municipal entity and aligning its institutional identity with a forward-looking, digitally driven mandate.

Strategic Context and Performance Trajectory

The 2025/26 financial year represented a critical foundational phase in the evolution of MTC. During this period, the Entity focused on assessing the condition and sustainability of its digital infrastructure assets and refining its operating and governance models. This process brought in sharper focus the operational and structural challenges facing the organisation, including ageing infrastructure, funding constraints affecting network sustainability, rapid technological change, and the need to improve operational efficiency and financial performance.

These challenges exist within a broader citywide context characterised by persistent economic pressure, rapid urbanisation, infrastructure backlogs, and growing demand for reliable and secure digital services. Socio-economic indicators published by Statistics South Africa continue to point to high levels of unemployment, particularly among youth, alongside enduring inequality and uneven access to opportunities and services. In this environment, technology and digital infrastructure have become increasingly central to the City of Johannesburg's ability to deliver services effectively and inclusively.

This Business Plan has been developed within a comprehensive planning and policy framework that ensures strategic alignment with the City of Johannesburg's priorities and statutory requirements. The Plan considers the City's Integrated Development Plan and Growth and Development Strategy 2040, which articulate the medium- and long-term vision for a resilient, inclusive, and smart metropolitan economy. It is further informed by the Service Delivery and Budget Implementation Plan, the Mayoral priorities, and the provisions of the Service Delivery Agreement governing MTC's mandate.

In addition, the Business Plan reflects alignment with national and provincial policy instruments, including the National Development Plan, the Medium-Term Strategic Framework, and the Growing Gauteng Together plan. These frameworks consistently emphasise the role of digital infrastructure, institutional capability, and innovation in building a capable developmental state and supporting inclusive economic growth. Socio-economic and service delivery trends drawn from official data sources, including Statistics South Africa, have also informed strategic choices and prioritisation for the 2026/27 financial year.

Purpose and Strategic Intent of the 2026/27 Business Plan

The 2026/27 Business Plan is positioned as a consolidation and implementation instrument. It builds on the analytical and stabilisation work undertaken in the previous financial year and sets out a focused approach to strengthening execution, restoring operational effectiveness, and enhancing institutional resilience. The Plan translates strategic objectives into clear priorities that guide governance, financial planning, and performance management across the organisation.

It therefore serves as the primary mechanism through which MTC aligns its strategic intent with City priorities, responds to identified challenges, and positions itself to deliver sustainable digital services that support the City's development agenda.

Strategic Direction for 2026/27

In the 2026/27 financial year, MTC's strategic direction is centred on ensuring the reliability, resilience, and sustainability of the City's digital and broadband infrastructure while advancing Smart City enablement through modernised systems, integrated platforms, and data-driven capabilities. Equal emphasis is placed on strengthening governance, compliance, risk management, and assurance frameworks to rebuild institutional credibility and support accountable performance. Improving financial sustainability, operational efficiency, and customer experience remains integral to the Entity's strategic focus.

This deliberate shift towards disciplined implementation reflects MTC's commitment to delivering measurable outcomes and sustainable value to the City of Johannesburg.



CHAPTER 2: STRATEGIC OVERVIEW



2. CHAPTER 2: STRATEGIC OVERVIEW

2.1. Vision Statement

The Metropolitan Tech Company's vision aligns with the City's overarching objective to advance Smart City capabilities and ensure equitable digital access for all residents:

"To ensure and enable a digitally connected City"

2.2. Mission Statement

To provide accessible and affordable digital services to stakeholders and citizens as an ICT provider by creating a sustainable and harmonious environment that enhances the digital quality of life to citizens.

2.3. Core Values



Figure 1: MTCCore Values

An abstract graphic featuring a dark blue background with a complex, glowing light blue circuit pattern. The pattern consists of numerous interconnected lines and dots, resembling a microchip or a network diagram, extending across the top half of the page.

CHAPTER 3: MTC'S CORE MANDATE AND PURPOSE

A continuation of the abstract circuit pattern from the top section, featuring dark blue background and glowing light blue lines and dots, located in the bottom right corner of the page.

3. CHAPTER 3: MTC'S CORE MANDATE AND PURPOSE

3.1. MTC's Mandate

The mandate of the MTC is derived from the Service Delivery Agreement (SDA), concluded between the Entity and its shareholder, the City of Johannesburg. Following its re-establishment in 2015 as a Municipal Entity in terms of Section 76(b) of the Municipal Systems Act, MTC was entrusted with the strategic responsibility of operating, managing, and maintaining the Johannesburg Broadband Network (JBN).

This responsibility centred on the stewardship of approximately 1 200 km of metropolitan fibre infrastructure, a critical municipal asset that underpins the City's long-term digital transformation agenda and its evolution toward a fully integrated Smart City.

MTC's mandate is both infrastructure anchored and development driven, and is expressed through a dual strategic role:

- **Digital Connectivity Utility:** To function as the City's digital connectivity utility by providing secure, reliable, and resilient wholesale data and broadband services to municipal departments, Municipal Entities, and approved external customers. In fulfilling this role, MTC may leverage spare network capacity in a manner that supports financial sustainability while safeguarding the City's strategic interests.
- **Smart City and Digital Transformation Enabler:** To serve as the City's primary Smart City enablement partner, accelerating digital transformation, expanding equitable access to connectivity, and supporting e-government platforms, smart infrastructure solutions, and data-enabled service delivery across all seven administrative regions of Johannesburg.

In operational terms, MTC is mandated to:

- Deliver an innovative, secure, and integrated digital ecosystem that supports the City's service delivery priorities and governance objectives.
- Provide wholesale broadband and digital connectivity services to Network Operators, Internet Service Providers (ISPs), and ICT resellers, enabling them to extend services to businesses, SMMEs, community institutions, and households; and
- Implement digital, ICT infrastructure, and technology solutions that advance municipal modernisation, enhance operational efficiency, and contribute to the City's broader socio-economic and developmental goals.

Through this mandate, MTC plays a pivotal role in translating digital infrastructure into tangible service delivery outcomes, enabling inclusive access to technology, and supporting Johannesburg's aspiration to become a connected, competitive, and resident centred City.

3.2. Legislation and policy environment

The Metropolitan Tech Company operates within a legislative and policy framework that reflects its role as a municipal entity responsible for broadband infrastructure, digital connectivity, and Smart City enablement in the City of Johannesburg. Its operations are guided by the Municipal Finance Management Act, the Companies Act, and ICT-related legislation governing electronic communications, broadband networks, data protection, and digital services. MTC is also subject to broader national statutes that regulate public-sector governance, financial management, labour relations, cybersecurity, and overall compliance.

Legislative Category	Applicable Legislation
Constitutional and Municipal Governance	• Constitution of the Republic of South Africa, Act No. 108 of 1996 • Local Government: Municipal Systems Act, Act No. 32 of 2000 • Local Government: Municipal Finance Management Act, Act No. 56 of 2003 • Municipal Supply Chain Management Regulations • Municipal Regulations on Financial Misconduct, Debt Disclosure and Minimum Competency Levels • Intergovernmental Relations Frameworks Act,
ICT, Digital Infrastructure and Communications	• Electronic Communications Act, Act No. 36 of 2005 • Electronic Communications and Transactions Act, Act No. 25 of 2002 • independent Communications Authority of South Africa (ICASA) Act, Act No. 13 of 2000 • ICASA Regulations and License Frameworks Cybercrimes Act, Act No. 19 of 2020
Information Management, Transparency and Governance	• Protection of Personal Information Act, Act No. 4 of 2013 • Promotion of Access to Information Act, Act No. 2 of 2000 • Companies Act, Act No. 71 of 2008 • King IV Report on Corporate Governance
Labour and Employment	• Labour Relations Act, Act No. 66 of 1995 • Basic Conditions of Employment Act, Act No. 75 of 1997 • Employment Equity Act, Act No. 55 of 1998 Occupational Health and Safety Act, Act No. 85 of 1993 • Unemployment Insurance Act, Act No. 63 of 2001
Financial, Taxation and Anti-Corruption	• Income Tax Act, Act No. 58 of 1962 • Value-Added Tax Act, Act No. 89 of 1991 • Skills Development Levies Act, Act No. 9 of 1999 • Prevention and Combating of Corrupt Activities Act, Act No. 12 of 2004 • Financial Intelligence Centre Act, Act No. 38 of 2001
Policy and Strategic Frameworks	• National Development Plan (NDP 2030) • National Integrated ICT Policy White Paper • South Africa Connect: National Broadband Policy • National Digital and Future Skills Strategy • Integrated Urban Development Framework

Table 1: Legislative environment

The legislative and policy environment defines the legal, regulatory, and strategic parameters within which the MTC operates. It establishes MTC's authority, accountability, governance standards, and service delivery obligations, while guiding how the Entity plans, manages resources, delivers digital infrastructure, and supports the City's Smart City agenda. MTC aligns to these through its internal policies, strategies, and governance frameworks, ensuring that legislative compliance is embedded into organisational operations and that all activities are conducted in a transparent, responsible, and sustainable manner.

3.3. Strategic Objectives

The MTC primary and core strategic objectives are derived from the SDA and articulate the Entity's fundamental purpose and strategic intent. These objectives guide MTC's planning, operations, and performance management, ensuring alignment with its mandate to deliver technology enabled services that support effective service delivery and long-term value creation for the City and its residents.

In terms of the SDA, primary and core strategic objectives are to:

- Provide and manage the City of Johannesburg's broadband and digital infrastructure
- Enable improved municipal service delivery through digital connectivity
- Support the implementation of the City's strategic planning frameworks
- Serve as the City's designated digital and Smart City enabler
- Deliver services in accordance with approved service standards and performance targets
- Promote financial sustainability and responsible resource utilisation
- Ensure accountability, transparency, and sound governance
- Support long term digital infrastructure planning and sustainability

Through MTC's operational and planning processes, these strategic objectives are systematically cascaded throughout the organisation, informing departmental plans, individual performance agreements, and key performance indicators to ensure alignment, accountability, and effective execution.

3.4. City of Johannesburg's Integrated Development Plan (IDP) Alignment



Figure 2: IDP Alignment

The City of Johannesburg's long-term development pathway is guided by the Growth and Development Strategy (GDS 2040), which articulates the vision of "A World-class African City" that is inclusive, resilient, sustainable, and enabled by innovation and smart infrastructure. The GDS serves as the City's overarching strategic framework, directing development planning, investment prioritisation, and service delivery outcomes across the municipal system.

The GDS is structured around four strategic outcomes, supported by defined outputs and eleven strategic priorities, which collectively inform the City's Integrated Development Plan (IDP). These strategic outcomes and priorities provide the foundation for medium-term and annual planning processes and guide the formulation of departmental and Municipal Entity business plans, including that of MTC.

Within this context, the City's IDP identifies persistent challenges relating to service delivery effectiveness, infrastructure sustainability, governance performance, and inclusive economic participation. In response, the City has prioritised the deployment of technology, digital infrastructure, and smart systems as key enablers of improved municipal efficiency, accountability, and developmental impact.

As the City's designated digital infrastructure provider and Smart City enablement partner, the Metropolitan Tech Company plays a pivotal role in supporting the realisation of the GDS vision. Through the provision of reliable broadband connectivity, ICT infrastructure, and technology-driven solutions, MTC directly contributes to enhanced service delivery, strengthened governance processes, and inclusive socio-economic development. The Entity's interventions support the modernisation of municipal systems, the expansion of digital access, and the rollout of smart, connected urban services across all regions of the City.

The table below outlines the alignment between the GDS Outcomes, Outputs, and the City of Johannesburg Strategic Priorities, providing the strategic context within which MTC operates. It further illustrates how MTC's planned interventions respond to the City's key strategic challenges and how these responses inform the Entity's strategic objectives and focus areas for the 2026/27 financial year.

3.5. Alignment of GDS Outcomes, City Priorities and MTC Strategic Objectives

GDS OUTCOMES	GDS OUTPUTS	CITY PRIORITIES	MTC Strategic Objectives	MTC Strategic Outcomes
1. Improved quality of life and development-driven resilience for all.	- A society characterised by healthy living for all. - A safe and secure city	- Financial sustainability - Safer city.	- Enable secure and reliable digital infrastructure that supports municipal services and public safety. - Strengthen financial sustainability through efficient operations and revenue optimisation	- Improved availability and reliability of digital services. - Digitally enabled safer municipal environments; Improved financial resilience
2. Provide a resilient, livable, sustainable urban environment – underpinned by smart infrastructure supportive of a low-carbon economy.	- Sustainable and integrated delivery of water - Sustainable and integrated delivery of sanitation - Sustainable human settlements - Climate change resilience and environmental protection	- Energy mix - Infrastructure development and refurbishment.	- Develop, maintain and modernise smart digital infrastructure supporting sustainable urban services. - Enable technology-driven efficiency and asset optimisation	- Resilient and future-ready digital infrastructure. - Optimised digital asset performance. - Contribution to environmentally sustainable service delivery
3. An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens.	- Cross-cutting - Job-intensive economic growth. - Increased competitiveness of the economy. - Job opportunity and creation. - Smart city.	- Sustainable service delivery - Sustained Economic growth.	- Enable Smart City platforms and digital connectivity that support economic activity and innovation. - Expand access to digital services to promote inclusive economic participation	- Improved access to digital services. - Technology-enabled economic activity. - Strengthened Smart City capability and competitiveness

4. A high performing metropolitan government which proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region	• Partnerships, intergovernmental & international relations • A responsive, accountable, efficient, and productive metropolitan government • Financially sustainable and resilient city • Meaningful citizen participation and empowerment • Guaranteed customer and citizen care and service • Ensure compliance with applicable laws and regulations • Implement effective risk management strategies • Deliver combined assurance model through the implementation of integrated assurance services.	• Job opportunity and job creation • Active and engaged citizenry. • Good governance. • Financial sustainability. • Good corporate and institutional governance	• Strengthen digital governance, compliance, • risk management and assurance systems. • Enhance customer care and citizen engagement through digital platforms	• Improved governance, accountability and audit outcomes. • Enhanced service responsiveness. • Digitally enabled, efficient metropolitan governance
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Table 2: Alignment of GDS Outcomes, City Priorities, and MTC Strategic Objectives



CHAPTER 4: MTC'S STRATEGIC RESPONSE



4. CHAPTER 4: MTC'S RESPONSE

4.1. Customer Satisfaction Survey

4.1.1. MTC Customer Satisfaction Survey

Given the centrality of customers to MTC's operating model and long-term sustainability, the Entity will introduce a Customer Satisfaction Survey activity for the 2026/27 Financial Year, which will be an annual client satisfaction assessment, to be embedded within the Corporate Scorecard. This will enable structured insight into client expectations and service performance, support proactive retention strategies, and inform targeted interventions to enhance value proposition and attract new clients.

