

**THE AMENDMENT OF JOBURG CITY THEATRES SOC LTD
BUSINESS PLAN AND SCORECARD 2020/21****1. STRATEGIC THRUST**

Economic growth and job creation

2. OBJECTIVE

- 2.1. To seek Group Performance Audit Committee (GPAC), Mayoral Committee and Council's approval on the proposed Mid-year review to Chapter 4, Section 4.6 of the Business Plan for 2020/21.
- 2.2. These proposed changes will ensure that the Business Plan is aligned to the new strategic direction through elevating already approved programmes that are relevant to the new strategic direction from business plans of departments and entities onto the institutional SDBIP.
- 2.3. For contractual and budgetary reasons programmes that are not aligned to the new strategic direction will be retained and continue to be implemented and monitored at the departmental business plan level.
- 2.4. Various gazettes were issued to guide the different spheres of government to fulfill their mandates whilst responding to the COVID-19 pandemic and minimizing its impact. Of importance is the Gazette 11063 section 6.7.2 (f) which stipulates that municipalities are directed to and revise their budgets to prioritize programmes and projects aimed at combating the spread of COVID-19.

3 SUMMARY**3.1 Background**

Following the announcement by President Cyril Ramaphosa of 28 December 2020. On the recommendation of the National Coronavirus Command Council, and after consultation with provinces and metro mayors, Cabinet has decided to put the country on an adjusted Level 3 from Level 1 with immediate effect. Several of the level 3 regulations are being strengthened to further limit the potential for transmission, including bans on large gatherings. All indoor and outdoor gatherings will be prohibited for 14 days from the date hereof, except for funerals and other limited exceptions as detailed in the regulations, such as restaurants, museums, gyms and casinos. Level 3 regulations has interrupted most activities planned for the 3rd and 4th quarter 2020/21 financial year, Joburg City Theatres has taken the approach to further deviate and align its performance measures in line with the suggested deviations which have been the results of changes in circumstance of the organisation and other external factors that are not within management control.

3.2 SUMMARY TABLE OF THE PROPOSED SCORECARD CHANGES

The table below reflects the scorecard items to be removed from the current business scorecard as an enhancement change. JCT motivate to amend 7 KPIs out of 23 KPIs.

GDS OUTCOME: STRATEGIC PRIORITY: STRATEGIC PROGRAMME:																
Change	KPI No	Key Performance Area	Key Performance Indicator	2018/19 Baseline	2020/21 Target	Q1 target	Q 1 actual	Q2 target	Q2 actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
												Capex	Opex			
Existing	2.	Increased youth development	Number of youths attending arts programmes (Non-Cumulative)	500 (Non-Cumulative)	600 (Non-Cumulative)	0	-	0	-	600 (Non-Cumulative)	600 (Non-Cumulative)	-	R2m	Attendance registers Tutor reports on programme content Programme summary	Decreased target	Downward revision due to Covid-19 implications. Reduced activities in Third and Fourth Quarter
Amended KPI as per the proposed Deviation	2.	Increased youth development	Number of youths attending arts programmes (Non-Cumulative)	500 (Non-Cumulative)	200 (Non-Cumulative)	0	-	0	-	200 (Non-Cumulative)	200 (Non-Cumulative)	-	R2m	Attendance registers Tutor reports on programme content Programme summary and online log in registers		
Existing	8.	Improved audience development and accessibility	Number of attendees	255,000 attendees	110,000	0	0	40,000	22,748	70,000	110,000	-	R1m	Ticket reports	Decreased target	Downward revision due to Covid-19 implications and restrictions on both indoors and outdoors events. Added is a means of verification is the online attendance register as other productions are streamed online
Amended KPI as per the proposed Deviation	8.	Improved audience development and accessibility	Number of attendees	255,000 attendees	23,500	0	0	20,000	22,748	23,000	23,500	-	R1m	Ticket reports and Online attendance register		

