

**City of Joburg Property Company
2015/16 Business Plan**



a world class African city



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1. INTRODUCTION

The City of Johannesburg Property Company SOC Ltd (JPC) business plan has taken an inter-cluster approach and aligned its projects and programmes in line with the Department of Economic Development (DED) business plan, including identifying areas of cooperation between the DED and its other ME's, Joburg Market in order to deliver on its mandate. It has also taken into account the priority implementation plans of the other clusters into consideration. The following background, therefore, outlines the consensus reached during several inter-cluster strategic sessions to focus on SMME and entrepreneurial development as a driver of economic growth and development.

2. CITY OF JOBURG PROPERTY COMPANY CORPORATE PROFILE

Background

JPC was established in 2000 as a private company and was wholly owned by the City of Johannesburg. JPC was converted into a "state owned company" following the implementation of the Companies Act of South Africa, 2008 (Act No. 71 Of 2008). Consequently, JPC must comply with the legislative framework and reporting requirements applicable to any company in South Africa. This includes, but is not limited to, the Companies Act. As an independent municipal entity, the company is also subject to the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA).

JPC subscribes to high ethical standards and principles of corporate governance and is in the process of ensuring full compliance with King III, published in 2010, and with the provisions of the new Companies Act.

JPC is mandated by its sole shareholder, the (CoJ), to carry out the following:

- Property development
- Property management
- Facilities management which includes Informal trading and Public Transport;

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- Asset management
- All ancillary services related to the above

The company was established to support the Council's economic and social objectives as outlined in the Growth and Development Strategy (GDS), as well as Mayoral strategic priorities aimed at making Johannesburg a "World-class African City". JPC's primary goal in supporting the vision and mission of the 2040 Growth and Development Strategy (GDS) is based on recognising and emphasising its role as an economic and social property agency to achieve positive developmental outcomes. These strategic objectives are aligned with the strategies of the Economic Growth, Human and Social Development, Sustainable Services, and Governance clusters, as well as various Integrated Development Plan (IDP) programmes. The company ensures that economic growth and job creation occur to address socio-economic disparities and legacies of discrimination and inequality, as well as:

- Establishing and maintaining a property Asset Register relating to the Council-owned properties;
- Realising value (social and economic) for the CoJ through the management and development of Council-owned properties;
- Maximising the social and economic development of the Council-owned properties and mobilising private and public capital to increase their value and long-term returns;
- Supporting economic development and aligning the CoJ property portfolio with CoJ priorities;
- Increasing the effectiveness of economically viable municipal and social use of properties;
- Transformation and Social Programme- JPC transferring or leasing to SMME's, Co-Ops NGO and Community organization;
- Managing risk and return with respect to the property portfolio and property transactions for the CoJ;
- Ensuring that the Company has developed the systems, infrastructure, and personal skills to achieve its objectives;
- Resuscitation of declining nodes by transfer or lease under the Land Regularization Programme;
- Commercialization of Facilities Management with the focus on SMME development;

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- Space optimization programme which incorporates workplace accommodation to ensure better staff mobility.

3. DESCRIPTION OF CORE BUSINESS

JPC provides an all-encompassing range of property services required for the management and development of the property portfolios of the CoJ and the MOE's. Our core business, as a result of the implementation of the institutional review, has expanded to include facilities management to provide an overall property service. These services are commissioned on a sole-agency basis to administer the acquisition, disposal and conveyance of all land required for rendering municipal services. JPC manages approximately R10 billion of the City's immovable property portfolio. The CoJ Property portfolio is diverse with approximately 30 000 properties under management, covering 41 000 hectares that spans across 7 municipal regions.

In terms of the institutional review the company is divided into the following core business functions:

- **Property asset management**

This entails the strategic management of the City's property portfolio, to ensure maximisation of portfolio returns in line with JPC's social and economic mandate

Asset management plans (maintenance of the land asset register and the reconciliation of the asset register).

- **Facilities Management**

Facilities management is an interdisciplinary field coordinating best use of space, building services and infrastructure, people and provision of a range of supplies and services for the City of Johannesburg and its entities.

The Facilities Management Unit is set to be transformed from its current role in managing and maintaining a set number of buildings to being focused in rendering services to all Municipal owned properties.

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JPC has set out a holistic approach to facilities management and maintenance of City properties.

- **Property management**

There are two functions to property management namely commercial and social. The social returns are minimal and the commercial aspect subsidizes the social aspect. This function involves obtaining and maintaining value from the property portfolio by effectively administering and leasing, acquiring and selling and lastly ensuring maintenance of the property.

JPC is an organization focused on the management of Council owned properties to maximize social and economic opportunities and generate significant financial returns. The impact on the future operations and budget is under review and should result in optimal management of the COJ property portfolio. JPC has embraced the resolution of the COJ and will use this opportunity to review and improve all processes to ensure optimal staff growth and development as well as transformation.

4. JPC VALUES

Company values have become an ethical foundation for all organizations and are therefore fundamental to the JPC's success. Such values are not just important but crucial to the overall ascendancy of JPC. The following values were identified and adopted by JPC:

- Professionalism;
- Accountability;
- Responsibility;
- Customer Service; and
- Trust.

5. STRATEGIC OBJECTIVES

The strategic objectives were reviewed and aligned to the newly approved JPC 2040 Transformation through property strategy which fully supports the overall Joburg 2040 strategy.

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In order to ensure streamlined and focused service delivery, JPC has identified the following strategic objectives:

- To provide effective and competitive facilities management services to the City of Johannesburg's entities and departments;
- To efficiently support City decision-making on its property portfolio;
- To leverage property value through property development in the social and economic interests of the City.

In the medium term the City and the JPC should have the objectives of:

- *in facilities management*, systematically increasing service performance and scope within the City;
- *in property administration*, getting a firm grip on property asset register; implementing a sound strategic framework for property decision-making; re-engineering administrative processes to cut transaction times in half; and finalising the land regularisation and restitution process;
- *in property development*, establishing new specialist capacities, a commercial property portfolio, and rationalising and internalising CoJ office space requirements.

At the end of the first decade JPC envisages:

- (a) a facilities management service which performs well throughout the City;
- (b) a property administration service where rapid responses and efficiency are routine;
- (c) asset management activities which have caused property values to appreciate and significant rental returns to be generated;
- (d) property development activities including effective management of property funds and selected property or land development ventures.