4.1.2. City- Wide Household Satisfaction Survey 2021/2022

The City of Johannesburg's Household Satisfaction Survey (2021/22) provides a citywide insight into residents' perceptions of municipal services across all seven regions. Within this framework, City Wi-Fi forms part of the Community Services Satisfaction Index, which recorded an overall satisfaction score of approximately 63%, reflecting stable resident perceptions.

From an MTC perspective, these findings are used to inform ongoing planning and network optimisation. WiFi connectivity is increasingly recognised as essential digital infrastructure, enabling access to information, education, economic participation, and e-government services. While regional variations exist, with stronger outcomes in Region D and improvement opportunities in Region G, these patterns assist MTC in prioritising targeted, evidence-based interventions.

The survey further highlights the importance residents place on connectivity reliability and accessibility, particularly in lower-income communities where public Wi-Fi is a critical service. MTC incorporates these insights into its infrastructure planning and investment decisions, reinforcing its role in advancing the City's Smart City vision, digital inclusion agenda, and resident-centred service delivery outcomes.

4.2. Community Based Planning Responses (CBP)

Although MTC did not receive any CBP issues requiring response during the period under review, the Entity recognises that its role within the CBP ecosystem extends beyond direct issue resolution. As the City of Johannesburg's digital connectivity and Smart City enablement partner, MTC contributes to CBP through its transversal role in enabling service delivery responsiveness across departments and regions.

MTC supports CBP outcomes through the provision of digital infrastructure, connectivity, and integrated systems that enable departments to respond effectively to community needs. This includes:

- Enabling connectivity for systems used to log, track, and resolve service delivery issues;
- Providing infrastructure for public safety systems, including CCTV connectivity connecting to the City's IIOC;
- Expanding public Wi-Fi access within the City, particularly in underserved communities.

MTC has also developed a centralised service delivery application that enables residents to log service requests related to key municipal services such as water, roads, and public transport, thereby improving coordination, responsiveness, and accountability.

In addition, the Entity is advancing digital inclusion through the rollout of Smart Wi-Fi poles in informal settlements, which provide connectivity, high-mast lighting, and integrated CCTV to enhance both access and community safety. Notably, this initiative enables residents to connect directly from the comfort of their homes, representing a first-of-its-kind approach within the City. The pilot was successfully launched in Slovo Park in March 2026, and, subject to continued budget prioritisation and allocation by the City, MTC will progressively expand the rollout to other communities.

4.3. Intergovernmental Relations (IGR)

Intergovernmental Relations (IGR) constitute a core enabler of MTC's operating model. As the City of Johannesburg's digital connectivity and Smart City enablement partner, MTC operates within a multi-sphere governance environment that requires coordinated planning, aligned implementation, and sustained collaboration across municipal, provincial, and national government.

MTC participates in the City of Johannesburg's formal IGR framework through structured intergovernmental forums, sectoral working groups, and practitioner-level platforms, through its nominated IGR Practitioner. These mechanisms ensure that digital infrastructure, broadband connectivity, and Smart City considerations are effectively integrated into broader government programmes and intergovernmental initiatives, while providing a channel for coordinated planning, information sharing, and the escalation of cross-mandate implementation constraints that impact service delivery.

Key strategic IGR partners for MTC include:

Partnership Category	Partner / Stakeholder	Purpose of the Partnership
Provincial and National Government	National Treasury	Compliance with planning, budgeting and reporting requirements; oversight of financial performance
	Auditor-General of South Africa (AGSA)	External audit oversight; improvement of audit outcomes and internal controls
	Department of Cooperative Governance (DCoG)	Intergovernmental coordination and governance alignment
	Department of Communications & Digital Technologies (DCDT)	Alignment with national ICT and broadband policy frameworks
	ICASA	Regulatory compliance for network operations and licensing
Private Sector and Academia	Higher Education Institutions (HEIs)	Research, innovation and skills development
	Private Investors / Strategic Partners	Exploration of co-investment and revenue-sharing models



CHAPTER 5: STRATEGIC ANALYSIS



5.2. Challenges affecting the Operations of the MTC

The MTC's organisational arrangements and financial position reflect an entity in transition, balancing operational delivery with the need for structural, financial, and strategic repositioning. MTC operates with a comparatively lean organisational structure comprised primarily of specialised ICT, network, governance, and support functions. While this structure enables technical delivery, it also places pressure on limited management and specialist capacity within a highly competitive ICT environment.

Over recent financial periods, MTC has operated amidst institutional instability at a broader City level, including changes in political leadership, governance structures, and executive oversight. These shifts have contributed to evolving priorities, changes in strategic direction, and delays in the approval and implementation of key initiatives, directly affecting long-term planning, partner confidence, and investment decisions.

An internal organisational and skills assessment undertaken during the 2024/25 financial year highlighted gaps in critical technical, commercial, and strategic capabilities, particularly within network operations, business development, and performance management. While the assessment confirmed the adequacy of core operational skills, it also underscored the need to realign roles, streamline functions, and strengthen cross-functional coordination to support a more commercially responsive business model.

From a financial perspective, MTC continues to face sustainability constraints linked to its historical operating model. The Entity remains largely reliant on City transfers, with limited diversification of revenue streams and constrained ability to fully commercialise or monetise its broadband and digital infrastructure assets. Operational expenditure continues to be driven by unavoidable costs such as network maintenance, security, power-related disruptions, and fibre repairs arising from vandalism and cable theft. These pressures have limited flexibility for reinvestment into network modernisation and expansion.

Collectively, these organisational and funding challenges have reinforced the need for a strategic shift at MTC. The Entity is repositioning toward a refreshed business model that prioritises infrastructure sustainability, improved financial discipline, enhanced commercial partnerships, and clearer separation of service lines for budgeting, reporting, and performance management. These repositioning forms a key pillar of the 2026/27 Business Plan and underpins MTC's path toward long-term resilience and relevance as the City of Johannesburg's Smart City and digital infrastructure enablement partner.

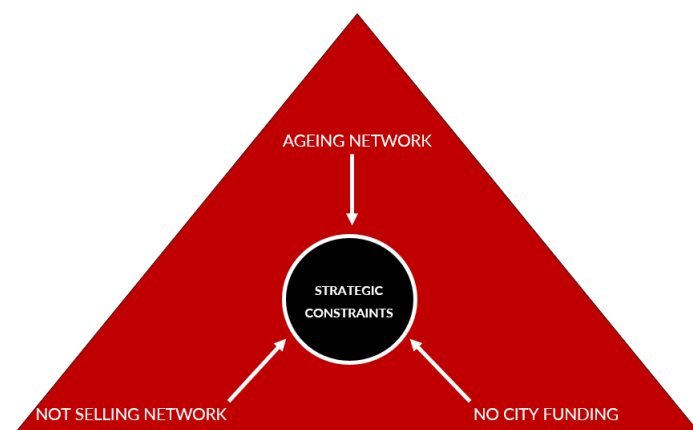


Figure 5: MTC Service Delivery Issues

5.3. Past Performance

Performance against Predetermined Objectives as at 30 June 2025 (Baseline for 2026/27)

Key Performance Indicator	Ref No.	Base-line	Measurement Unit	Annual Target 2024/25	Actuals				Year	Actual Reported Achievement t 2023/24	Justification for non-achievement	Means of verification MOV	Mitigation actions and timelines
					Q1	Q2	Q3	Q4	To date				
Financial Sustainability													
Amount of revenue achieved (in Rands)	01 of 11	R335m	R	R335m	105m	278m	529m	1.076b	1.076b	R1.5b		Quarterly Performance Report (QPR) Financial statements	
Customer retention rate	02 of 11	New	%	90%	100%	97%	100%	93%	93%	N/A – new KPI		List of MTC Customers Customers doing business with the entity.	
Percentage of total sales revenue collection achieved	03 of 11	41%	%	80%	431%	237%	135%	78%	78%	41%	The variance is due to non-payment from internal customers.	Collection s Report QPR Financial statements	Demand letters will be sent to the CFOs of the respective departments or Entities before 31 August 2025 to address the outstanding balances. Supporting documentation will be provided accordingly

Key Performance Indicator	Ref No.	Baseline	Measurement Unit	Annual Target 2024/25	Actuals				Year	Actual Reported Achievement 2023/24	Justification for non-achievement	Means of verification MOV	Mitigation actions and timelines
					Q1	Q2	Q3	Q4	To date				
Smart and Safer City													
Network Link Availability	04 of 11	72%	%	99%	84%	53%	53%	90%	90%	72%	· Aged and dilapidated equipment results in network downtimes. Power outages affecting MTC services, resulting in network availability targets not being achieved · The high rate of network vandalism that results in downtime · Insufficient Capital budget allocation to MTC, leading to the inability to maintain the network and equipment, as well as having the ability to grow/expand the network · MTC Staff Capacitation	· System Report · Ops Manager device Availability reporting	-MTC has initiated proactive maintenance on the network to allow us to identify problems before the network goes down. -MTC has also established the regionalization of network support in order to look at the Network in parts and allocating an internal supervisor per region.

Key Performance indicator	Ref No.	Baseline	Measurement Unit	Annual Target 2024/25	Actuals				Year	Actual Reported Achievement 2023/24	Justification for non-achievement	Means of verification MOV	Mitigation actions and timelines
					Q1	Q2	Q3	Q4	To date				
Number of CCTV Cameras connected to the video-management system of the Integrated Intelligence Operation Centre	05 of 11	New	Number	1 034	495	624	725	1 034	1 034	N/A – new KPI		Report generated by the video management system	
Number of connections utilizing the CoJ Free WIFI services	06 of 11	New	Number	120 000	KPI implemented from Q3	KPI implemented from Q3	1 158 973	1 574 979	1 574 979	N/A – new KPI	•	Periodically generated reports from the system	
% of CoJ and Entity Capex Projects completed in the financial year	07 of 11	67%	N/A	100%	N/A – Annual Target	N/A – Annual Target	N/A – Annual Target	88.88%	88.88%	67%	•	Project Charter Confirmation of completion RFQ	
Economic Development													
Number of EPWP employees contracted	08 of 11	143	Number	150	108	6 (114)	3 (117)	35 (152)	152	143	•	Personal details/documentation of the EPWP employee	

Key Performance indicator	Ref No.	Baseline	Measurement Unit	Annual Target 2024/25	Actuals				Year	Actual Reported Achievement 2023/24	Justification for non-achievement	Means of verification MOV	Mitigation actions and timelines
					Q1	Q2	Q3	Q4	To date				
Good Governance													
Unqualified Audit Opinion	09 of 11	Unqualified audit opinion without material findings	Annually	Unqualified audit opinion	Measured Annually	Unqualified audit opinion with Material Findings 2023/24.	Measured Annually	Measured Annually	Unqualified audit opinion with Material Findings 2023/24.	Unqualified external audit opinion	Based on the 2023/24 final management report and auditor's report, the entity obtained an unqualified audit opinion with material findings on AOPO and Compliance with laws and regulations. The auditors were limited in AoPO, resulting in a disclaimer finding and material findings were identified on Annual financial statements, Expenditure management, Procurement and contract management and Consequence	Auditor General management letter Audit report	The Performance Management Unit has been capacitated. To improve on audit outcomes for compliance, the entity provides continuous trainings to employees; especially those within procurement and contract management. The entity also constantly interacts with the City of Johannesburg regarding updates and/or changes to legislation,

											management compliance themes due to material non-compliances identified.		
% of strategic risk management mitigation action plans implemented	10 of 11	New	%	management mitigation action plans implemented 85% of strategic risk management mitigation action plans implemented	63%	46%	63%	58%	58%	N/A – new KPI	The organization had previously adopted the EBM approach as its strategy. However, due to limited implementation, the strategy was not fully operationalized. Consequently, the associated strategic risk mitigation strategies linked to EBM were also not implemented	Quarterly risk monitoring re-ports	The entity has since transitioned to a new strategic direction outside the EBM framework. As part of this shift, new strategic risks have been identified, and corresponding mitigation strategies have been developed to support implementation of 2025/26 strategy
% of combined assurance plan activities completed.	11 of 11	New	%	100% of combined assurance plan activities completed	100%	100%	100%	100%	100%	N/A – new KPI		Combined Assurance Report	

Table 3: Past Performance 2024/25

5.4. South African ICT Market Analysis

The South African ICT sector has developed through a fragmented and uneven trajectory, shaped by early monopolistic structures, limited success of state-led centralisation, and rapid private sector expansion. Initial efforts to centralise public-sector ICT through the establishment of the State Information Technology Agency (SITA) and later Broadband InfraCo were intended to lower costs and improve coordination. However, both entities faced operational, governance, and commercial challenges that limited their effectiveness and scalability.

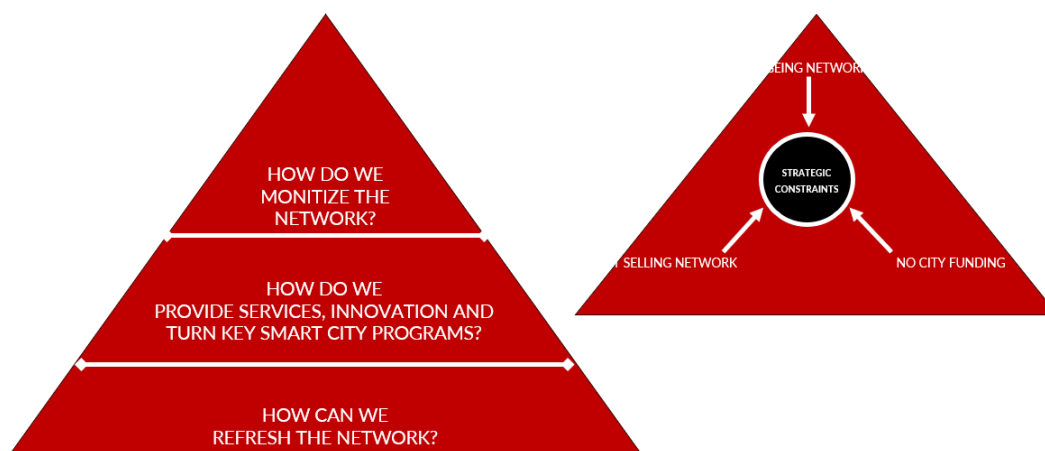
For much of this period, Telkom's dominance over fixed line infrastructure constrained competition and affordability. As fibre and mobile broadband technologies emerged, Telkom's copper-based network became less competitive, leading to a strategic shift towards wholesale fibre access through Openserve. At the national level, programmes such as South Africa Connect struggled to achieve meaningful scale, particularly in Phase 2, resulting in slower-than-anticipated broadband rollout to public facilities and underserved areas.