GDS OUTCOME: STRATEGIC PRIORITY: STRATEGIC PROGRAMME:																
Change	KPI No	Key Performance Area	Key Performance Indicator	2018/19 Baseline	2020/21 Target	Q1 target	Q 1 actual	Q2 target	Q2 actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
												Capex	Opex			
Existing	9.	Improved financial planning and project management	Percentage spent on operating budget against approved operating budget	NEW	97%	≥ 90% spend and not exceeding 2% of approved operating budget	96%	≥ 90% spend and not exceeding 2% of approved operating budget	96%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	-	R209 836m	OPEX expenditure report Financial statements	Alignment	Correction of annual target description in alignment to quarterly target description
Amended KPI as per the proposed Deviation	9.	Improved financial planning and project management	Percentage spent on operating budget against approved operating budget	NEW	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	96%	≥ 90% spend and not exceeding 2% of approved operating budget	96%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	-	R209 836m	OPEX expenditure report Financial statements		
Existing	14.	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	-	-	Unqualified without material findings	-	-	-	-	-	External audit opinion and report Annual financial statement	Alignment	Alignment with the AGSA Audit Process that was moved to the Third Quarter based on MFMA Exemption No. 851. stating that:
Amended KPI as per the proposed Deviation	14.	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	-	-	-	-	Unqualified without material findings	-	-	-	External audit opinion and report Annual financial statement		
Existing	15.	Percentage of predetermined objectives achieved	Percentage of predetermined objectives achieved	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	-	-	85% of pre-determined objectives achieved	-	-	-	-	-	Quarter reports / evidence files	Alignment	Alignment with the AGSA Audit Process that was moved to the Third Quarter based on

GDS OUTCOME:
STRATEGIC PRIORITY:
STRATEGIC PROGRAMME:

Change	KPI No	Key Performance Area	Key Performance Indicator	2018/19 Baseline	2020/21 Target	Q1 target	Q 1 actual	Q2 target	Q2 actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated budget		Evidence and Means of verification	Proposed deviation	Motivation for deviation
												Capex	Opex			
Amended KPI as per the proposed Deviation	15.	Percentage of predetermined objectives achieved	Percentage of predetermined objectives achieved	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	-	-	-	-	85% of pre-determined objectives achieved	-	-	-	Quarter reports / evidence files		MFMA Exemption No. 851. stating that:
Existing	22.	Improved stakeholder mobilisation	Number of strategic partnerships created	18	15	-	-	5	6	10	15	-	R1,5m		Decreased target	Downward revision due to Covid-19 implications
Amended KPI as per the proposed Deviation	22.	Improved stakeholder mobilisation	Number of strategic partnerships created	18	12	0		5	6	8	12	-				
Existing	23.	Improved perception of JCT	Number of travelling productions per annum	1	1	-	-	-	-	1	-	-	R4.7m		Decreased target	Downward revision due to Covid-19 implications and local and international traveling restrictions and not financially viable to out a production for limited audiences due to restriction on indoors and outdoors events
Amended KPI as per the proposed Deviation	23.	Improved perception of JCT	Number of travelling productions per annum	1	1	-	-	-	-	0	-	-	R4.7m			

4 MOTIVATION

JCT undertook the deviation assessment on case by case as stipulated on table 3.2 above.

5 POLICY IMPLICATIONS

The amendment of the KPIs is in accordance with the Joburg City Theatres Performance Management Policy

6 LEGAL AND CONSTITUTIONAL IMPLICATIONS

This report is in compliance with the provisions of the Local Government: Municipal Systems Act, 2000 and the Local Government: Municipal Planning and Performance Management Regulations, 2001. Section 34 of the Municipal Systems Act of 2000 provides for the review and the amendment of the Integrated Development Plan (IDP).

- Section 34 (a) (i) provides for the review of the Integrated Development Plan (IDP) “annually in accordance with an assessment of its performance measurements...”
- Section 34 (a) (ii) provides for the review of the Integrated Development Plan (IDP) “to the extent that changing circumstances so demand ...”

Regarding the publication of the proposed deviations to be factored into the amended amendments IDP the Local Government: Municipal Planning and Performance Management Regulations, 2001;

- Section 4 (b) prescribe that “the proposed amendments should be published for comment for a period of at least 21 days.”

7 FINANCIAL IMPLICATIONS

None as result of this report.

8 ECONOMIC IMPLICATIONS

None as result of this report.

9 COMMUNICATIONS IMPLICATIONS

This report will secure Council Approval and be submitted to Group Assurance.

8 OTHER DEPARTMENTS CONSULTED

- JCT Board of Directors
- Department of Community Development
- Group Governance
- Group Strategy Policy Coordination and Relations

IT IS RECOMMENDED

1. That the scorecard amendments be approved.
2. That the amendments to the Joburg City Theatres 2020/21 Business Plan and Scorecard be recommended to Council.