The company's strategic objectives are closely linked to the Mayoral priorities and to the following clusters:

- Economic Growth
- Human and Social Development

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- Sustainable Services
- Good Governance

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6. CLIENT CHARTER AND SERVICE STANDARDS

See Annexure A for client service charter.

System that have been implemented to measure and improve service standards and turnaround times

- Queue management system that measures the waiting time and the volume of transactions
- PIMS system which provides the following:
 - Query resolution time
 - Age analysis of outstanding applications
 - Volume of transactions
 - Categorisations of transaction per regions and types
 - Automated notification to clients
 - Escalation process on open queries

Management exception reports

Independent auditors to verify the selected transactions

7. PEST ANALYSIS:

The property environment within which JPC operates is affected by the macro-environment factors such as political (and legal) forces, economic forces, socio-cultural forces and technological forces as follows:

Political (incl. Legal) factors	Economic factors
<u>Regulations</u> <ul style="list-style-type: none">• The Municipal Asset Transfer Regulations, 2008 which regulates the transfer and permanent disposal of non-exempted capital assets by municipalities and municipal entities in order to facilitate the enforcement and administration of section 14(2) of the	<ul style="list-style-type: none">• Long approval processes increase holding costs of property such as security, cleaning and maintenance, which also increase the risk of illegal occupation and vandalism;• Economic growth and investor confidence affects the property market;• Delays in economic development and job

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<p>Municipal Finance Management Act 56 of 2003, which is to attain a council resolution before the alienation (lease or sale) of any council owned properties. These regulations hinder the process of the City in the alienation of land due to lengthy compliance requirements;</p> <ul style="list-style-type: none"> • Environmental regulations and protection - National Environmental Management Act, 1998; • The introduction of the National Credit Act and the global economic meltdown significantly impacting on the growth and demand for residential, commercial and industrial properties; • Formalities in respect of Leases Act, 1969. 	<p>creation; and</p> <ul style="list-style-type: none"> • At the moment the bank rates have been firm and stable for the last three (3) years with a downward trend which may impact future years.
<p>Socio-cultural factors</p>	<p>Technological factors</p>
<p>The skewed disposal income in different regions will adversely impact the property transactions in areas where the levels are low.</p>	<p>Innovative construction methods should be investigated to ensure cost reduction.</p>

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8. SWOT ANALYSIS:

Below are the SWOT elements that would have an impact on the effective implementation of the corporate strategy.

<p>Internal</p>	<p>Strengths</p>	<p>Weakness</p>
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<ul style="list-style-type: none"> • Good and reliable top management; • A shareholder that supports social transformation(being part of the JPC mandate); • Extensive experience in property management, development, asset management and facilities; • Solid understanding of legislation and ability/commitment to work within it; • Island of excellence in property management; • JPC is the sole agent of the CoJ with a mandate to manage Council owned properties on behalf of the City in terms of the SDA with the City; • Captive CoJ market- All CoJ entities can be encouraged to make use of FMM services. • Committed leadership • Increased mandate allowing for some level of risk • Capacity to up-skill employees and organisation • Solid institutional relationships including ability to work in close conjunction with Planning Department and DED • Large repository of expert property knowledge • A shareholder that supports social transformation (being part of the JPC mandate). • Access to capex and operating budgets 	<ul style="list-style-type: none"> • Mismatch of skills (middle management and lower levels) within the organization; • Inadequate funding; • Cumbersome land processes; • Lack of proper contracting with clients (SLAs); • Slow acquisition of property through lack of budget; • Legislative mismatch- MFMA vs Transformation charter ; • Overlaps with City Departments/MOEs; and • Dependency on City departments /MOEs resulting in delays in implementation of property strategies. • Uncertainty caused by the merging of the three entities • Confused vision, lack of integration of culture, work ethic, processes and systems • Skills mismatch – lack of specific skills • Lack of capacity, skills and financial and operational resources • Lack of proper contracting with clients (SLAs) • Incomplete asset register • Decreased financial assistance from COJ - requirement to be financially independent and sustainable and contribute to the total city revenue
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	<ul style="list-style-type: none"> • Alignment and access to CoJ which is a regulator and policymaker • Captive CoJ market - all CoJ entities can be encouraged to make use of FMM services • Strong CoJ balance sheet which can be leveraged • Financial sustainability for as long as FMM revenue collection accrues to JPC • The ability of the finance department to integrate the finances of all three entities in a short timeframe with minimal disruption 	<ul style="list-style-type: none"> • Lack of a sustainable revenue model until JPC is managing sufficient FM contracts and developing sufficient properties • Gap between earnings and salary bill • No clear role definition between JPC & other CoJ departments • SDA and SLAs needs to be developed for centralised facilities management • Legislative mismatch – MFMA vs. transformation charter • Slow acquisition of property through lack of budget
External	<p>Opportunities</p> <ul style="list-style-type: none"> • Maximization of revenue through the outdoor advertising portfolio and creation of a property fund; • International investment: investigating alternative sources of revenue which can be generated from the property asset; • CoJ office space optimisation; • Comprehensive database of properties which can be used for strategy formulation; • Assist emerging black facility management companies and property development. • New way of doing business • CoJ office space optimisation • Sole provider of property in the city – to 	<p>Threats</p> <ul style="list-style-type: none"> • Vandalism to property portfolio; • Land invasions & illegal occupation of land parcels; • Fraudulent land sales; • Lack of property ownership in high value areas; • Cumbersome CoJ’s land approval processes for land transactions. • Risky transition/integration • JPC long term strategy vs. political term of office • Resistance towards turnaround strategies • Budget constraints • Loss of specialised skills • Mature property market which is risk-prone

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| <ul style="list-style-type: none"> • become a national player eventually • To create a JPC which is an employer of choice • Transformation of the property market • Assist emerging black facility management companies and property development • Creation of jobs for the unskilled labour market • Integrated and centralised approach to facilities management at market prices and standards (to include non-specialised services/assets) to MEs and other City buildings • Leverage off the Centre of knowledge • Optimise on economic opportunities – taxi facilities • Build on market trends and densification • Comprehensive database of properties which can be used for strategy formulation • Improve intergovernmental relationships • Integrated and centralised approach to facilities management at market prices and standards (to include non-specialised services/assets) to MEs and other City buildings • Engage clients through contracts, and decline requests from clients not contracted to JPC | <ul style="list-style-type: none"> • Lack of property ownership in high value areas • Lack of diversification in property investment • Impact of the economy on property development • Existing council process not beneficial to decision making – negative impact • No formalization of relationship with taxi associations and informal traders with transportation departments and economic development • Vandalism of structures/facilities • Competing with external service providers providing service at market related prices • Private property developers abuse/constrain JPC's expansion into property development value chain • Certain governance procedures such as the early adoption of GRAP 105 will have to be implemented in a short period of time. Non-compliance within the timeframe will result in audit queries • The culture of the organisation has not been determined, integration is not complete and the benefit and disadvantages cannot be measured yet |
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Table: Desired Outcomes: City priorities/ flagships and IDP programmes

Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
Sustainable Human Settlements focusing on	IDP Sub Programmes Targeting deprived spaces and communities Facilitation of the area based economic initiatives	Implementation of the management model of the public conveniences and informal traders' facilities.	Implementation of the management model of the public conveniences and informal traders' facilities.	Implementation of the management model of the public conveniences and informal traders' facilities.
	Land Management and acquisition programme Transit Oriented development (TOD) Programmes From informal settlement to sustainable human settlement programme	Acquisition of properties along the Transit Oriented Development and support the housing master plan(Priority Areas(corridors and nodes)	Acquisition of properties along the Transit Oriented Development and support the housing master plan (Priority Areas(corridors and nodes)	Acquisition of properties along the Transit Oriented Development and support the housing master plan(Priority Areas (corridors and nodes)

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Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
Financial sustainability Economic Growth	IDP Sub programmes Financial sustainability Leveraging of City Owned Assets	R110m of rental income from leases and servitudes sales, servitudes and acquisition	R120m of rental income from leases and servitudes sales, servitudes and acquisition	R130m of rental income from leases and servitudes sales, servitudes and acquisition
	Revenue maximization	Revenue from Outdoor Advertising	Implementation of the outdoor advertising strategy	Improved revenue from Outdoor Advertising

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Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
SMME and entrepreneurship development Agriculture and food security	Develop a dynamic entrepreneurial spirit, competitiveness, innovation and increased investment through support to SMME	Implementation of the Incubator Programme for emerging property entrepreneurs	Implementation of the Incubator Programme for emerging property entrepreneurs	Implementation of the Incubator Programme for emerging property entrepreneurs
		Implementation of Property Skills Programme	Implementation of Property Skills Programme	
		Allocation of properties for agricultural and food security with the focus on SMME , Co-ops and Informal Traders	Allocation of properties for agricultural and food security with the focus on SMME, Co-ops and Informal Traders	Allocation of properties for agriculture, food security with the focus on SMME –Co-ops and Informal Traders
		Allocation of property to Youth development	Allocation of properties to Youth Development	Allocation of properties to Youth Development

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Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
		<p>programs to address youth unemployment and to encourage youth to enter into the property space</p>	<p>programs to address youth unemployment and to encourage youth to enter into the property space</p>	<p>programs to address youth unemployment and to encourage youth to enter into the property space</p>
		<p>Transformation and Social Programme- JPC transfers or lease 4000 SMME and Co-Ops NGO, Community organisation</p>	<p>Transformation and Social Programme- JPC transfers or lease cumulative 8000 to SMME and Co-Ops NGO, Community organisation.</p>	<p>Transformation and Social Programme- JPC transfers or lease cumulative 13000 to SMME and Co-ops NGO, Community organisation.</p>
		<p>Commercialization of Facilities Management with the focus on SMME</p>	<p>Commercialization of facilities management with the focus on SMME</p>	<p>Commercialization of facilities management with the focus on SMME</p>

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Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
		development	Development	Development
Investment Attraction, Retention and Expansion	Leveraging of City owned facilities	Office Space Optimisation (Phase 1- JHB CBD Construction of the Council Chamber Wing)	Office Space Optimisation (Phase 2- JHB CBD and other critical areas as identified in the project plan) See Annexure B	Office Space Optimisation roll out of the other phases as outlined in the project plan) See Annexure B
Sustainable Human Settlement	Revenue maximization			
SMME and Entrepreneurial development and support	Develop a dynamic entrepreneurial spirit, competitiveness, innovation and increased investment through support to SMME	Space optimization programme which incorporates workplace accommodation to ensure better staff mobility	Space optimization programme which incorporates workplace accommodation to ensure better staff mobility	Space optimization programme which incorporates workplace accommodation to ensure better staff mobility
Green Economy and Resource resilience				
Safer Cities				

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Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
Sustainable Human Settlement SMME and Entrepreneurial development and support Investment Attraction, Retention and Expansion Green Economy and Resource resilience Safer Cities		Densification and enterprise development programme Identify, rezone and release 3 hectares of land along the Corridors of Freedom and TOD's for land densification and residential densification as a pilot project.	Development and construction of the densification and enterprise programme along the Corridors of freedom and TOD's for land densification.	Continue with the densification and enterprise development programme
		To accommodate 220	To accommodate 500 residential units	To accommodate 1000 residential units

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Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
		residential units The promotion of small and medium sized black owned property companies.	The promotion of small and medium sized black owned property companies.	The promotion of small and medium sized black owned property companies.
		Transformation and development of the property industry particularly the low end income earning groups.	Transformation and development of the property industry particularly the low end income earning groups.	Transformation and development of the property industry particularly the low end income earning groups.
Safer Cities SMME and Entrepreneurial development and support		Identification and establishment of the market	Partnership with informal traders in managing the trading facilities.	Partnership with informal traders in managing the trading facilities. Allocation of spaces to

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Key Flagship Programmes	IDP Sub Programmes / Strategic Intervention	Desired outcome: Short-term 1 year	Desired outcome: Medium-term 2-4 years	Desired outcome: Long-term 4+ years
Investment Attraction, Retention and Expansion Green Economy and Resource resilience		Allocation of spaces to the informal traders	Allocation of spaces to the informal traders	the informal traders
		Destination marketing	Destination marketing	Destination marketing
		SMME development and empowerment	SMME development and empowerment	SMME development and empowerment
		Well managed trading space	SMME development and empowerment Well managed trading space	SMME development and empowerment Well managed trading space

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9. IMPLEMENTATION AND PERFORMANCE OVERVIEW OF THE 2015/16 CITY OF JOHANNESBURG PROPERTY COMPANY

JPC Contribution to the City of Joburg Priorities and Aligned Projects

Game Changer: JPC will focus on Facilities Management

Why focus on Facilities Management:

- Facilities Management must be viewed as a Value Asset that contributes in numerous ways to the organisations mission and supports the business plans for each departments;
- It is an opportunity presented to refurbish the facilities in line with the Green and Blue building principles;
- Contributes to principles of “Smart City”
- Has a significant impact on job creation, community participation via Jozi@Work and supporting SMME's
- Balance sheet enhancement and contributing to the financial sustainability and resilient City
- Investment attraction from the third parties

City Priority	Jozi@Work
JPC Contribution	<ul style="list-style-type: none"> • Job creation with a focus on youth, women and people with disabilities.
City Priority	SMME and Entrepreneurial Development
JPC Contribution	<ul style="list-style-type: none"> • Creating an environment that supports SMMEs and entrepreneurship development; • Addressing the mismatch of skills in the City's economy; • Using the City's procurement spend as a lever for SMME and BBBEE development; • Focusing on providing land to cooperatives as one of the key vehicles for entrepreneurial development and job creation; • Implementing the Economic and Property Transformation Strategy in line with DED directives;

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	<ul style="list-style-type: none"> • Implementing a Youth Development Strategy; • Accelerating the Informal Economy Development; • Facilitating economic growth and development, and the spatial (geographic) spread of economic SMME/BBBEE economic opportunities across the City.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Emerging Property Developers Incubator; • Property Academy; • Upgrading of informal traders facilities; • Roll-out of informal trader facilities; • Allocation of land for SMME; • Implementation of SMME empowerment Zone.
City Priority	Food Security
JPC Contribution	<ul style="list-style-type: none"> • Expanding commercial urban agriculture • Disposal or release of Land for Agricultural purposes • Allocation of land for to Co-ops and the informal sector.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • SMME and Co-ops and Informal Economy Support; • Disposal of land for urban agriculture and Agro Processing through JPC; • Implementing the township economic development plans focusing on agro processing hubs, food empowerment zones.
City Priority	Investment attraction, Retention and Expansion
JPC Contribution	<ul style="list-style-type: none"> • By proactively promoting inward investment into the City of Johannesburg; • Through facilitating inward investments through various marketing strategies; • Inner City Rejuvenation-promote the inner city as a viable location with future value returns; • Facilitating strategic partnerships that bridge the divide between the first and second economy.
JPC Projects Aligned to	<ul style="list-style-type: none"> • Business to Business Match Making Conferences

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Priority	<p>(Buy sell and invest and Visit Joburg)</p> <ul style="list-style-type: none"> • Remodelling of the Inner City Property Scheme to attract investors into the Inner City; • Property Summit.
City Priority	Green Economy
JPC Contribution	<ul style="list-style-type: none"> • Comprehensive Facilities Management Plan.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Retrofitting of council Buildings in line with the Facilities Management Plan. • Office Space Optimisation (Phase 1- JHB CBD Construction of the Council Chamber Wing) in line with Green Principles. • Implementation of the Property development and property management in line with the Land Strategy to achieve green economy principles
City Priority	Human Settlements Development and TOD
JPC Contribution	<ul style="list-style-type: none"> • Marginalised Areas Programme; • Acquisition of land in line with the TOD initiatives; • Mixed Use developments on Council owned Property along the TOD nodes and in line with the economic development township and regional plans; • By highlighting key characteristics of the space economy thereby building competitiveness and reducing persistent gaps in growth rates between regions.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Land Regularisation Programme; • Land Acquisition; • Leases for Council Facilities; • Land Sales in Marginalised areas to empower SMME and ownership of land.
City Priority	Financial Sustainability and resilience

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JPC Contribution	<ul style="list-style-type: none"> • Expenditure Management- prudent expenditure management through cost saving; • Reduction in the use of consultants; • Build and strengthen internal capacity; • Adopting a culture of internal controls thereby contribution to clean audit; • Strategic Procurement- based on well-defined demand management plans; • Financial Management and internal controls.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Verification of Asset Register – desk top and physical verification of the asset register.
City Priorities	Active Citizenry
JPC Contribution	<ul style="list-style-type: none"> • SMME outreach Programmes; • Internal stakeholder engagements; • External stakeholder management; • B&B match making conferenced; • Township economic development plans stakeholder engagements.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Informal Economy Development Summit; • Property Summit.
City Priority	Safer City
JPC Contribution	<ul style="list-style-type: none"> • Street ambassadors in the Inner City to manage informal traders and adherence to by-laws; • Safety strategy for all council facilities.
JPC Projects Aligned to Priority	<ul style="list-style-type: none"> • Informal Economy Strategy and implementation; • Informal Trading Forum.

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10. 2015/16 DEPARTMENTAL SDBIP AND COMMUNITY BASED PLANNING

The table below illustrates how the Key Priority programmes and other IDP programmes that JPC will be undertaking in the 2015/2016 financial year. The JPC indicators and CBP are provided for each of the project identified as well as the baselines and quarterly performance targets in order to measure performance post the approval of the plan.

Table: Key / Priority Programmes/

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter 1	Quarter 2	Quarter3	Quarter4
Sustainable human settlements	Facilities Management	Develop and implement a comprehensive Facilities Management for City owned properties	Yes	% implementation of per FM Master Plan Deliverables	Facilities Management Master Plan	New Indicator	100% performance against FM Master Plan deliverables	Approved Implementation plan of Facilities Master strategy linked to a prioritisation model for upgrading of targeted facilities. 10% of performance	30 % of targeted facilities refurbished against Master Plan	30 % of targeted facilities redeveloped, and / or refurbished against Master Plan	30 % of targeted facilities redeveloped, and / or refurbished against Master Plan

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Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>				
								Quarter 1	Quarter 2	Quarter3	Quarter4	
								Against FM Master Plan deliverables				
	Facilities Management	Remodeling/modernization and refurbishment of all current public toilets.	Yes	Number of remodelled public toilets	91 plus additional new facilities	New	Issue an expression of Interest for total facilities management of existing and installation of new public toilets	Expression of interest evaluated and RFP advertised and adjudicated	35% of project plan for the FY implemented	35% of project plan for the FY implemented	30% of project plan for the FY implemented	
	Facilities Management	Partnership model of the transport facility	Yes	Number of Taxi Ranks and Malls		New	Issue an expression of interest	Expression of interest evaluated and RFP	35% of project plan for	35% of project plan for the FY	30% of project plan for	