In contrast, the private sector rapidly expanded digital infrastructure. Fibre network operators such as Vumatel, DFA, MetroFibre, and Frogfoot accelerated deployment in metropolitan areas, while mobile network operators Vodacom and MTN invested heavily in mobile broadband and 5G. This has reshaped the sector into one that is technologically advanced but uneven in coverage, affordability, and access.

Within this context, the role of public entities has shifted away from attempted centralisation towards strategic enablement, infrastructure sharing, and partnership-driven models. For the Metropolitan Tech Company, this sector reality reinforces the need to move beyond infrastructure ownership towards a platform-based approach that focuses on asset optimisation, service integration, and Smart City enablement in support of the City of Johannesburg's digital transformation objectives.

5.5. Future Outlook

MTC's future direction is shaped by a clear recognition of its strategic role within the City of Johannesburg and the operational realities that currently constrain performance. As the City's digital connectivity and Smart City enablement partner, MTC operates in an environment characterised by rising digital demand, constrained public-sector funding, ageing infrastructure, and growing expectations for efficient, technology-enabled service delivery.



In response, the revised organisational strategy focuses on addressing core operational, financial, and institutional constraints in a structured and phased manner, guiding the organisation toward improved network stability, enhanced service delivery capability, and long-term financial sustainability.

Key Strategic Focus Areas:

- Stabilising the network and improving reliability
- Building insight to inform strategic decisions
- Transitioning toward financial sustainability
- Strengthening institutional positioning and mandate clarity
- Embedding accountability and disciplined execution

5.6. Environmental Analysis

This section outlines the key external trends and conditions shaping the Metropolitan Tech Company's operating environment. Drawing on evidence from various sources, it provides the contextual basis for data-driven planning, strategic prioritisation, and alignment of MTC's 2026/27 Business Plan with the City of Johannesburg's development and Smart City objectives.

5.6.1. Population Dynamics and Digital Demand

Johannesburg remains the most populous metropolitan area in Gauteng, accounting for approximately 38% of the province's households. According to Statistics South Africa (Stats SA) mid-year population estimates, the City's population exceeds 6 million residents and is projected to grow steadily toward 7–10 million by 2040. The demographic profile is notably youthful, with almost 50% of residents under the age of 35, a segment that is disproportionately reliant on digital platforms for education, job searches, skills development, social interaction, and access to public services.

This youthful and growing population has direct implications for digital demand. Younger households exhibit higher rates of internet usage, mobile penetration, and reliance on online services, translating into increasing demand for reliable, high-capacity broadband and resilient ICT infrastructure. For MTC, these population dynamics indicate sustained and growing demand for digital connectivity across the metropolitan area, reinforcing the strategic importance of network capacity, reliability, and futureproofing.

5.6.2. Urbanisation and Smart Infrastructure Pressure

Urbanisation remains a defining feature of Johannesburg's development trajectory. Nationally, 63% of South Africa's population currently resides in urban areas, with projections of up to 80% by 2050. The Gauteng City-Region Observatory (GCRO) indicates that Johannesburg continues to attract significant internal migration, with an estimated 1.4 million additional migrants between 2021 and 2026, driven primarily by economic opportunity and access to services.

This rapid urbanisation intensifies pressure on municipal service delivery systems and physical infrastructure, particularly in high-density and informally developed areas. GCRO's Quality of Life surveys further highlight persistent spatial inequality and uneven access to services across the city. In this environment, digital and smart infrastructure is increasingly critical to support integrated planning, optimise municipal operations, and improve service responsiveness. These trends reinforce MTC's role in enabling Smart City functionality, digital integration, and data-driven service coordination.

5.6.3. Economic Conditions and the Digital Economy

Johannesburg remains the economic hub of Gauteng, contributing approximately 40% of the province's Gross Value Added (GVA), largely driven by finance, business services, and the broader services sector. However, Stats SA labour market statistics continue to reflect high unemployment, with the official unemployment rate exceeding 30%, and youth unemployment significantly higher, at over 40%.

In this context, digital connectivity and ICT platforms play a critical role in enabling economic participation. Broadband access supports business continuity, entrepreneurship, innovation, and access to labour markets through remote and platform-based work. As the digital economy expands, MTC's infrastructure directly underpins the City's competitiveness and its ability to leverage technology to stimulate inclusive economic growth.

5.6.4. Digital Access, Inequality and Network Reliability

National data indicates strong growth in internet usage, with approximately 74–75% of South Africans using the internet by 2024, and Gauteng recording internet access rates exceeding 80% across households by any means. However, the Independent Communications Authority of South Africa (ICASA) continues to highlight disparities in broadband quality, speed, and affordability, particularly in lower-income and peripheral urban areas.

These inequalities are compounded by operational risks such as infrastructure vandalism, electricity instability, and ageing network assets. For a metropolitan environment that is increasingly reliant on digital systems, these factors present a material risk to service continuity. For MTC, this underscores the strategic importance of network resilience, proactive asset management, and coordinated infrastructure protection as part of its core mandate.

Indicator / Context	Findings	What It Means for MTC
National Internet Use (households / population)	As at early 2024, South Africa had approximately 45.34 million internet users, corresponding to an estimated 74.7% internet penetration rate (Data Reportal, 2024).	Demonstrates widespread digital adoption and a strong national baseline demand for connectivity and digital services, reinforcing the relevance of MTC's mandate.
Gauteng Household Internet Access	Internet access in Gauteng (by any means) is estimated at approximately 81.9% (GCIS Yearbook 2023/24).	Higher than national average access underscores sustained demand for quality broadband infrastructure across metropolitan Johannesburg.
Shift toward Mobile / Broadband Access	Fixed-line home internet access remains relatively low (approximately 17–21%), with mobile and alternative connectivity forms dominating (Stats SA GHS, 2024).	Signals the need for flexible, scalable and digital-first infrastructure models, including fibre, wireless, and hybrid solutions.
ICT Sector Growth and Digital Economy Trends	National ICT sector reporting shows accelerating broadband demand and expansion of digital services during the 2024/25 period (ICASA ICT Sector Report, 2024).	Confirms digital infrastructure as critical backbone for service delivery, economic activity, and Smart City enablement, supporting investment and monetisation strategies.
High Unemployment and Economic Pressure in Gauteng	As of Q1 2024, Gauteng's expanded definition unemployment rate stood at approximately 38.9%, compared to a national rate of 41.9% (GCRO, 2024).	Reinforces the importance of digital inclusion, online services, and remote work enablement, positioning MTC as a key socio-economic enabler.

Population Concentration and Urbanisation	Gauteng remains South Africa's most populous province, with ongoing population growth and urban migration increasing pressure on urban infrastructure (Stats SA, 2025).	Justifies strategic emphasis on scalable, resilient digital infrastructure to support dense and growing urban environments.
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Table 4: Digital Access, Inequality and Network Reliability

The combined effects of population growth, rapid urbanisation, sustained economic pressure, and digital inequality define the operating environment within which MTC functions. These realities reinforce the need to treat digital infrastructure not as a support function, but as a strategic citywide asset informed by data-driven planning and evidence-based decision-making. Accordingly, MTC's strategic direction prioritises infrastructure sustainability, Smart City enablement, and improved service reliability to support Johannesburg's evolving digital and socio-economic landscape in the 2026/27 financial year and beyond.

5.7. SWOT Analysis

STRENGTHS	WEAKNESSES
- CoJ is the existing predetermined customer to serve, and this is quite a huge pool (10/10). - Resilience to deliver under difficult circumstances (8/10) - Excellent oversight structures (MTC stands out because they are accountable) (8/10) - The Entity already has existing infrastructure to drive - but requires significant investment (6/10)	- The infrastructure is large and therefore requires much maintenance, which is constrained by limited resources (9/10) - Resources are not enough to capacitate vacancies (9/10) - Shortage of technical skills to exploit existing resources and opportunities (9/10) - Inability to attract relevant talent for MTC (8/10) - Clear mandate, but unenforced throughout the city (6/10) - KPAs and KPIs are not clearly defined and enforced (4/10)
OPPORTUNITIES	THREATS
- Better focus on customer service fulfilment (9/10) - Launching of the new branding of the business (brand positioning) (9/10) - Prospect of additional and more reliable revenue generation sources through expansion of customers, including retail and business customers to fulfil mandate (8/10)	- Inconsistent revenue collection Incl. Historical debt/revenue from customers (9/10) - Corrupt practices – reducing efficiency and increasing cost (9/10) - Vandalism and theft – causing downtime and customer dissatisfaction (5/10)

Table 5: MTC SWOT Analysis

5.8. PESTEL

	FACTOR	IMPLICATION	OUTCOME	IMPACT
POLITICAL	Political Instability	Frequent changes in political leadership are causing instability, which disrupts the organization's ability to rely on stable policies.	THREAT	HIGH
	Labour Strikes And Disputes	Frequent Labour disputes and strikes, especially in sectors like transportation and infrastructure, disrupt regular operations.	THREAT	LOW
	Corruption	High corruption levels and inefficient bureaucratic processes are driving up operational costs and deterring potential investors.	THREAT	HIGH
ECONOMIC	Weak Economic Outlook And High Unemployment Rate	Reduces consumer spending and reduces the demand for services.	THREAT	LOW
	Exchange Rates	Currency instability impacts the cost of imports, notably for technology and equipment	THREAT	MODERATE
	Decrease In Foreign Direct Investment	A decrease in FDI limits the organization's capacity for growth and external collaboration, heightening the risk of project delays and financial strain.	THREAT	MODERATE
SOCIAL	Social media	Social media platforms are influential in shaping public opinion and driving consumer choices; MTC can leverage them for engagement and CSR initiatives.	OPPORTUNITY	HIGH
	Community Engagement And CSR	Companies, including MTC, are expected to actively engage in corporate social responsibility (CSR) initiatives and support local communities. Socially responsible practices can enhance the company's reputation and customer loyalty.	OPPORTUNITY	HIGH
	Digital Inclusion	There is a growing emphasis on digital inclusion, ensuring that all segments of the population have access to affordable broadband services	OPPORTUNITY	HIGH
TECHNOLOGICAL	Changing Work Cultures	More organizations, including government entities, are adopting flexible work arrangements.	OPPORTUNITY	MODERATE
	5g Technology Deployment	MTC missed the 5G bandwagon, and its competitors took full advantage of it (early adoption), resulting in increased competitive advantage for its competitors and their capacity to win customers over MTC.	THREAT	HIGH
	Ai & IoT Adoption	AI and IoT devices are becoming increasingly prevalent in homes, industries, and smart cities	OPPORTUNITY	HIGH

ENVIRON- MENTAL	Social media	Social media platforms are driving up consumer demand for data	OPPORTU NITY	HIGH
	Green Technology	There is a growing emphasis on sustainability and reducing the environmental impact of technology. Tele-com companies are expected to reduce energy consumption and adopt renewable energy sources.	OPPOR- TUNITY	HIGH
LEGAL	Spectrum Licensing And Regulations	Regulatory changes have led to increased market competition, presenting both challenges and growth potential.	OPPOR- TUNITY	HIGH
	DATA PROTECTION AND PRIVACY LAWS	Data protection regulations, such as the Protection of Personal Information Act (POPIA) in South Africa and GDPR in Europe, have stringent requirements for handling customer data.	THREAT	LOW

Table c: MTCPESTEL Analysis



CHAPTER 6: RISK ASSESSMENT



6. CHAPTER 6: RISK ASSESSMENT

MTC adopts a proactive and prioritised approach to risk management, recognising that effective governance depends on the organisation's ability to anticipate, understand, and respond to the risks that could influence the achievement of its strategic objectives. Rather than attempting to catalogue every possible risk, MTC's focus is on identifying those strategic and material risks that have the greatest potential to affect service delivery, financial sustainability, network infrastructure performance, and stakeholder confidence.

Risk management is deeply embedded in MTC's governance and operational environment. The Board recognises that robust internal controls and sound risk practices are essential for safeguarding the organisation's assets, supporting strategic execution, and ensuring accountability. To this end, MTC implements an integrated risk management approach aligned to the City of Johannesburg's governance frameworks, the MFMA, and King V principles.

Given MTC's role as a network infrastructure entity, its risk landscape includes areas such as network resilience, technology obsolescence, funding pressures, compliance with rapidly evolving ICT standards, and stakeholder trust. The dynamic nature of the technological environment requires constant vigilance and adaptability, and the organisation regularly updates its risk register to reflect emerging issues and changes in the operating environment.

For the 2026/27 financial year, MTC will continue strengthening its risk management capabilities to ensure that risk management supports innovation, strategic execution, and long-term sustainability. This includes enhanced monitoring, improved reporting processes, and closer integration of risk insights into planning, budgeting, and performance management. Through this approach, MTC aims to maintain a resilient, agile, and well-governed institution capable of supporting the City's Smart City ambitions.