Enquiries: Vincent Motau -011 877 6846
(vincent@joburgtheatre.com)

MR SOLOMON MPHAKATHI
Chief Financial Officer
Joburg City Theatres

DATE: _____

MS XOLISWA NDUNENI-NGEMA
Chief Executive Officer
Joburg City Theatres

DATE: _____

APPROVED / NOT APPROVED BY:

MR DESMOND NDZIPHO
Chairperson: Board
Joburg City Theatres

DATE: _____

CLLR MARAGET ARNOLDS
Member of Mayoral Committee
Community Development

DATE: _____

After the proposed changes, JCT scorecard will retain 22 KPIs on the corporate. SEE ANNEXURE A

ANNEXURE A

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				Means of Verification	2020/21 Performance Targets						2020/21 Budget	
					Baseline 2019/20 Estimate	2020/21 Target	2021/22 Target	2022/23 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2020	Q2 Oct - Dec 2020	Q3 Jan - Mar 2021	Q4 Apr - Jun 2021	Capex	Opex
Strategic Objective 1: High quality performing arts and entertainment experiences and facilities.																	
Job Opportunity and Creation	Increase work opportunities at JCT	1	Number of Expanded Public Works programmes (EPWP) work opportunities created at JCT	Job opportunities	270	170	200	220	Employment contracts / HR/ Payroll Information	CFO	Quarterly	10	70	120	170	-	R1m
	Increased youth development	2	Number of youths attending arts programmes (Non-Cumulative)	Youth development in the art sphere	500 (Non-Cumulative)	200 (Non-Cumulative)	250 (Non-Cumulative)	300 (Non-Cumulative)	Attendance registers Tutor reports on programme content Programme summary	COO, Artistic Director	Quarterly	0	0	200 (Non-Cumulative)	200 (Non-Cumulative)	-	R2m
Strategic Objective 2: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT.																	
COVID-19 Response	Continuation of JCT Services	3	Number of livestreaming/Online productions	To make JCT relevant during the Covid-19 Pandemic Promotion of positive social local content	NEW	8	12	18	Web Link of streamed / online productions and/or marketing material	COO, Artistic Director	Quarterly	2	4	6	8	-	R2m
Sustainable Service Delivery	Improved service delivery	4	Percentage achievement on service level standards	Service standards turnaround time improvement!	90%	90%	90%	90%	Service Level Standards Report	COO	Quarterly	90%	90%	90%	90%	N/A	N/A

¹ CORE BUSINESS	SERVICE LEVEL STANDARD
1. Theatres accessible to people with disabilities	100% accessibility
2. Production start times	100% of in-house productions commence within 15 minutes as per schedule
3. Safety of patrons	100% compliance to health and safety legislation

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				Means of Verification	2020/21 Performance Targets						2020/21 Budget	
					Baseline 2019/20 Estimate	2020/21 Target	2021/22 Target	2022/23 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2020	Q2 Oct - Dec 2020	Q3 Jan - Mar 2021	Q4 Apr - Jun 2021	Capex	Opex
	Improved audience development and accessibility to venues Promote positive social local content	5	Number of Arts and Culture festivals and themed productions held / in-house production <i>(Annual Targets not cumulative)</i>	To make venues more accessible Promotion of positive social local content	18	19	20	21	Contracts Marketing material Show reports	COO	Quarterly	3	8	13	18	-	R16.6m
	Promote economic development	6	Number of Ballet seasons	Image building of the CoJ by Joburg Ballet	4	4	4	4	Quarterly report Contracts and marketing material	COO	Quarterly	1	2	3	4	-	R10.590m
		7	Number of Philharmonic Orchestra seasons	Improved access to professional concerts of classical and choral music	4	4	4	4	Quarterly report Contracts and marketing material	COO	Quarterly	1	2	3	4	-	R11.273m
Strategic Objective 3: Affordable access to and use of theatres by communities																	
Active and Engaged Citizenry	Improved audience development and accessibility	8	Number of attendees	Public access	255,000 attendees	23,500 attendees	110,000 attendees	150,000 attendees	Ticket reports and Online attendance register	COO	Quarterly	0	20,000	22,500	23,000	-	R1m
Strategic Objective 4: Good governance, financial sustainability and sound management																	
Financial Sustainability	Improved financial planning and project management	9	Percentage spent on operating budget against approved operating budget	Operating project programme	97%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	OPEX expenditure report Financial statements	CFO	Quarterly	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget		R209 836m
	Improved financial planning and project management	10	Percentage of CAPEX budget spent	Capital project programme	95% of total R34.751m CAPEX budget spent	95%	95%	95%	CAPEX expenditure report Financial statements	CFO	Quarterly	10%	30%	70%	95%	R36,108m	-