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Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter 1	Quarter 2	Quarter3	Quarter4
		implemented in line with Mayoral resolution.					for the management of taxi facilities	adjudicate.	the FY implemented	implemented	the FY implemented
		Partnership management model with informal traders implemented.	Yes	Number of Linear Markets and formal trading stalls		New	Report to Mayoral Committee	Approve criteria / agreements and other legal and administrative formalities for the transfer	35% of management model implemented	35% of management model implemented	30% of management model implemented

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Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Eradicating Poverty Building Sustainable Human Settlements Building and Growing and Inclusive Economy	City wide Land Strategy	Develop and Implement a Citywide Land Strategy	Yes		Approved Land Strategy	New	Citywide approved Land Strategy Approval of the Land Strategy	Engagements with MOEs and Departments.	Overlaying the asset register with the SDF.	Physical Verification to be completed.	Categorization of properties to be complete.
SMME and entrepreneurial support	Creating a sustainable SMME sector in the COJ Enterprise Development: 4000 SMME's supported	Creation of the SMME's, NGO's, Co-Ops and Community Organisation programme	Yes	Number of SMME's, NGO's, Co-Ops and Community Organisations supported.	Register of SMME's, NGO's, Co-Ops and Community Organisations supported.	4000 SMME's	4000 SMME's, NGO, Co-Orps and Community Organisation supported	1000 SMME's, NGO's, Co-Orps and Community Organisation	1000 SMME's, NGO's, Co-Orps and Community Organisation	1000 SMME's, NGO's, Co-Orps and Community Organisation	1000 SMME's, NGO's, Co-Orps and Community Organisation

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Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
	Job creation	Number of jobs created	Yes	Number of jobs created	Record of jobs created	8000 jobs created	8000 jobs created	1000 jobs created	1500 jobs created	2500 jobs created	8 000 jobs created
	Reduced poverty and dependency	Release of land to SMME's, Co-Ops and Entrepreneurs under the transformation* , social economic*** and social** programme	Yes	Number of properties identified and allocated for agricultural purposes	Register of properties or land identified and allocated for agricultural purposes.		35 SMMEs, Co-Ops and Entrepreneurs supported.	5 SMMEs, Co-Ops and Entrepreneurs supported.	10 SMMEs, Co-Ops and Entrepreneurs supported	10 SMMEs, Co-Ops and Entrepreneurs supported	10 SMMEs, Co-Ops and Entrepreneurs supported.

*Transformation programmes: Youth, Women, People with disability and other targeted beneficiaries

** Social: Regularise or transfer 200 places of worship, 100 ECDs, NGOs, Community facilities, 350 Co-Ops and SMME's through food security and lease 250 other social facilities.

***Social Economic Programmes: Development of Parks in collaboration with City Parks (Golden Harvest, Zoo Farm in Parys and Rietvlei).

22.33

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Financial sustainability and resilience	Financially and administratively sustainable and resilient city	R100m of rental income from leases and servitudes sales, servitudes and acquisition	Yes	Rental income raised	Statement of Comprehensive Income	R100 million raised	R110 million raised	R20m income raised	R20m income raised	R30 m income raised	R40m income raised
Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4

22.34

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
		Construction of the Council chamber as per the Office Space Optimisation programme	Yes	% completion of construction	Progress report on construction	New Indicator	Site handover for Council Chamber construction				

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Transit Oriented Development - Priority	Acquisition of properties along the Transit Oriented	Acquisition of 20 properties along the Transit	Yes	Number of properties acquired	Asset Register	3 properties acquired	Acquisition of 20 properties in the TOD	Identify properties and submit a report to	Make an offer to purchase	Finalise negotiation or commence	Lodge transfer documents with

22.35

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
areas (corridors / nodes)	Development and support the housing master plan(Priority Areas(corridors and nodes)	Oriented Development and support the housing master plan by acquiring 6 properties (Priority Areas(corridors and nodes)					and 6 properties in line with the housing master plan	Council		expropriation	Deeds Office.
Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
Investment attraction, retention and expansion		Third party investment on COJ property transaction	Yes	R350 investment in construction	Asset Register	R350 m	R400 m investment by private sector	R 100 m investment by private sector	R 100 m investment by private sector	R 100 m investment by private sector	R 100 m investment by private sector

22.36

Key priority programmes	Projects	Key Project Performance Indicators	CBP Project Yes/No	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
								Quarter1	Quarter2	Quarter3	Quarter4
		Third party investment on COJ property transaction	Yes	R1bn investment leverage on property transaction	Asset Register	Nil	R1bn investment leverage on property transaction	Nil	Nil	R500 m	R500 m

Note: For Office Space Optimisation (OSO) project, the project is a multi-year project. For the 2015/2016 financial year, focus will be on the Council Chamber Wing and the remainder of the project will be rolled out as outlined in the OSO project plan which is Annexure B of the Business Plan.

11. DAY-TO-DAY OPERATION

The JPC's day-to-day operations include engagements with internal and external stakeholders, monitoring and analysis of the property sector review and analysis of relevant policies. JPC engages with stakeholders individually and through structures such as the Informal Traders Forum. The stakeholder engagements take place periodically, hence they form part of programme and projects operations at the micro level. Through the engagements, the organisation and its stakeholders are in a better position to address challenges effectively and efficiently.

In pursuit of economic transformation and entrenching the vision of an SMME centric City, the organisation has prioritised the continuous engagement with SCM as a key focus to ensure that SMMEs and in particular youth have unhindered access to the organisations City's procurement spent.

Table 3 below outlines JPC's day-to-day operations and the key deliverables for the 2015/16 financial year.

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Table: Operational Plan- day-to-day activities

Day to Day operations	Projects	Key Project Performance Indicators	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
							Quarter1	Quarter2	Quarter3	Quarter4
Regional Road shows to Councilors at various regions to engage on property issues Customer and stakeholder interactions	Stakeholders engagements	Presentation	Number of Presentations	Presentations	7	21	7	7	7	7
		Target companies for engagements on property issues	Number of Targeted companies	Proof of engagements with companies	12	48	12	24	36	48
		Site visits to various projects and facilities	Number of site visits	Program	12	16	4	8	12	16
Property Economic Research	Annual <i>Property research</i>	Property Review document	Printed Annual Property Report	Printed Annual Property Review	New indicator	Annual Property Review document	Sourcing and collating relevant Property	Analysis and Interpretation of the data	Drafting of the Annual Property	Publication of the Annual Property