Key Activity	Strategic Objective	No	Risk Name	Risk Description	Root Causes	Residual Risk Exposure	Action Plans	Action Owners
Refresh and Monitize the Network	Secure investment and refresh the MTC network through various funding avenues to be investigated.	1	Service Degradation	Inability of the network to adequately provide connectivity.	End of life and end of support network (Aging network equipment causes slower speeds, higher latency, and frequent outages.)	Very High	Conduct full network audit (capacity, uptime, equipment status)	GM Network Operations
					Lack of investment into refurbishment and maintenances of the network		Continue with reactive maintenance of the network	CTO
							Commission a full-market research study GM Business Development	GM Business Development
							Hire a network audit specialist to assess infrastructure, capacity, and failures.	CTO
							Conduct feasibility study for revenue-sharing or co-investment models	CFO
Financial Sustainability	To ensure financial health and long-term viability	2	Solvency Risk	Financial instability to meet the obligations and continue business for the foreseeable future	Shareholders Loan	Very High	Obtain support or endorsement from the city to address the shareholder's loan	CFO
							Implementation of the recommendations to address the Shareholder Loan	CFO
					Poor collection of outstanding amounts.		Evaluate And Pursue Grant Opportunities For Network Refreshment	Corporate Strategy and Reporting
							Reconciliation of all Debt owed and submit to the Group for Consideration	CFO
							Conduct feasibility study for revenue-sharing or co-investment models	CFO
							Development of procurement plan	GM Operations

Key Activity	Strategic Objective	No	Risk Name	Risk Description	Root Causes	Residual Risk Exposure	Action Plans	Action Owners
Smart City	Anticipate and respond to the ICT needs of city departments, entities, and residents by building proactive solutions	3	Slow pace of digital transformation and cyber security vulnerabilities	Failure to quickly adopt to New emerging technology / Technological agility to enable reporting and sharing vital public safety related information.	Reactive approached based on the end user request.	High	Audit of the City entities and departments connectivity providers to identify MTC adoption gaps and force internal usage.	CSRO
							Develop a prioritised ICT solution roadmap (quick wins + long-term tools)	CTO
							innovate - Pilot solutions with feedback loops and refine before scaling	CTO
					Shortage of technical skills to exploit existing resources and opportunities		Map current ICT solutions offered and utilization across departments and communities	CTO
							Implementation of smart city projects	CTO
							Empower the city to collect revenue through Technology	CTO
Good Governance	Achieve a clean administration through good governance practices and maintaining positive institutional reputation	4	Ineffective Governance	Failure to achieve a clean administration	Non implementation of recommendations of assurance providers	Moderate	Implementation of Internal Audit Recommendations	All Executives
					Fluidity in the City's Political Leadership Impacting on MTC governance		Implementation of AG Action Plan	All Executives

Key Activity	Strategic Objective	No	Risk Name	Risk Description	Root Causes	Residual Risk Exposure	Action Plans	Action Owners
					Constance changes in the regulatory requirements		Monitor compliance with applicable laws and legislation	Head of Risk and Compliance
					Outdated Policy and procedure Manuals		Review Policy and procedure manual	All Executives
					Inadequate monitoring of compliance with MFMA, Treasury Regulations, and related legislation		Enhance operational systems of operations	CTO
					Weaknesses in record-keeping and supporting documentation		Quality Control on all work of MTC Systems	Finance Manager
					Insufficient review and quality assurance processes prior to submission of financial statements and performance information		Quality Control on operations	Head of Risk and Compliance
Sustained Economic Growth	Secure investment and refresh the MTC network through various funding avenues to	5	Lack of economic growth in the city	Insufficient economic growth in the city may reduce revenue, increase unemployment, and limit the City's ability to	Infrastructure constraints (electricity, transport, broadband, water)	High	Implement a Enterprise Development Strategy and Plan	
					Skills mismatch and low labour productivity		Appointment of SMMEs on a new panel	Manager SCM

Key Activity	Strategic Objective	No	Risk Name	Risk Description	Root Causes	Residual Risk Exposure	Action Plans	Action Owners
	be investigated.			deliver sustainable service	Limited support for SMMEs		Development of SMMEs	Manager SCM
					Budgetary Constraints		Create EPWP Jobs	Corporate Strategy and Reporting
							Promote investment and partnership (Build partnerships with Universities ,private sector	CFO
							Implement internships, and work-readiness programmes	Corporate Strategy and Reporting
Good Governance	Achieve a clean administration through good governance practices and maintaining positive institutional reputation	6	Business Interruptions	Failure to build and maintain a secure, resilient, and reliable digital services infrastructure resulting in large -scale outages threatening Business Continuity	Inadequate of Business Continuity Plans and Inadequate Disaster Recovery Plan	Moderate	Maintain tested data backups (offsite and/or cloud-based)	CTO
					Loadshedding and Water Shedding /Power outages and infrastructure failures		Define and test ICT disaster recovery plans and Business Continuity Plan	CTO and Head of Risk and Compliance
					Natural disasters due to Climate Change		Test system restore capabilities	CTO
					Inadequate facilities to host infrastructure (Carries grade data centre facilities with air conditioning, uninterrupted power supply, security, and site access control).		Procurement of IT Systems	CTO
					Unrest			

Key Activity	Strategic Objective	No	Risk Name	Risk Description	Root Causes	Residual Risk Exposure	Action Plans	Action Owners
					Legacy System and Outdated infrastructure ICT system failures or cyber incidents		Conduct Occupational Health and Safety Risk Assessment	Head of Risk and Compliance
Active and Engaged Citizenry	To promote citizen engagement and inclusivity.	7	Ineffective Stakeholder engagement / Communication Channels	Unengaged Citizens	Inadequate Brand Positioning and Marketing	High	Developing Sales and Marketing Strategy	
					Lack of stake holder engagement programme		Brand awareness (Implementation of Marketing Campaign and Brand Repositioning)	Organisation Performance Specialist
							Stakeholder Management Strategy	Corporate Strategy and Reporting
							Customer Satisfactory index	Corporate Strategy and Reporting
							Development of Internal Service Stander	CAE
							Development of communication strategy	Strategy Specialist
Sustainable Service Delivery	To achieve a clean administration through good governance practices and maintaining positive institutional reputation.	8	Inadequate organizational performance	Inability to retain and attract critical skills to enable MTC to achieve its mandate and strategic objective	Manual processing of critical business processes (SCM, HR ,Finance ,Risk, Audit, Operations, SCM.	Moderate	Digitize Business processes	All Executive
					Inadequate integrity checks		Internal capacity demand assessment /plan	GM: Business Development
					Lack of ethical risk culture		Review of the organisational Structure to align with the new strategy)	Corporate Strategy and Reporting

Key Activity	Strategic Objective	No	Risk Name	Risk Description	Root Causes	Residual Risk Exposure	Action Plans	Action Owners
							Vetting of employees	Corporate Strategy and Reporting
							Signing of performance agreement	Corporate Strategy and Reporting
							Conduct Ethics, Fraud and Corruption Awareness	Head of Risk and Compliance
							Obtain budget allocation for MTC from the City and Entities	CFO
Enforcement of the mandate	Secure investment and refresh the MTC network through various funding avenues to be investigated.	9	Inability to Successfully Execute the Enforced City-Wide ICT Services Mandate	Inability to effectively deliver reliable, secure, and scalable network and IT services to the City and its entities	Enforced mandate implemented without phased transition planning	Very High	Formalise the mandate through: Council resolution/memo from City Manager	CEO
					Insufficient funding model and unclear cost-recovery mechanisms		Develop a Phased Implementation Roadmap to roll out the mandate in phases	CTO
					Limited internal ICT, network, and cybersecurity capacity		Priority and Strengthen capacity and capability	Corporate strategy and Reporting
					Legacy infrastructure not designed for city-wide demand (End of life and end of support network)		Strengthen Stakeholder Engagement and Change Management(communicate plan)	Corporate strategy and Reporting

Key Activity	Strategic Objective	No	Risk Name	Risk Description	Root Causes	Residual Risk Exposure	Action Plans	Action Owners
					Dependence on manual or fragmented systems		Secure Sustainable Funding and Resource Alignment (Ring fence funding for critical ICT infrastructure)	CFO
					Weak demand management and prioritisation from City entities		Demonstrate cost efficiencies and value-for-money	CFO
					Resistance from departments and municipal entities		Internal capacity assessment	HR
					Inadequate service-level agreements (SLAs)		Roadshows on mandate city wide	Corporate strategy and Reporting
							Enforcement of the mandate	COSEC



CHAPTER 7: STRATEGIC IMPLEMENTATION AND PERFORMANCE



7. CHAPTER 7: STRATEGIC IMPLEMENTATION AND PERFORMANCE

7.1. Key performance areas

The Key Performance Areas for the 2026/27 financial year are deliberately structured to respond to the operational, financial, and institutional challenges confronting the MTC. They are organised as inter-linked strategic programmes that prioritise short-term stabilisation while repositioning the organisation towards sustainable, service-driven growth. Each programme targets a specific strategic focus area identified through performance reviews and institutional diagnostics, ensuring that execution, resources, and performance management are directly aligned with MTC's turnaround and future-state objectives.

Programme	Strategic Focus	Key Interventions	Strategic Intent
Programme 1: Financial Stabilisation and Revenue Strengthening	Financial sustainability and revenue optimisation	Stabilise revenue streams; improve cash realisation; reduce leakage; monetise digital assets; enable reinvestment	Transition MTC into a financially viable digital service provider
Programme 2: Network Reliability and Infrastructure Sustainability	Stability and resilience of digital infrastructure	Improve network uptime; secure CCTV and safety connectivity; stabilise Free WiFi; deliver resilience-focused capital projects	Protect the City, extend the City's digital backbone, connect the City
Programme 3: Smart City Enablement and Developmental Impact	Smart City outcomes and inclusive development	Support Smart City systems; expand digital access; create EPWP jobs and skills development opportunities	Delivery socio-economic and service delivery impact
Programme 4: Governance, Risk and Institutional Credibility	Governance integrity and assurance	Maintain or improve audit outcomes; implement risk mitigation; strengthen compliance and controls	Safeguard public value and institutional credibility
Programme 5: Strategic Execution and Organisational Effectiveness	Execution discipline and organisational alignment	Deliver Annual Implementation Plan; align strategy, structure and resources; strengthen performance oversight	Ensure strategy translates into delivery

Table8: Key Performance Areas

7.2. Strategic Planning Outcomes and Focus

MTC's strategic direction for the 2026/27 financial year is informed by the need to stabilise the organisation, protect and optimise the City's digital infrastructure, strengthen financial sustainability, and reposition the entity as the City of Johannesburg's digital connectivity utility.

While the constraints identified in the 2025/26 Business Plan remain relevant, including ageing infrastructure, limited capital investment, critical capacity gaps, revenue collection challenges and mandate enforcement limitations, these have now been reframed into a focused execution agenda. The recent strategic planning process confirmed that MTC's response must centre on mandate enforcement, network refresh and monetisation, financial sustainability, institutional capacitation, governance discipline and technology-enabled service delivery.

To give effect to this, MTC's 2026/27 strategic implementation plan is structured around three strategic themes: Enable, Capacitate and Deploy. These themes provide a focused framework to strengthen mandate execution, improve institutional readiness, enhance infrastructure resilience, support financial sustainability, and unlock greater value from MTC's role in advancing the City's digital transformation agenda.

The consolidated table below summarises the key strategic interventions, their annual focus areas, intended outcomes and performance emphasis for the 2026/27 financial year.

STRATEGIC THEME	STRATEGIC INTERVENTION	STRATEGIC INTENT	RESPONSIBLE LEAD
ENABLE	Mandate Enforcement and Institutional Alignment	Strengthen institutional alignment around MTC's role as the City's digital connectivity utility and ICT services enabler.	Chief Executive Officer / Company Secretary
	ICT Strategic Repositioning	Support MTC's transition towards a broader technology and digital services role aligned to City priorities.	General Manager: Operations
	Budget and Funding Alignment	Improve alignment between MTC's mandated responsibilities, City-wide ICT demand.	Chief Financial Officer
CAPACITATE	Governance, Quality and Control Strengthening	Strengthen institutional controls, assurance practices and governance maturity to support sustainable execution.	Head of Risk / Internal Auditor
	City-Wide ICT Demand Alignment	Establish a clearer view of current and future ICT and connectivity requirements across the City.	GM: Business Development
	Institutional Capacity Alignment	Align organisational capability with MTC's evolving mandate and future service delivery requirements.	GM: Business Development
	Stakeholder and Mandate Communication	Improve understanding of MTC's role, value proposition and contribution to City priorities.	GM: Business Development / Stakeholder Management
	Delivery Readiness	Strengthen institutional readiness to respond to prioritised ICT and connectivity requirements.	Project Manager
	Organisational Readiness to Meet City Needs	Build the institutional capability required to respond to confirmed City demand in a structured and sustainable manner.	GM: Business Development
DEPLOY	ICT-Enabled Revenue Support	Position MTC's technology capabilities to support the City's revenue enhancement and operational efficiency priorities.	Chief Technology Officer
	Marketing and Communication Positioning	Strengthen MTC's visibility, stakeholder confidence and institutional narrative as a Smart City and technology enabler.	Strategy Specialist
	Commercial and Sales Positioning	Refine MTC's commercial approach to support customer retention, revenue diversification and long-term sustainability.	Organisational Performance Management Specialist

Collectively, these strategic interventions provide a structured basis for MTC's 2026/27 execution agenda. They reflect the entity's commitment to strengthening institutional alignment, improving organisational readiness, protecting and optimising the City's digital infrastructure, and translating its mandate into measurable value for the City of Johannesburg. Through the Enable, Capacitate and Deploy framework, MTC will continue to position itself as a strategic digital connectivity utility and technology partner that supports service delivery improvement, financial sustainability, Smart City enablement and inclusive digital transformation.

7.3. Corporate scorecard 2026/27

GDS OUTCOME: High Performing Metropolitan Government that Proactively Contributes to and Builds a Sustainable, Socially Inclusive, Locally Integrated and Globally Competitive Gauteng City Region																	
MAYORAL PRIORITY: Financial Sustainability																	
NO	KEY PERFORMANCE INDICATOR	BASELINE 2024/25	Measureme Unit	2026/27 TARGET	2027/28	2028/29	2026/27 QUARTERLY PERFORMANCE TARGETS				2026/27 BUDGET PER PROJECTSR 000						MEANS OF VERIFICATION
							Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4	
1.	Amount of revenue achieved ¹ (in Rands)	1.076b	R	R512m	R535m	R559m	128	256	384	512	N/A	N/A	N/A	N/A	N/A	N/A	- Quarterly reports (QPR) - Financial Statements
2.	Percentage of total sales revenue collection achieved	78%	%	85%	85%	85%	85%	85%	85%	85%	N/A	N/A	N/A	N/A	N/A	N/A	- Collections report - QPR *Financial statements
3.	% Spent on operating budget against approved operating budget.	New KPI	%	95%	95%	95%	20%	40%	75%	95%	0	569 583	113 916	227 833	427 187	541 103	- Financial Statements - Quarterly reports
4.	% Spent on capital budget against approved capital budget	New KPI	%	95%	95%	95%	20%	40%	75%	95%	4 400	0	0.880	1 760	3 300	4 180	- Financial Statements - Quarterly reports
5.	% Reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred.	New KPI	%	50%	50%	50%	10%	25%	40%	50%	N/A	N/A	N/A	N/A	N/A	N/A	- Financial Statements - Quarterly reports

¹ Amount of revenue generated from both internal and external customers, revenue from subsidy, revenue from interest, sale of tender documents and any other revenue generated through business operations

GDS OUTCOME: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy

MAYORAL PRIORITY: Smart and Safer City

NO	KEY PERFORMANCE INDICATOR	BASELINE 2024/25	Measurement Unit	2026/27 TARGET	2027/28	2028/29	2026/27 QUARTERLY PERFORMANCE TARGETS				2026/27 BUDGET PER PROJECT SR 000						MEANS OF VERIFICATION
							Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4	
6.	Network Link Availability	90%	%	99%	99%	99%	99%	99%	99%	99%	-	18 487	4 622	9 234	13 856	18 487	- Systems report - Ops Manager device availability reporting
7.	Number of CCTV cameras connected to the video-management system of the integrated intelligence operation centre (IIOC)	1 034	Number	1034	1034	1034	1034	1034	1034	1034	N/A	N/A	N/A	N/A	N/A	N/A	Report of connected cameras on the Video management systems
8.	Number of connections utilizing the COJ free Wi-Fi services	1 574 979	Number	200 000	250 000	275 000	50 000	100 000	150 000	200 000	2 000	-	-	1 000	1 500	2 000	Availability report and supporting evidence
9.	% of CoJ and Entity Capex Projects completed in the financial year ²	88.88%	%	100%	100%	100%	-	-	-	100%	N/A	N/A	N/A	N/A	N/A	N/A	- Project charter - Confirmation of completion (Completion Certificates) - RFQ - Change Request Form

GDS OUTCOME: High Performing Metropolitan Government that Proactively Contributes to and Builds a Sustainable, Socially Inclusive, Locally Integrated and Globally Competitive Gauteng City Region

MAYORAL PRIORITY: Economic Growth

NO	KEY PERFORMANCE INDICATOR	BASELINE 2024/25	Measurement Unit	2026/27 TARGET	2027/28	2028/29	2026/27 QUARTERLY PERFORMANCE TARGETS				2026/27 BUDGET PER PROJECT SR 000						MEANS OF VERIFICATION
							Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4	
10.	Number of jobs created for the unemployed through EPWP	New KPI	Number	50	50	50	10	25	35	50	N/A	N/A	N/A	N/A	N/A	N/A	- Personal details documentation on of the EPWP employee.³ - Contracts

² MTC implements CAPEX projects for the COJ core administration and its entities.