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				Means of Verification	2020/21 Performance Targets						2020/21 Budget	
					Baseline 2019/20 Estimate	2020/21 Target	2021/22 Target	2022/23 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2020	Q2 Oct - Dec 2020	Q3 Jan - Mar 2021	Q4 Apr - Jun 2021	Capex	Opex
		11	Percentage spent on repairs and maintenance to budget allocated	Operating project programme	97%	97%	97%	97%	Expenditure report Financial statements	CFO	Quarterly	10%	30%	70%	97%		R3,5m
		12	Proportion of earned income against total revenue including subsidy	Financial sustainability Improved and sound financial management	36% / 64% Earn Revenue R70 914m Total revenue R199 383m	24% / 76% Earn Revenue R49 382m Total revenue R209 836m	23% / 77% Earn Revenue R51 552m Total revenue R220 930m	24% / 76% Earn Revenue R54 835m Total revenue R232,727m	Financial statements Income reports	CFO	Quarterly	23% / 77% Earn Revenue R12 345m Total revenue R54 740m	23% / 77% Earn Revenue R24 691m Total revenue R109 481m	23% / 77% Earn Revenue R37 036m Total revenue R158 584m	24% / 76% Earn Revenue R49 382m Total revenue R209 836m	-	R209 836m
		13	Percentage of valid invoices paid in 30 days after receipt of invoice or statement ²	Financial sustainability Improved and sound financial management	100%	100%	100%	100%	Expenditure report Financial statements	CFO	Quarterly	100%	100%	100%	100%		R109 602m
		14	Unqualified without material findings	Clean audit outcome	Unqualified audit opinion with zero audit report findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	External audit opinion and report Annual financial statement	CFO	Annually	-	-	Unqualified without material findings	-	-	R1.5m
		15	Percentage of predetermined objectives achieved	Strategy improvement plans	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	Quarter reports / evidence files	COO	Annually	-	-	85% of pre-determined objectives achieved	-	-N/A	-N/A
	Improved financial planning and project management	16	Percentage of resolution of AG findings	Strategy improvement plans	100%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	70%	100%	N/A	N/A
		17	Percentage of resolution of Internal Audit (IA) findings	Strategy improvement plans	100%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	70%	100%	N/A	N/A
		18	Percentage compliance with relevant legislation and policy prescripts	Strategy improvement plans	100%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	100%	100%	100%	100%	N/A	N/A

² 100% of valid invoices paid in 30 days from receipt of valid Invoices and Statements

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				Means of Verification	2020/21 Performance Targets						2020/21 Budget	
					Baseline 2019/20 Estimate	2020/21 Target	2021/22 Target	2022/23 Target		Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2020	Q2 Oct - Dec 2020	Q3 Jan - Mar 2021	Q4 Apr - Jun 2021	Capex	Opex
		19	Percentage of the strategic risk management action plans implemented	Strategy improvement plans	85%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	55%	85%	N/A	N/A
Economic Development	Increased entrepreneurial support of small businesses	20	Percentage of procurement spend on SMME's against total procurement expenditure	Business Support to SMME's	30%	30%	30%	30%	Procurement reports	CFO	Quarterly	30%	30%	30%	30%	R10 832m	R32 881m
		21	Percentage of procurement spend on BBEE against total procurement expenditure	Business support to BBEE's	75%	75%	75%	75%	Procurement reports	CFO	Quarterly	75%	75%	75%	75%	R27 081m	R82 202m
Strategic Objective 5: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT																	
Sustainable Service Delivery	Improved stakeholder mobilisation	22	Number of strategic partnerships created	Partnerships / Collaborations productions / programmes / events	18	10	15	20	Signed MoA / MoU / contract	COO	Quarterly	0	5	8	12		R1,5m
Enhanced profile of JCT	Improved perception of JCT	23	Number of travelling productions per annum	Domestic / International travel of productions	1	0	1	1	Signed MoA / MoU / contract/Travel Report	Executive Producer	Annually	-	-	-	-		R4.7m