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Day to Day operations	Projects	Key Project Performance Indicators	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
				Report			data		Review document	Review document
Annual Property summit and round table engagements with property industry	Business to Business Match Making	Annual Property Summit African	Number of stakeholder engagements	Presentations	New indicator	Annual property summit	Planning and Preparation for the Property summit focusing on transformation and SMME		Launch of the property summit	
Property Valuations	Land sales, leases.	No of valuations done per			New indicator	100% valuations of all properties	20% valuations of all	50% valuations of all transactions	75% valuations of all	100% valuations of all

22.40

Day to Day operations	Projects	Key Project Performance Indicators	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
	Acquisition , servitudes	annum				presented for approval	transactions		transactions	transactions
Enhancement of the property portfolio-	Property Sanitation Project	Completion of the Property Sanitation Project			New Indicator	100% Completion of the property sanitation project	Appointment of service provider to assist with the sanitation	15% categorisation of all properties in the asset register	50% categorisation of all properties in the asset register	100% categorisation of all properties in the asset register
Media and Communications	Branding of JPC, Marketing of JPC and projects outlined above Proactive media communic	Marketing and Media and Communication Strategy for JPC	Number of marketing and communication events to profile the organisation Number of media releases		New Indicator	3 10	Planning and alignment of marketing strategy to align to corporate strategy and projects 5	1 5	1 5	1 5

22.41

Day to Day operations	Projects	Key Project Performance Indicators	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
	ations and engagement									
Stakeholder engagements	Client satisfaction survey among external users	Facilitate a client satisfaction survey among external users to conduct a survey & and an empirical study on JPC's Client services	Results and report on analysis of survey	Questionnaire, statistical analysis & results of survey	New	Implementation of corrective measures to improve service delivery	Appointment of a service provider	Empirical study on JPC stakeholders & their satisfaction on service delivery - Questionnaire to stakeholders	Statistical analysis	Final report on results & recommendations Implementation of corrective measures

22.42

Day to Day operations	Projects	Key Project Performance Indicators	Measurement unit	Measurement Source	Baseline	2015/16 Performance Target	Cumulative performance targets <i>(Tangible, measurable targets that fulfil requirements of being SMART)</i>			
Transformation	Transformation Strategy	Develop and Implement the JPC transformation strategy.	Number of supported beneficiaries through the transformation strategy	Report on beneficiaries supported	New	Develop and Implement the JPC transformation strategy.	Appoint a service provider to assist in unpacking the transformation agenda of JPC.	Implement the transformation strategy.	Implement the transformation strategy.	Full implementation of the transformation strategy.

13. INTERGOVERNMENTAL RELATIONS

Chapter 3 of the Constitution of the Republic of South Africa, 1996 provides for co-operative governance to be pursued by the national, provincial and local spheres of government. The relevant Members of the Executive Council (MEC) of provincial departments must coordinate with local government including organised local government to ensure service delivery on matters pertaining to departmental functional areas.

Challenges pertaining to departmental functional areas can only be addressed by all spheres working together to integrate as far as possible their actions in the provisions of services, the alleviation of poverty and the development of our people and country. The MECs and the Member of Mayoral Committee (MMCs) are conscious of the fact that coordinated delivery of services requirements can best be facilitated through the MEC-MMC Forum.

NOW THEREFORE the MEC for Economic Development and City of Johannesburg's MMC for Economic Development has in terms of section 21(1) established the MEC/MMC Forums to provide for a structure to promote and facilitate intergovernmental relations between the Gauteng Provincial Government and City of Johannesburg DED.

14. PURPOSE OF THE MEC/MMC IGR FORUM

The MEC/MMC IGR Forum is established for the purpose of:

- Ensuring coherent and seamless government between the provincial and municipal spheres in the Gauteng Province in the functional areas of Economic Development;
- Facilitating integrated development between provincial government and municipalities.
- Strengthening working relationships and partnerships with relevant stakeholders;
- Appreciating the work of municipalities at the grassroots;
- To discuss matters of national, provincial or municipal interest within the Agriculture, Conservation, Veterinary Services, Environment, Waste Management, Rural Development and cross-cutting matters pertaining to Economic Development, Social Development and Health.
- To ensure -:

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- ❖ The development of National and Provincial policies, regulations and legislation relating to matters affecting Economic Development, in the Province:
- ❖ The implementation of National and Provincial regulations, policies and legislation with respect to functional areas mentioned under the above paragraph.
- To consider reports from the MEC/Technical Executive Committee (MEC/TEC) and Technical Working Groups (TWGs) and, if necessary, make decisions thereon;
- Monitor the implementation of projects, assess and evaluate service delivery outcomes and impact;
- Share metro and district/local municipalities' information, priorities, experiences, challenges and interventions thereto;
- For the coordination of matters relating to agriculture, natural resources and rural development that are not a competency of the Province but which would have a serious impact on service delivery in the Province.

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15. FINANCIAL IMPACT

Summary of the 2015/16
KEY PRIORITY PROGRAMMES

Strategic Intervention	JPC Project/Action	GDS Outcome	2015/16	2016/17	2017/18
			Total R000	R000	R000
Sustainable human settlements	Develop and implement a comprehensive Facilities Management for City owned properties	Smart City, Green Economy and Investment attraction, retention and expansion.	38 588	45 009	48 153
	Develop and implement a Citywide Land Strategy	Transit oriented development, provide a resilient, liveable, sustainable urban development	38 588	45 009	48 153

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SMME and Entrepreneurial Development	Creation of the SMME's, NGO's, Co-Ops and Community Organisation programme	Increased competitiveness of the economy	38 589	45 009	48 153
	Number of jobs created	Promotion and support to small businesses	38 589	45 009	48 153
	Release of land to SMME's, Co-Ops and Entrepreneurs under the transformation*, social economic*** and social** programme		38 589	45 009	48 153
Financial sustainability and resilience	R110m of rental income from leases and servitudes sales, servitudes and acquisition	Financially and administratively sustainable and resilient city	38 589	45 009	48 153
	Construction of the Council chamber as per the Office Space Optimisation programme	Financially and administratively sustainable and resilient city	38 589	45 009	48 153

22.47

Investment attraction, retention and expansion	Create a structured City Market in the inner city as a pilot project which is vibrant and tourist attraction	Financially and administratively sustainable and resilient city	38 589	45 009	48 153
Investment attraction, retention and expansion	Third party investment on COJ property transaction	Financially and administratively sustainable and resilient city	38 589	45 009	48 153
Acquisition of properties along the Transit Oriented Development and support the housing master plan - Priority Areas(corridors and nodes)	Acquisition of 20 properties along the Transit Oriented Development and support the housing master plan by acquiring 6 properties (Priority Areas(corridors and nodes)	Transit Oriented Development - Priority areas (corridors/nodes)	38 589	45 009	48 153

22.48

	Densification and enterprise development programme				
	Identify, rezone and release 3 hectares of land along the Corridors of Freedom and TOD's for land densification and residential densification as a pilot project.		38 587	45 009	48 153
		TOTAL	424 475	495 108	529 685

Note: The above budget is only the Opex budget. For this reason the resources have been spread evenly over all the projects. The Capex budget for each project is shown below.