This KPI is measured annually, as the entity receives both long-term and short-term projects throughout the financial year.

GDS OUTCOME: High Performing Metropolitan Government that Proactively 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	Measureme nt Unit	2026/27 TARGET	2027/28	2028/29	2026/27 QUARTERLYPERFORMANCE TARGETS				2026/27 BUDGET PERPROJECTSR 000						MEANS OF VERIFICATION
							Q1	Q2	Q3	Q4	Capex	Opex	Q1	Q2	Q3	Q4	
11.	Unqualified Audit opinion	Unqualified Audit opinion with material findings	Report	Unqualified Audit opinion	Unqualified Audit opinion	Unqualified Audit opinion	-	Unqualifie d Audit opinion	-	-	N/A	N/A	N/A	N/A	N/A	N/A	- Auditor General management letter - Audit report
12.	% Resolution of AGSA audit findings	New KPI	%	85%	85%	85%	20%	40%	60%	85%	N/A	N/A	N/A	N/A	N/A	N/A	- Quarterly Reports - Approved Annual AG Resolution Plan - Annual Report
13.	% Resolution of Internal Audit findings	%	New KPI	85%	85%	85%	20%	40%	60%	85%	N/A	N/A	N/A	N/A	N/A	N/A	- ARC approved Internal audit report - Internal Audit Approved Annual Plan
14.	% of Strategic Risk Mitigation action plans implemented	58%	%	85%	85%	85%	85%	85%	85%	85%	N/A	N/A	N/A	N/A	N/A	N/A	Summary of quarterly risk report on implementation of strategic risk mitigation strategies report
15.	% Achievement of Service Level Standards	New KPI	%	85%	85%	85%	85%	85%	85%	85%	N/A	N/A	N/A	N/A	N/A	N/A	Signed monthly SLS monthly reports

Table S: Corporate Scorecard 2026/27

7.4. Technical indicator descriptions

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
1.	Amount of revenue achieved in rands	Revenue generated from sales, subsidy, interest received, tender fee and any other revenue from the ordinary course of business (Excluding VAT	To measure the amount of revenue generated from both the internal and external clients, revenue from subsidy, revenue from interest, revenue from sale of tender documents and any other revenue generated through business operations	- Revenue from internal and external customers- Sales invoices - Subsidy Revenue - Subsidy invoice -Revenue from Interest-Sweeping account bank statement from Group Treasury -Revenue from sale of tender documents- Deposit slips received from customers -Income Statement -General Ledger Accounts -Annual Financial Statement	The total revenue (all types of revenue) as recorded in the general ledger, and Income Statement	No specific limitation	Cumulative	Quarterly	No	To achieve revenue as per the targets set out in the Business Plan	Finance
2.	Percentage of total sales revenue collection achieved	Cash collection rate	To measure the percentage of total sales revenue cash collected, excluding VAT (paid by both internal and external customers to MTC's bank account) in comparison to billed revenue	Bank statement for proof of cash received from Debtors Income Statement to prove revenue was billed to the client	(Gross Debtors + billed revenue- Gross Debtors closing balance- Bad debts written off)/Billed revenue* 100	No specific limitation	Cumulative	Quarterly	No	To achieve 80% revenue cash collection rate	Finance

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
3.	% Spent on capital budget against approved capital budget	This indicator refers to the spending of CAPEX budget.	The indicator seeks to track the expenditure on the approved CAPEX budget.	Paid Invoices	Total CAPEX spent divided by total approved CAPEX budget, multiplied by 100	Funding availability and allocation from the shareholder	Cumulative	Quarterly	Yes	100%	Chief Financial Officer
4.	% Spent on operating budget against approved operating budget	This indicator refers to the spending of Opex budget.	The indicator seeks to track the expenditure on the approved Opex budget.	Paid Invoices	Total CAPEX spent divided by total approved CAPEX budget, multiplied by 100	Funding availability and allocation from the shareholder	Cumulative	Quarterly	Yes	100%	Chief Technology Officer, Chief Financial Officer
5.	% Reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred.	This indicator measures the percentage reduction in unauthorised, irregular, fruitless and wasteful expenditure incurred by the MTC compared to the previous financial year.	The purpose of the indicator assesses the effectiveness of financial controls, compliance management, and governance processes aimed at reducing UIFW expenditure incurred.	• UIFW Files; • Quarterly Financial Reports; • Annual Financial Statements; • Auditor-General Management Report; • Internal Audit reports.	(UIFW Expenditure (Previous Financial Year) - UIFW Expenditure (Current Financial Year) / UIFW Expenditure (Previous Financial Year)	No Specific Limitation	Cumulative	Quarterly	Yes	Reduction in unauthorised, irregular, fruitless and wasteful expenditure incurred.	Chief Executive Officer, Chief Financial Officer

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
6.	Network Link Availability	Network Link Availability is the average percentage of time during which the network is performing its intended function	The Purpose of monitoring and reporting on the percentage of Network Availability (Network, Wi-Fi, and CCTV) is to ensure that end users can access data and applications servers with the best connections and the fastest performance possible.	To obtain the percentage of Network Availability, a service manager or similarly skilled agent performs monitoring of the services using a network monitoring system.	The calculation is based on the availability report for MTC network devices over a period of time. This time can be monthly, quarterly or custom time period chosen for the measurement period.	The network monitoring system does not cover dark fibre services.	Non-Cumulative	Quarterly	No	To achieve higher network availability as per the business plan.	Network Operations
7.	Number of CCTV cameras connected to the video-management system of the integrated intelligence operation centre	This indicator tracks the total number of CCTV cameras successfully connected to the video-management system (VMS) of the Integrated Intelligence Operation Centre (IIOC).	The purpose of this indicator is to monitor the connectivity and functionality of the CCTV cameras under the City's jurisdiction, ensuring adequate surveillance coverage and operational readiness to enhance public safety and service deliver	Reports generated by the VMS, Network monitoring tools, or the service desk system tracking camera connectivity.	Regularly validate the connectivity status of cameras using system-generated reports and manual spot-checks.	Camera connectivity may fluctuate due to network downtime, power interruptions, or maintenance activities.	Count	Quarterly	No	1034 CCTV cameras connected to the Video Management System	Network Operations

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
8.	Number of Connections utilising the CoJ Free Wi-Fi	This indicator tracks the number of connections utilizing the City of Johannesburg (COJ) free Wi-Fi service during a specific reporting period. It reflects the reach and utilization of the free Wi-Fi initiative.	The purpose of this indicator is to measure the level of public use of CoJ free Wi-Fi service. Monitoring utilisation helps assess the program's effectiveness in providing internet access to residents and supports data-driven decisions to improve connectivity and user experience.	Data Source: WiFi usage data is collected from centralized network management systems that track the number of connections. Data Recording: Periodically generated reports from the system summarize the total number of connections connected to the network within the reporting period. Data Details: Usage is measured through metrics such as device connections (anonymized for privacy).	Collect daily or monthly data for the reporting period (3 months = one quarter). Confirm timestamps align with the start and end of the quarter to avoid overlap. Add the connections for all days/months in the quarter.	Unavailability of system	Count – Cumulative	Quarterly	No	Achieve a high number of connections utilizing the CoJ free WIFI services to ensure consistent and reliable internet connectivity, in line with targets set in the Business Plan.	Network Operations

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
9.	% of CoJ and Entity Capex Projects completed in the financial year	This KPI measures the percentage of Capital Expenditure projects, requested by the City of Johannesburg (CoJ) and its Entities, that are successfully completed within the financial year	The purpose of this KPI is to assess the entity's performance in delivering CAPEX projects on behalf of the City and its Entities	Project Charter Service completion certificates indicating work completed and accepted by the end- user department Request for change if/when applicable	The number of projects with an end date forecast during the financial year, completed during the financial year, under review (Number of projects completed within the financial year/ total projects projected to be completed within the financial year under review) x 100 = achieved. E.g (40/50) x100 = 80%	No Specific Limitation	Non – Cumulative	Annually	No	To complete 100% of the CoJ and Entity Capex Projects during the financial year under review	Network Operations
10.	Number of jobs created for the unemployed through EPWP	The EPWP Programme is a key government initiative, that contributes to government policy Priorities in terms of decent work & sustainable livelihoods, education,	To ensure that MTC provides employment opportunities to the required number of individuals through the EPWP programme, supporting their livelihoods and	EPWP list ID documents Proof of payments (Bank POP or payment register) Contracts	Participants Reconciliation: - Reconcile the number of individuals identified through contract and payment verification with the	Funding availability and cash flow constraints	Cumulative	Quarterly	Yes	To provide EPWP opportunities to the targeted number of individuals as set out in the Business Plan.	Network Operations

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
		health; rural development; food security & land reform and the fight against crime & corruption. EPWP subscribes to outcome 4 which states "Decent employment through inclusive economic growth."	development.		listing of EPWP. - Resolve any discrepancies or inconsistencies to ensure an accurate count.						
11.	Unqualified audit opinion	Unqualified audit opinion expressed by the external auditors on audit of MTC's annual financial statements	To ensure that effective and efficient internal controls are developed and implemented to promote sound internal control environment, accountability, compliance and transparency. .	External audit report issued by Auditor General in each financial year	Completed external audit	No specific limitation	Non - Cumulative	Annually	No	To achieve unqualified audit opinion	Chief Financial Officer
12.	% Resolution of AG findings	It measures the number of audit findings resolved against the total number of audit findings issued by the AGSA	Improve the control environment of the organisation	AGSA findings tracking reports submitted to Executive Committee (EXCO) as well as the Audit and Risk Committee. Internal audit reports or Internal and External Audit Findings dashboards	Total number of Auditor General findings resolved/total number of Auditor General findings	Departments not resolving findings	Cumulative	Quarterly	Yes	100% Resolution	Chief Financial Officer

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
13.	% Resolution of Internal Audit findings	The indicator refers to the closing of audit findings that are due for implementation.	Improve the organisation's control environment	Internal Audit reports or Internal and External Audit Findings dashboards	Total number of internal audit findings resolved/total number of internal audit findings (excluding findings that are less than 60 days) *100	Departments not resolving findings	Cumulative	Quarterly	Yes	100% Resolution of AG findings	CFO, CAE, EXCO
14.	% of Strategic Risk Mitigation action plans implemented	The KPI refers to the monitoring of Strategic Risk, the events which may affect the achievements of strategic objectives, these risks always align with the strategic setting, and once these risks are identified, the Head of the Department must provide resolutions or mitigations in terms of how they are planning to resolve.	The purpose is to ensure that every quarter, the comments on how they can implement their mitigation strategies and provide reasons for not implementing the action plan.	The strategic risks are recorded in the Excel spreadsheet with the calculation of the likelihood and impact to assess the inherent risk rating. The management action plans are recorded in the same spreadsheet with the implementation dates. We use the quarterly risk monitoring reports to record actions plans plus comments on the implementation by EXCO	(Number of action plans or risk mitigation strategies implemented for strategies/ total number of risk action plans planned) x 100	No specific limitation	Non - Cumulative	Quarterly	No	To achieve 100% of risk management mitigation/action plans implemented for strategic risks.	Risk Management

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
15.	Achievement of Service Level Standards	The indicator refers to tracking of the service level standard agreed on with the shareholder	Meet the service standards with the COJ. Improve customer satisfaction levels.	Approved service level standard report. Individual standard evidence as per SLS Technical indicator descriptor	The number of KPIs achieved in the Service Level Standards Agreement/ total no of Service Level Standards achieved multiply by 100	No specific limitation	Non – Cumulative	Output	Yes	100%	Network Operations GM

Table 10: Technical Indicator Descriptions

7.5. Service Level Standards Charter

MTC is committed to providing reliable, accessible, and customer-focused services that support the City of Johannesburg's Smart City objectives and vision. This Service Standards Charter outlines the level of service our clients and stakeholders can expect from MTC, reflecting our commitment to professionalism, responsiveness, and continuous improvement.

NO	SERVICE LEVEL STANDARD	2026/27 TARGET	2026/27 QUARTERLY PERFORMANCE TARGETS				MEANS OF VERIFICATION
			Q1	Q2	Q3	Q4	
1.	Response to acknowledgement incidents, requests, enquiries and complaints on network and ICT services	100% Within 1 hour of logging a call	100% Within 1 hour of logging a call	100% Within 1 hour of logging a call	100% Within 1 hour of logging a call	100% Within 1 hour of logging a call	• Signed monthly reports
2.	Resolution of P1 request and enquiries regarding network services	> 95% Within 4 hours of logging a call	> 95% Within 4 hours of logging a call	> 95% Within 4 hours of logging a call	> 95% Within 4 hours of logging a call	> 95% Within 4 hours of logging a call	• Signed monthly reports
3.	Resolution of P2 request and enquiries regarding network services	> 90% Within 8 hours of logging a call	> 90% Within 8 hours of logging a call	> 90% Within 8 hours of logging a call	> 90% Within 8 hours of logging a call	> 90% Within 8 hours of logging a call	• Signed monthly reports
4.	Resolution of P3 request and enquiries regarding network services	> 85% Within 3 days hours of logging a call	> 85% Within 3 days hours of logging a call	> 85% Within 3 days hours of logging a call	> 85% Within 3 days hours of logging a call	> 85% Within 3 days hours of logging a call	• Signed monthly reports
5.	Resolution of P4 request and enquiries regarding network services	> 100% Within 7 – 14-day days of logging a call	> 100% Within 7 – 14-day days of logging a call	> 100% Within 7 – 14-day days of logging a call	> 100% Within 7 – 14-day days of logging a call	> 100% Within 7 – 14-day days of logging a call	• Signed monthly reports

Table 11: MTC Service Standard Charter

PRIORITY LEVEL	DESCRIPTION
P1 – Critical	A complete service outage or critical incident affecting core network or ICT infrastructure with significant operational impact and no available workaround.
P2 – High	A major service degradation or partial outage affecting multiple users or key services, with limited functionality or workarounds available.
P3 – Medium	A localised or moderate issue affecting specific users, sites, or non-critical services, with manageable impact on operations.
P4 – Low	A routine service request, enquiry, or planned activity with no immediate impact on service delivery.



CHAPTER 8: FINANCIAL PLAN AND IMPACT



8. FINANCIAL PLAN AND IMPACT

8.1. Budget Summary and Sources of Funding

The Metropolitan Tech Company's operations are financed through a combination of an unconditional subsidy from the City of Johannesburg and own-revenue generation streams. These revenue streams include the provision of ICT services, digital infrastructure support, and broadband connectivity solutions to City departments, municipal entities, and other authorised stakeholders.

Below is the breakdown of the entity's budget:

Line Item	Audited Outcome 2024/25 R 000	Tabled Budget 2025/26 R000	Adjusted Budget 2025/26 R000	MTREF			
				2026/27 R000	2027/28 R000	2028/29 R000	
Revenue(excl. capital grants)	287 190	13 791	13 791	14 259	14 715	3.2%	15 187
Internal revenue	224 856	535 247	605 089	552 321	577 173	4.5%	603 147
Total Operating Revenue	512 046	549 038	618 880	566 580	591 888	4.5%	618 334
Expenditure	291 687	360 189	430 031	372 236	384 836	3.4%	397 807
Internal expenditure	339 635	188 849	188 849	197 347	206 228	4.5%	215 509
Taxation	-31 804	0	0	0	0	0%	0
Total Operating Expenditure	599 518	549 038	618 880	569 583	591 064	3.8%	613 316
Capital Budget		20 000	20 000	20 680	21 342	3.2%	27 043

Table 12: MTCHigh Level Budget Summary

8.2. Strategic Intervention

Key Priority	Good governance						
Statement / Issue	Implementation of Smart City Programs						
Strategic Programme	Contracted services and other expenditures						
Projects	Progress	Timelines		Benefit / Beneficiaries		Responsibility	Dependencies
Audit fees, Board fees and training	The entity incurs the cost as and when basis.	During the current financial year.		More qualitative and reliable financial statement. Compliance with applicable legislations.		MTC	None
Budget	Audited Outcome 2024/25	Tabled Budget 2025/26	Adjusted Budget 2025/26	MTREF			
	R 000	R000	R000	2026/27 R000	2027/28 R000	2028/29 R000	
Direct Revenue							
Direct Expenditure	75 486	49 934	49 934	51 632	53 284	54 989	
Capex							

Table 13: : Implementation of Smart City Programmes

Key Priority	SMART CITY					
Statement / Issue	The cost incurred to render services to the customers					
Strategic Programme	Cost of sales					
Projects	Progress	Timelines	Benefit / Beneficiaries		Responsibility	Dependencies
Numerous projects are being undertaken on behalf of external customers, City departments and entities	Depends on project-by-project basis but the majority of the projects undertaken had already been finalized.	Depends on a project-by-project basis	Financial sustainability as the entity generates revenue from external customers. The city will be able to provide services to the public.		MTC	The project required by the City department and entities.
Budget	Audited Outcome 2024/25 R 000	Tabled Budget 2025/26 R000	Adjusted Budget 2025/26 R000	MTREF		
				2026/27 R000	2027/28 R000	2028/29 R000
Direct Revenue						
Direct Expenditure	77 841	85 238	154 028	86 257	89 133	92 045
Capex						

Table 13: : Implementation of Smart City Programmes

Key Priority	SMART CITY					
Statement / Issue	Implementation of Smart City Programmes					
Strategic Programme	Office upgrade and WIFI Management and Commercialisation					
Projects	Progress	Timelines	Benefit / Beneficiaries		Responsibility	Dependencies
WIFI Management and Commercialisation	The Entity has committed	Before the end of the 2025/26 financial year.	CoJ will attract revenue from advertisers on the system. Mass communication can be sent to the citizens who connect to the Wi-Fi. The CoJ will have better insight into the citizens using the free WIFI.		MTC	None
Budget	Audited Outcome 2024/25 R 000	Tabled Budget 2025/26 R000	Adjusted Budget 2025/26 R000	MTREF		
				2026/27 R000	2027/28 R000	2028/29 R000
Direct Revenue						
Direct Expenditure						
Capex	2 914	20 000	20 000	4 400	6 275	6 275

Table 13: : Implementation of Smart City Programmes

Day-to-day Programmes					
Activity		Benefit / Beneficiaries		Responsibility	Dependencies
Operating expenditure		The Entity will be able to incur the normal day-to-day expenses and be able to provide services as per its mandate.		MTC	None
Budget	Tabled Budget 2025/26 R000	Adjusted Budget 2025/26 R000	MTREF		
			2026/27 R000	2027/28 R000	2028/29 R000
Direct Revenue					
Direct Expenditure	241 043	242 095	250 917	259 518	268 419
Capex					

Table 1c: Day-to-Day Programmes

8.3. Operational Expenditure

Operating Budget	Tabled Budget 2025/26 R000	Adjusted Budget 2025/26 R000	MTREF		
			2026/27 R000	2027/28 R000	2028/29 R000
Green Economy					
Safer City	1 948	1 948	2014	2 078	2 144
Financial Sustainability					
Sustained Economic growth					
Energy mix					
Sustainable service delivery					
Infrastructure development and refurbishment					
Active and engaged citizenry					
Job opportunity and creation					
Good Governance	5 106	5 106	5 280	5 449	5 623
Smart city	112 092	180 882	114 025	117 791	121 621
Day-to-day programme	241 043	242 095	250 917	259 518	268 419
Total Operating Expenditure	360 189	430 031	372 236	384 836	397 807

Table 18: Summary of Programmes for Key Priorities

8.4. Capital Budget

Capital Budget	Tabled Budget 2025/26 R000	Adjusted Budget 2025/26 R000	MTREF		
			2026/27 R000	2027/28 R000	2028/29 R000
Green Economy					
Safer City					
Financial Sustainability					
Sustained Economic growth					
Energy mix					
Sustainable service delivery					
Infrastructure development and refurbishment					
Active and engaged citizenry					
Job opportunity and creation					
Good Governance	6 700	6 700			
A smart city	20 000	20 000	4 400	6 275	6 275
Day-to-day programme					
	26 700	26 700	4 400	6 275	6 275

Table 1S: Capital Budget Expenditure

8.5. Quantifiable Austerity Measures to Accommodate Strategic Interventions

The Actual Year to Date revenue is R529 Million compared to the annual revenue performance of R595 million for the previous financial year. For the current performance, MTC has seen operational sales performance totaling R360 million and R169 million in subsidy revenue. This displays a lesser reliance on subsidies. More than 60% of the subsidy amount received is used to service the shareholder loan balance, a reduction in the budget will result in the Entity not being able to service the expected loan repayments when due. The Entity is following guidelines from the National Treasury on cost containments

8.5.1. How Budget Will Improve Customer Care and End User Experience

The Capacitation of the MTC staff will ensure the Entity delivers better on its mandate by filling critical positions which affect operations and the delivery of key city projects. Stakeholder satisfaction will be improved. Therefore, MTC aims to improve its performance by using automated performance management systems.

8.5.2. Salary Cost

The Entity is currently under-capacitated with critical positions not being filled due to budget constraints. This was further communicated by the office of the AGSA as a finding in the 2021/22audit. The vacancy of these positions affects the optimal functionality of the Entity to serve its customers. The salary cost is presented below:

Costs	Audited Outcome 2024/25 R 000	Tabled Budget 2025/26 R000	Adjusted Budget 2025/26 R000	MTREF		
				2026/27 R000	2027/28 R000	2028/29 R000
Board members of entities	2 592	2 117	2 117	2 189	2 259	2 331
Executive – section 57 of Systems Act	12 770	12 223	12 223	12 804	13 374	13 969
All other staff	42 324	30 347	31 489	33 631	35 127	36 690
Total Remuneration	57 686	44 687	45 827	48 624	50 760	52 990

Table 20: Salary Cost



CHAPTER 9: COMMUNICATIONS AND STAKEHOLDER



9. CHAPTER 9: MANAGEMENT AND ORGANISATIONAL STRUCTURES

The Metropolitan Tech Company's corporate strategy is enabled by organisational arrangements deliberately structured to support its strategic priorities and operational mandate. These arrangements align the organisation's structure, systems, and functions with its role as the City of Johannesburg's digital connectivity and Smart City enablement partner.

This alignment strengthens implementation, improves operational efficiency, and ensures that strategic objectives are translated into effective service delivery. Through this approach, MTC is better positioned to optimise its digital assets, meet stakeholders' expectations, and deliver sustainable, technology-enabled value to the City.

9.1. Organisational Structure

The organisational structure of the Metropolitan Tech Company is designed to support the effective delivery of its strategic mandate, operational priorities, and service delivery objectives. The structure enables clear accountability, efficient decision-making, and alignment between strategic direction and day-to-day operations, ensuring that the organisation is appropriately configured to deliver sustainable digital infrastructure, ICT services, and Smart City enablement for the City of Johannesburg.

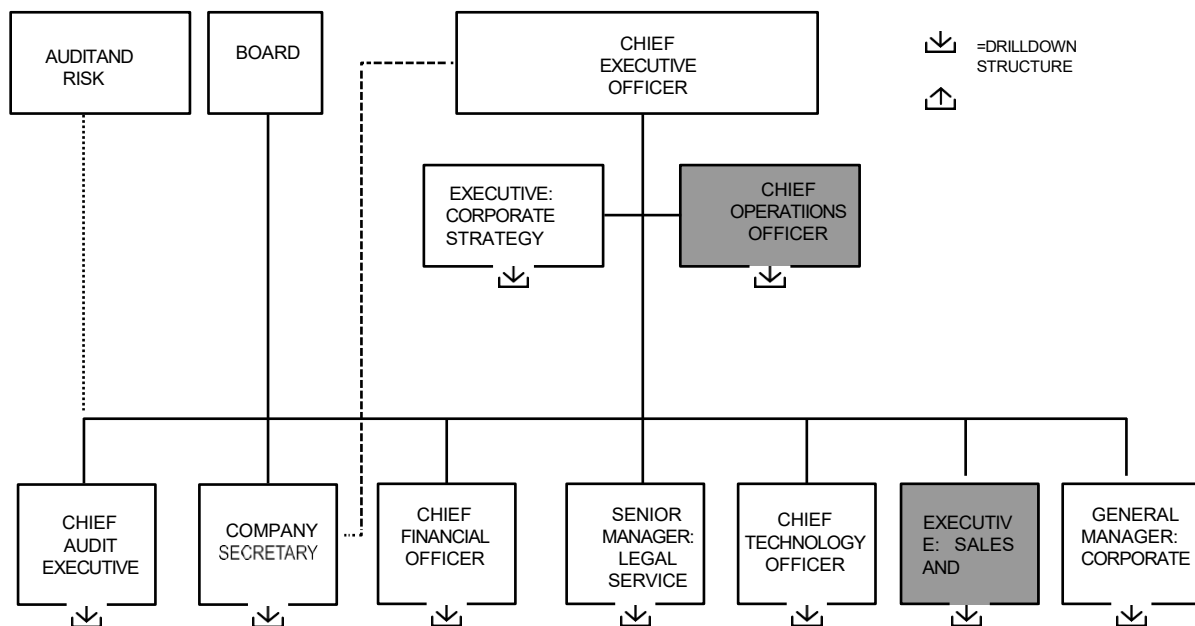


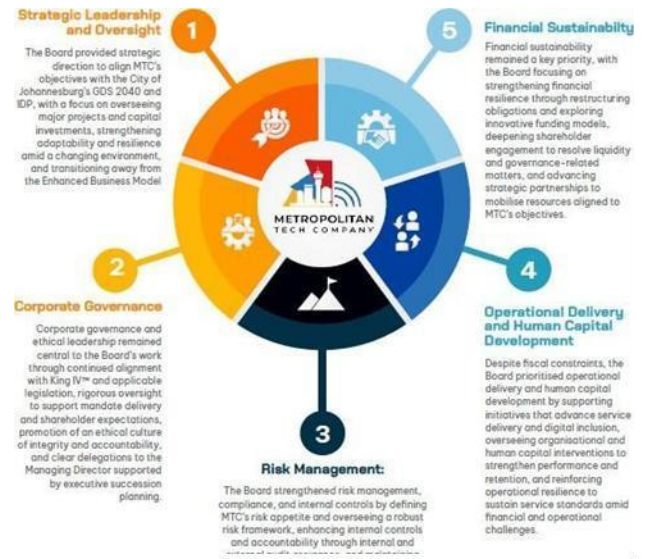
Figure c: MTC Organisational Structure

9.2. Governance

The MTC applies a governance framework that supports strategic direction, accountability, and responsible management in line with the City of Johannesburg's Group Governance Framework and all applicable legislation. Governance arrangements are structured to ensure that oversight, decision-making, and implementation responsibilities are clearly defined and effectively discharged.

The Entity is overseen by a Board of Directors appointed by the City of Johannesburg as the sole shareholder. The Board is responsible for approving strategy, monitoring performance, and ensuring that risks, compliance obligations, and ethical considerations are appropriately managed. To strengthen oversight and focus attention on key governance areas, the Board is supported by the following sub-committees:

- Audit and Risk Committee
- Human Resources, Social and Ethics Committee
- Service Delivery Committee



These committees operate in accordance with approved terms of reference and report formally to the Board. The Board meets regularly and retains full and effective control over the Entity through structured reporting and performance review mechanisms.