22.49

**JOHANNESBURG
PROPERTY COMPANY**
**DRAFT MEDIUM TERM REVENUE AND EXPENDITURE BUDGET FOR
2015/16 - 2017/18**

	Current year 2014/15				Medium Term Revenue and Expenditure Budget: 2015/16 - 2017/18						
	Approved Budget	Adjustments	Adjusted Budget	Approved Budget	Adjustments	Draft Budget	Incr.	Approved Budget	Adjustments	Draft Budget	Draft Budget
	2014/15		2014/15	2015/16		2015/16	%	2016/17		2016/17	2017/18
	R 000	R 000	R 000	R 000	R 000	R 000		R 000	R 000	R 000	R 000
REVENUE											
Interest earned - outstanding debtors	2 535		2 535	2 677	10	2 687	6.0%	2 824	11	2 835	2 988
Other Revenue	100 200		100 200	107 193	(92 166)	15 027	-85.0%	113 597	(97 743)	15 854	16 710
Gains on disposal of PPE							0.0%				
DIRECT REVENUE	102 735		102 735	109 870	(92 156)	17 714	-82.8%	116 421	(97 732)	18 689	19 698
Internal Transfers											
Internal recoveries (ME's)	414 674		414 674	437 145	(328 976)	108 169	-73.9%	461 344	(338 202)	123 142	131 804
Operating Grants & Subsidies from (COJ)					333 525	333 525	0.0%		353 277	353 277	378 183
Total Internal Transfers	414 674		414 674	437 145	4 549	441 694	6.5%	461 344	15 075	476 419	509 987
TOTAL REVENUE	517 409		517 409	547 015	(87 607)	459 408	-11.2%	577 765	(82 657)	495 108	529 685
EXPENDITURE BY TYPE											
Employee related costs	209 018		209 018	215 289	6 270	221 559	6.0%	221 748	14 212	235 960	250 354
Debt impairment	2 053		2 053	2 167	9	2 176	6.0%	2 286	10	2 296	2 420
Depreciation & asset impairment	5 030		5 030	5 311	21	5 332	6.0%	5 603	22	5 625	5 929
Repairs and maintenance	27 128		27 128	28 647	5 263	33 910	25.0%	30 223	12 165	42 388	50 866
Finance charges	815		815	860	4	864	6.0%	907	5	912	961
Contracted services	29 723		29 723	28 315	7 353	35 668	20.0%	27 079	12 156	39 235	41 354
Other expenditure	149 221	48	149 269	157 789	436	158 225	6.0%	166 469	458	166 927	175 941
DIRECT EXPENDITURE	422 988	48	423 036	438 378	19 356	457 734	8.2%	454 315	39 028	493 343	527 826
Internal Transfers											
Internal charges (ME's)	1 587	(48)	1 539	1 674		1 674	8.8%	1 765		1 765	1 859
Total Internal Transfers	1 587	(48)	1 539	1 674		1 674	8.8%	1 765		1 765	1 859
TOTAL EXPENDITURE	424 575		424 575	440 052	19 356	459 408	8.2%	456 080	39 028	495 108	529 685

22.50

OPERATING SURPLUS / (DEFICIT) - after tax	92 834		92 834	106 963	(106 963)	()	- 100.0%	121 685	(121 685)	()	
TOTAL	92 834		92 834	106 963	(106 963)	()		121 685	(121 685)	()	

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DRAFT MEDIUM TERM CAPITAL BUDGET FOR 2015/16 - 2017/18 AND ADJUSTMENT BUDGET 2014/15

Project Description	Insert CIMS No.	Priority	Approved Budget	Adjusted Budget	Approved Budget	Draft Budget	Approved Budget	Draft Budget	Draft Budget
			2014/15	2014/15	2015/16	2015/16	2016/17	2016/17	2017/18
			R 000	R 000	R 000	R 000	R 000	R 000	R 000
<u>Only insert capital projects as per MTB 2014/15 - 2016/17 under this section</u>									
Computer Equipment New Computer Upgrades BRAAMFONTEIN WERF EXT.1 City Wide	30364	Other IDP or Day-to Day programmes				4 000	4 000	4 000	
FMMU - Public Conveniences New Public toilets JOHANNESBURG	26423	Green economy	7 500	7 500	7 500	6 500	7 500	7 500	
Jabulani CBD New Operational Capex JABULANI	29392	Investment attraction, retention and expansion	20 000	20 000	25 000	10 000	5 000	10 000	
Land Regularisation Renewal Operational Capex JOHANNESBURCITY Wide	33550	Sustainable human settlements	10 000	10 000	50 000	4 000	32 286		
Office Space Optimisation New Building Alterations JOHANNESBURCITY Wide	33691	Green economy				30 000	10 000	10 000	10 000
Orlando Ekhaya Waterfront Development Renewal Park ORLANDO EKHAYA	29391	Investment attraction, retention and expansion	10 000	10 000	13 793	7 000	10 000	15 000	10 000
Purchase of land in Perth/Empire, Louis Botha and Turffontein Corridors New Corridors of Freedom Intervention CORONATIONVILLE City Wide	33797	Sustainable human settlements	22 402	22 402	56 005		7 780		
Randburg Civic Precinct Renewal Building Alterations FERNDALE	25002	Green economy	2 000	2 000	1 000	1 000	1 000	5 000	10 300
Revamping of the Informal Trading Stalls within the Inner City Renewal Operational Capex JOHANNESBURG	26220	Smart City	1 300	1 300	11 300	7 400	15 000	13 000	1 300
Salisbury House Erf 1052 and 1053 Renewal Heritage JEPPESTOWN	33494	Investment attraction, retention and expansion			500				

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Sandown Extension 49 Erf 575RE Renewal Building Alterations SANDOWN EXT.49 E	29337	Investment attraction, retention and expansion	35 000	35 000	35 000	25 000	20 000	35 000	35 000
Site Development Projects New Land Preparation JOHANNESBURG City Wide	33692	Investment attraction, retention and expansion	16 298	16 298	41 102	15 000	28 700	8 700	13 000
Total: Council Approved MTB Capital Projects			124 500	124 500	241 200	109 900	141 266	108 200	79 600
<u>Insert all other and new 2017/18 capital project requests under this section</u>	-								
Watt Street Inter-change New Housing Development WYNBERG E Regional		Sustainable human settlements				39 000		151 000	
Rissik Street Post Office Restoration Project New Heritage JOHANNESBURG F Regional		Investment attraction, retention and expansion				21 000		10 000	15 000
Erf 43-46 Victoria Ext 3(Paterson Park Node) New Housing Development VICTORIA EXT.3 E Regional		Smart City				10 000		15 000	10 000
Rosebank Linear Park ReDevelopment New Precinct Redevelopment ROSEBANK B Regional		Investment attraction, retention and expansion				2 000		4 000	3 000
Total: Other and new 2017/18 capital project requests						72 000		180 000	28 000
GRAND TOTAL			124 500	124 500	241 200	181 900	141 266	288 200	107 600

Table: Operational Plan-day-to-day activities

Detailed below is the deliverables and associated budgets for the day to day activities of JPC

22.53

Summary of the 2015/16 Budget

Table: Budget summary

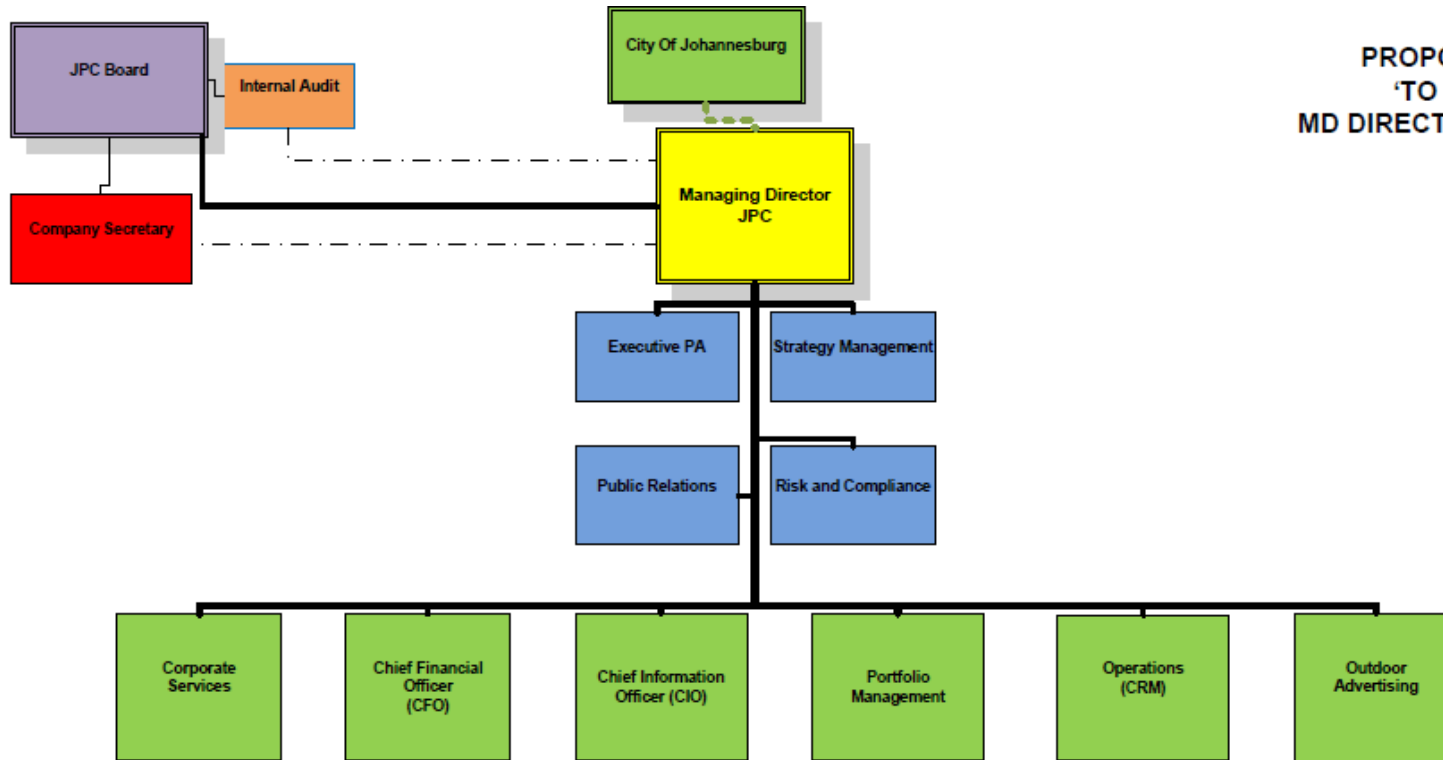
	2013/14 Budget	2014/15 Budget	Proposed 2015/16 Budget	% increase	% Budget spend per Quarter			
	R'000	R'000			R'000	Q1 R'000	Q2 R'000	Q3 R'000
Revenue	401 718	517 409	459 408	100%	114 852	114 852	114 852	114 852
Expenditure	401 718	424 575	459 408	100%	114 852	114 852	114 852	114 852
Surplus/deficit before taxation and capital transfers	126	0	0	0%	0	0	0	0
Capital Expenditure#	94 680	124 500	181 900	170%	45 475	45 475	45 475	45 475

16. MANAGEMENT AND ORGANISATIONAL STRUCTURES

With the review of the corporate strategy completed in the beginning of the 2013/ 2014 financial year, JPC had to review the organisational structure that will ensure the delivery of the new JPC 2040 Corporate Strategy. The project has reached its final stages with both the Service Delivery Model (SDM) and the high level structure having been approved by the JPC Board of Directors. The senior management roles have been defined and are currently being evaluated. The development of the lower level structure is also underway.

A comprehensive change management implementation plan has been developed to support the effective implementation of the new organisational design. Various change management workshops are scheduled with management, labour and staff to create awareness of the change approach.

22.55



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'TO BE'
MD DIRECT REI

17. MONITORING AND EVALUATION

The monitoring of the implementation of the business scorecard with the emphasis on the delivery on the business scorecard will be done on a monthly basis and be reported to the shareholder on the quarterly basis.