9.3. Management Team

Position	Name	Qualifications
Chief Executive Officer	Mr. Thedi Moropa	B. Com (Economics) PGDip (Business Management) Maters in Business Administration
Company Secretary	Ms. Madonna Rangaka	Bachelor of Law (LLB), Postgraduate in Risk Management, Certificate in Municipal Finance Master of Management: Development and Economics
Chief Audit Executive	Ms. Mirriam Sunda	MPhil(Corporate Strategy), PGdip (Internal Auditing), BCom (Internal Auditing), Certified Ethics Officer
Head of Risk and Compliance (Acting)	Mr. Mhlava Baloyi	Postgraduate Diploma in Risk Management Bachelor's Degree in Internal Auditing
Chief Finance Officer	Mr. Rajen Chetty	CA(SA), BCom Hons (Accounting)
Corporate Strategy and Reporting Executive (Acting)	Mr. Celani Mathenjwa	BTech Business Administration, Postgraduate Diploma in Business Management, Masters in Business Administration
Chief Technology Officer	Mr. Neani Mulaudzi	Bachelor of Commerce in Information and Technology Management

Table 21: MTC Management Team

9.4. Capacity Analysis

MTC adopts a holistic approach to capacity planning that considers skills availability, staff turnover, succession planning, employee wellbeing, and organisational alignment. Regular employee engagement, including an employee satisfaction survey conducted during the 2024/25 financial year, informs targeted improvement initiatives that are being implemented and will continue into the 2026/27 financial year.

To further strengthen organisational effectiveness, MTC will undertake a comprehensive organisational diagnosis to assess alignment between its strategy, operational delivery processes, organisational structure, and role clarity. This review will ensure that skills and resources are optimally configured to support performance, adaptability, and future business requirements.

During the 2024/25 financial year, a comprehensive institutional assessment was conducted, including a skills audit. The table below reflects the current distribution of employees across departments within the organisation.

DEPARTMENT	NUMBER OF EMPLOYEES
Finance	8
Audit, Risk and Compliance	5
Supply Chain Management	6
Company Secretary	2
Human Resource Management	4
Network Operations	26
Legal Services	1
Corporate strategy & reporting	5
Facilities	2

Table 22: Capacity analysis

From 2025/26, MTC focused on implementing targeted workforce initiatives to strengthen organisational capability and support its long-term strategic objectives. Priorities and focus include closing critical skills gaps, strengthening talent management and succession planning, optimising organisational design, aligning performance and culture with strategic objectives, and expanding technology-enabled learning and employee engagement initiatives.

9.5. Employment Equity

MTC recognises Employment Equity as a strategic enabler of organisational capability and service delivery. In line with the Constitution and the Employment Equity Act (Act 55 of 1998), MTC is committed to building a diverse, inclusive, and high-performing workforce that supports its mandate as a municipal-owned ICT and digital infrastructure entity.

Implementation of Employment Equity is integrated into broader organisational development and workplace transformation programmes and is guided by the current five-year Employment Equity Plan approved in 2020. While progress has been made, achieving Employment Equity targets remains challenging, particularly within technical and network operations that are traditionally male dominated and where there is limited availability of suitably qualified women and persons with disabilities. In response, MTC is implementing targeted development and internship initiatives focused on increasing representation, strengthening skills pipelines, and supporting sustainable workforce transformation.

Occupational Level	MALE				FEMALE				FOREIGNER		TOTAL
	A	C	I	W	A	C	I	W	MALE	FEMALE	
Top Management	1	0	1	0	2	0	0	0	0	0	4
Senior Management	4	1	0	0	0	0	0	0	0	0	5
Professional Qualified	3	3	0	0	6	0	0	0	0	0	12
Skilled Technical	14	0	0	0	9	1	1	1	0	0	26
Semi-Skilled	0	0	0	0	1	0	0	0	0	0	1
Unskilled	0	0	0	0	1	0	0	0	0	0	1
Temporary	2	0	0	0	3	0	0	0	0	0	5
TOTAL	24	4	1	0	22	1	1	1	0	0	54

Figure 8: Skills Assessment/ Analysis

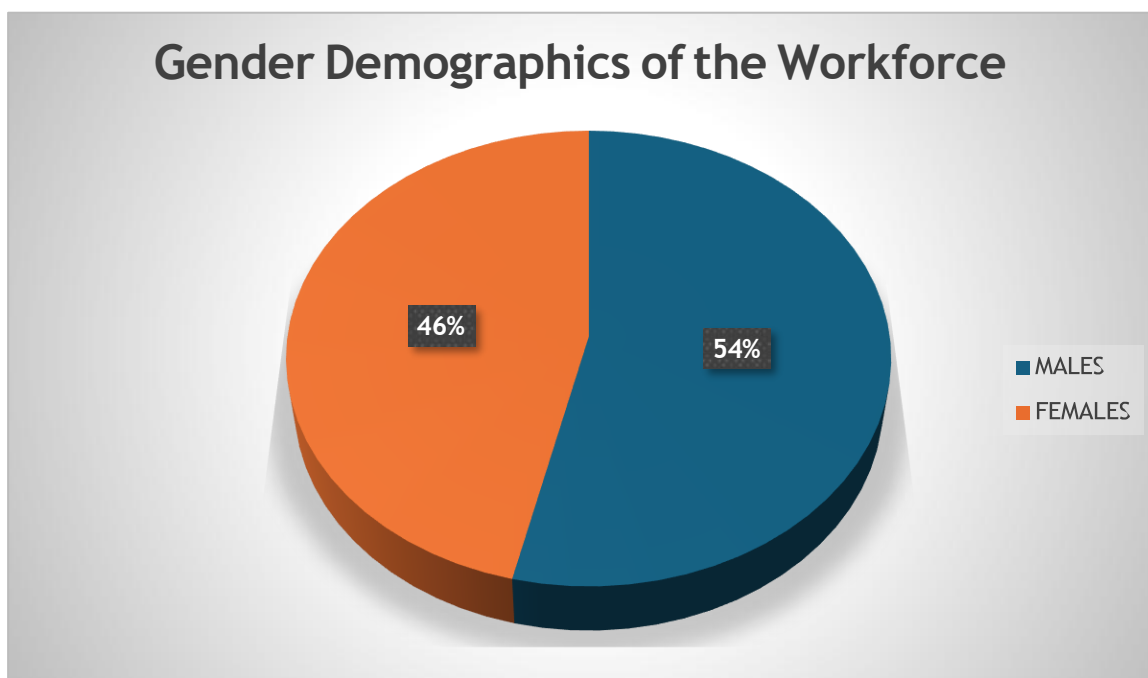


Figure S: Gender Demographics

An abstract graphic featuring a dark blue background with a complex, glowing light blue circuit pattern. The pattern consists of numerous interconnected lines and dots, resembling a microchip or a network diagram, extending across the top half of the page.

CHAPTER 10: MANAGEMENT AND ORGANISATIONAL STRUCTURE

A continuation of the abstract circuit pattern from the top section, featuring dark blue background and glowing light blue lines and dots, located in the bottom right corner of the page.

10. CHAPTER 10: COMMUNICATION AND STAKEHOLDER MANAGEMENT

MTC recognises effective communication and structured stakeholder engagement as critical enablers of its mandate as the City of Johannesburg's digital connectivity and Smart City enablement partner. Given the shared and interconnected nature of digital infrastructure, MTC operates within a complex ecosystem of municipal departments, municipal entities, regulators, service providers, and communities whose alignment is essential to sustainable service delivery.

This chapter outlines MTC's communication and stakeholder management strategies, approved in line with the revised organisational strategy and in support of the 2026/27 Business Plan. The approach is designed to enhance transparency, improve coordination, support infrastructure protection, and reinforce MTC's repositioned identity as a technology-led municipal entity.

MTC defines stakeholders as individuals, groups, or institutions that influence or are impacted by its operations, infrastructure, and strategic outcomes. Stakeholder management is therefore approached as a strategic function, embedded within governance, operations, and service delivery processes.

10.1. Communications Strategy

MTC's communication strategy focuses on ensuring clear, consistent, and timely communication with internal and external stakeholders in support of service delivery, infrastructure sustainability, and Smart City enablement.

10.1.1. Objective:

To ensure that the Metropolitan Tech Company communicates clearly and consistently with key stakeholders, including the shareholder, City departments, municipal entities, regulators, service providers, and the public—while promoting transparency, accountability, and awareness of MTC's role as the City's digital connectivity and Smart City enablement partner.

10.1.2. Key Focus Areas:

10.1.2.1. Communication of MTC Operations and Performance

MTC will regularly communicate its operational activities, service performance, strategic initiatives, and key achievements through appropriate channels such as the corporate website, internal platforms, stakeholder briefings, formal reports, and selected media engagements.

10.1.2.2. Digital-First and Multi-Channel Engagement

In line with its mandate, MTC adopts a digital-first communication approach, utilising online platforms, targeted stakeholder updates, and data-driven messaging, complemented where necessary by traditional media. Communication methods will be tailored to the needs of different stakeholder groups to ensure relevance and effectiveness.

10.1.2.3. Infrastructure Protection and Issue Management

Communication will play a critical role in supporting infrastructure protection by raising awareness of the importance of digital assets and coordinating messaging during service

disruptions or incidents. Issue and crisis communication protocols will be applied to ensure timely, accurate, and consistent responses.

10.1.2.4. Monitoring and Continuous Improvement

MTC will periodically assess the effectiveness of its communication efforts through stakeholder feedback, engagement metrics, and performance reviews. Insights gained will inform ongoing refinement of messaging, channels, and engagement approaches to ensure continued relevance and impact.

10.2. Stakeholder Engagement Strategy

Stakeholder engagement is guided by a structured approach based on stakeholder interest, influence, and impact, supporting coordinated planning, regulatory compliance, and effective service delivery.

10.2.1. Objective:

To engage proactively with key stakeholders and leverage MTC's strategic position as the City of Johannesburg's digital connectivity and Smart City enablement partner to strengthen collaboration, influence enabling policy frameworks, and ensure alignment with municipal, provincial, and national development priorities.

10.2.2. Key Focus Areas:

10.2.2.1. Strategic Stakeholder Relations and Policy Engagement

MTC's stakeholder engagement approach is guided by structured intergovernmental and sectoral engagement mechanisms, with a focus on maintaining strong relationships with the City of Johannesburg, municipal entities, regulators, provincial and national departments, and strategic ICT partners.

10.2.2.2. Ongoing and Structured Engagement Platforms

MTC participates in formal intergovernmental forums, practitioner-level engagements, and technical working groups that support coordinated planning and implementation. These engagements enable joint problem-solving, alignment of infrastructure programmes, and early identification of issues that may impact service delivery or network sustainability.

10.2.2.3. Feedback, Reporting, and Accountability

Stakeholder feedback is systematically gathered through structured engagements, bilateral meetings, allowing MTC to refine its approaches and respond to emerging risks and opportunities. Regular reporting to oversight and governance structures ensures accountability, transparency, and sustained stakeholder confidence in MTC's role and performance.

10.3. Stakeholder Matrix

- Shareholder

Interests & Concerns	Communication Objectives	Engagement Initiatives
• Delivery on mandate of bridging digital inequality • Proof that the rebranding supports strategic goals • Transparent financial and operational performance	To demonstrate performance, alignment with CoJ priorities, and how the new brand enhances service capabilities.	• Quarterly reporting • Annual Integrated Reports • Board & Shareholder briefings • Strategic rebranding progress updates

- Regulators

Interests & Concerns	Communication Objectives	Engagement Initiatives
• Compliance with legislation and ICT governance frameworks • Transparent reporting and updated brand documentation	To maintain full compliance and ensure regulators are informed of all operational and branding updates.	• Scheduled compliance meetings • Regulatory submissions • Updated legal documents reflecting the new brand

- Suppliers

Interests & Concerns	Communication Objectives	Engagement Initiatives
• Transparent procurement processes under the new brand identity • Clear SLAs and fairness in tender evaluations	To improve supplier trust, ensure clarity during procurement, and ensure brand- aligned documentation.	• Supplier onboarding sessions • Email and portal communication • Updated procurement toolkit with new brand identity

- Communities

Interests & Concerns	Communication Objectives	Engagement Initiatives
• Affordable, reliable connectivity • Education on vandalism and network protection • Awareness of MTC's new brand and services	To enhance community understanding of the new brand, promote anti-vandalism, and highlight service benefits.	• Brand awareness campaigns • Public and online engagements • Community workshops and anti-vandalism activations

- Employees

Interests & Concerns	Communication Objectives	Engagement Initiatives
• Job security and alignment with new brand direction • Updated internal communication and systems	To ensure employees understand the rebranding strategy, their role in it, and future growth opportunities.	• Internal brand launch • Town halls and intranet updates • Change management workshops

Communication KPIs

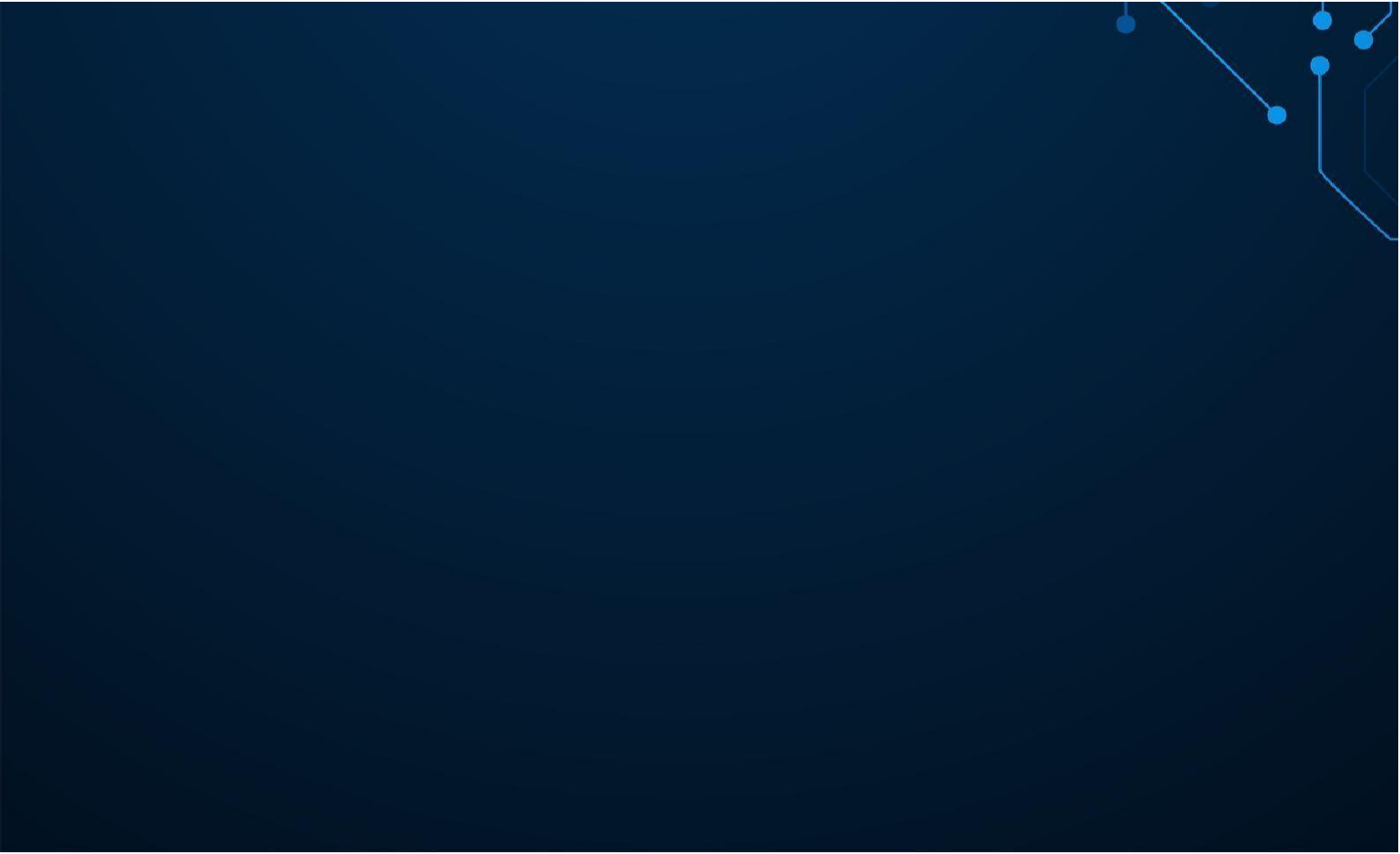
- Stakeholder satisfaction index
- Percentage of supplier queries resolved within SLA
- Community engagement reaches (digital and physical)
- Reduction in vandalism incidents after campaigns
- Internal communication effectiveness rating
- Shareholder reporting submitted on time

10.4. Communication Schedule

Stakeholder Group	Frequency	Communication Method	Responsible Party
Shareholder	Quarterly	Reports & meetings	Board Chairperson
Regulators	As required	Compliance sub-missions	Legal & Governance
Suppliers	Monthly	Email, portal, meetings	Supply Chain Unit
Communities	Quarterly	Campaigns & workshops	Communications Unit
Employees	Ongoing	Intranet, town halls	HR & Communications



CHAPTER 11: AUDIT RESOLUTIONS



11. CHAPTER 11: AUDIT RESOLUTION

The MTC reports are compiled in line 166 of the Municipal Finance Management Act; Treasury Regulation 3.1, King IV, and Companies Act and in line with the new and updated Global Internal Auditing Standards. MTC ARC playing a vital role in overseeing the implementation of the recommendation made by Internal and External audit of exceptions that have been raised but importantly on matters that affect the audit opinion.

The role of the audit and risk committee is to assist the Board by performing an objective and independent review of the functioning of the organisation's finance and accounting control functions. The audit and risk committee exercises its functions through close liaison and communication with corporate management and the internal and external auditors.

11.1. Progress on Resolution of Internal Audit Findings

Internal Audit conducts follow-up reviews monthly on the status of unresolved findings and provides status updates to the MTC Operation Clean Audit (OPCA) Committee, the Group Internal Audit Services, and the City Operation Clean Audit (OPCA) Committee.

The table below provides a summary of Internal Audit findings resolved from the 2019/20 to the 2023/24 financial period:

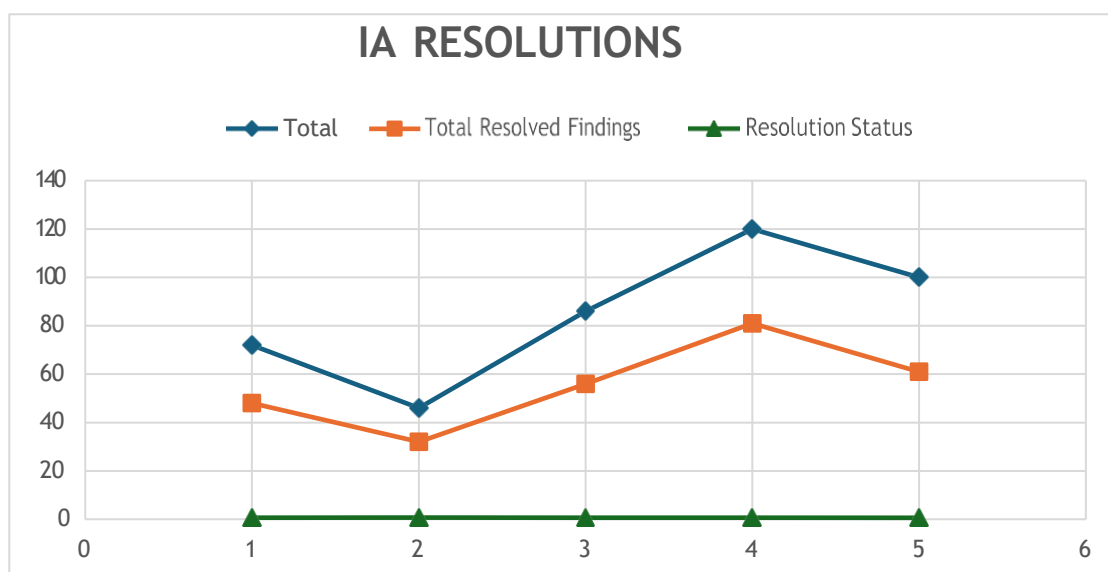


Figure 10: Internal Audit Findings Resolution Status

Financial Period	Total	Total Resolved Findings	Resolution Status
2023/24	72	48	67%
2022/23	46	32	70%
2021/22	86	56	65%
2020/21	120	81	68%
2019/20	100	61	61%

Figure 11: Internal Audit Resolution Breakdown

From the assessment above it can be deduced that there has been a slight improvement on the resolution of internal audit findings which moved from 61% in 2021/20 to 67% during the 2023/24 period. The major contributor in the environment relates to improved control design and capacitation of departments which previously lacked staff. Additionally, more findings have been raised on contract management and audit of predetermined objectives which require management attention.

11.2. Resolution of AG findings

Constitution S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements, and financial management of all Municipalities. MSA Section 45 states that the results of performance measurement must be audited annually by the Auditor-General. In 2023/24, MTC received an unqualified audit opinion with findings. The Auditor-General also identified areas of improvement for management.

The table below provides a summary of 5-year analysis of AG findings resolved from the 2019/20 to the 2023/24 financial period:

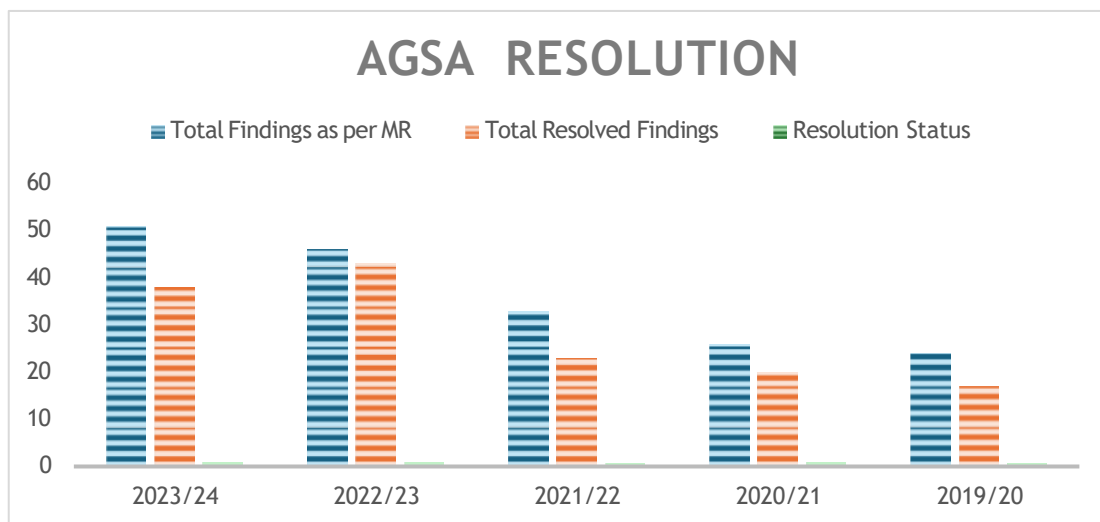


Figure 12: Auditor General Resolution

Figure 13: Auditor General Resolution

Financial Period	Total Findings as per MR	Total Resolved Findings	Resolution Status
2023/24	51	38	75%
2022/23	46	43	93%
2021/22	33	23	70%
2020/21	26	20	77%
2019/20	24	17	71%

Table 23: : Auditor General Resolution of External Audit Findings

The AGSA resolution rate has improved tremendously from 2019/20 at 71% to 2023/24 at 75%. This improved resolution has been noted in areas of corporate governance, ICT, Compliance and performance management. The major contributor in the control design has been the process of filling critical position within the entity which enhanced the business processes.

11.3. Progress on the current plan

Internal Audit conducted various audits for quarter one of 2025/26 period (1). The table below indicates the progress of Quarter One (1) based on the schedule Internal Audit Plan for the 2025/2026 financial year:

Current Performance Status

Status	Quarterly Target	Actual Performance	% Performance Achievement for 2025/26
Project as per plan Q1	5	5	100%

The list below indicates the total number of projects that were completed:

ref	Approved Plan	Plannin g	Fieldwor k	Final repor t	Comment s	Overall Rating
3	Performance Information (AOPO) Q4 Annual Performance				Complete	3
7	Stakeholder and Communication Management				Complete	3
14	Probity Reviews on High Value Tenders				Complete	3
15	Follow up on AG Findings Q1				Complete	4
16	Consulting - AG Readiness Assessment				Complete	3
28	Communication and Marketing				Complete	4

Table 24: total number of projects completed

In Progress  Not Started  Completed  Deferred  On hold 

11.4. Internal Audit Plan for the next two years

The overall key theme of the plan is “Partnering with management in delivering on its strategic objectives through an agile risk-based approach”. We would like our client (*management*) to see us as their partners in achieving their business objectives. Furthermore, we would like our auditors to excel and go the extra mile in providing relevant assurance and advisory service that is agile, timely and value-adding.

In our three-year strategic plan, we will be focused on the operations, performance and governance systems of the entity. Our overall audit focus would be as follows:

- Focus on strategic initiatives to be implemented in the next three (3) years,
- Advisory and consulting services,
- Proactive assurance for key priority areas,
- Financial management, Project Management and Information and Communications Technology,
- Compliance with applicable pieces of legislation, including Supply Chain Management processes,
- Operation clean audit,
- Control self-assessments; and
- Consideration of performance audits within areas selected for review.
- Value for money audits

The three (3)-year rolling Strategic Internal Audit Plan was formulated for the period 1 July 2025/26 - 30 June 2027/ 2028. The Strategic Internal Audit Plan covers all significant business risks across the various business units at MTC. Thirty-two (32) audits have been scheduled for the financial year 2025/26, 2026/27 and 2027/28 respectively.

The initial years of this strategic audit plan will provide management with formidable assurance and consulting services on the quality of the key financial and operational controls within each key business process. In our strategy, we have also allocated reasonable number of resources to assess efficiency and economical use of MTC's resources in delivering on the organisation's mandate. The audits will be updated accordingly to consider emerging risk and the audit outcomes achieved. The table below highlights the various auditable areas:

##	Auditable Areas	2026/27	2027/28
1.	Human Resources Management-Performance Management	X	X
2.	Contract management	X	X
3.	Performance Information (AOPO) Quarter 1	X	X
4.	Performance Information (AOPO) Mid- year	X	X
5.	Performance Information (AOPO) Quarter 3	X	X
6.	Performance Information (AOPO) Annual Performance Review	X	X
7.	Stakeholder Management review	X	X
8.	Project Management	X	X
9.	Supply Chain Management	X	X
10.	Asset Management	X	X
11.	Compliance review	X	X
12.	Financial Discipline Review	X	X
13.	Risk Management review	X	X
14.	Probity Reviews on High Value Tenders (Dependent on Acquisition plan)	X	X
15.	Follow up on AG Findings	X	X
16.	Consulting - AG Readiness Assessment	X	X
17.	Applications control review	X	X

##	Auditable Areas	2026/27	2027/28
18.	IT General Controls review (ITGC)	X	X
19.	Quality Assurance Review on the Business Plan	X	X
20.	Quality Assurance Review on the Scorecards	X	X
21.	Quality Assurance on Performance rewards	X	X
22.	Quality Assurance on the Mid-year deviation process	X	X
23.	Corporate Governance and Ethics	X	X
24.	Cyber Security	X	X
25.	Unauthorised, irregular, fruitless and Wasteful Expenditure investigations	X	X
26.	Leave Management	X	X
27.	Performance Audits on projects	X	X
28.	Communication and Marketing review	X	X
29.	Service Standard Audit	X	X
30.	Performance Management review	X	X
31.	Occupation Health and Safety audit	X	X
32.	Strategy planning, monitoring, and reporting	X	X

Table 25: various auditable areas

Note The Constitution S188 (1) (b) states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements, and financial management of all Municipalities. MSA Section 45 states that the results of performance measurement must be audited annually by the Auditor-General. In 2023/24, MTC received an unqualified audit opinion with findings. The Auditor-General also identified areas of improvement for management. The table below highlights the AGSA audit opinion for MTC over 5 years.

MTC has continued to achieve an unqualified audit opinion from 2021/22 to date, and continuous attainment has been attributed to the improved control environment, oversight governance support structure and the Board support on the implementation of measure to improve the system of governance and performance within the organisation.

The table below highlights the AGSA audit opinion for MTC over 5 years.

	2019/20	2020/21	2021/22	2022/23	2023/24
Audit opinion on AFS	Unqualified Audit Opinion	Qualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

Table 2c: Audit Outcomes

11.5. Interventions in place to ensure resolution of findings

The ultimate responsibility of resolving Internal and External audit findings lies with management. Internal Audit has the following interventions in place to assist management in resolving the Internal and External Audit findings:

- Follow-ups conducted on a Monthly basis on both Internal and External audit findings.
- Monthly Combined Assurance Meetings to hold risk champions accountable for their department's findings.
- Quarterly OPCA Sessions with management to discuss unresolved findings