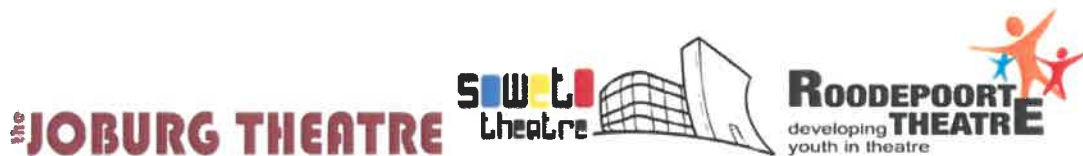




**Joburg Theatre (SOC) Ltd**  
**T/a**  
**Joburg City Theatres**  
**City of Johannesburg**

**Business Plan**  
**for the Financial Year**  
**2022 – 2023**



**20 April 2022 (Board Approved)**  
**Submission date: 18 May 2022**



*To obtain additional copies of this document please contact:*

Joburg City Theatres - Governance Unit  
Joburg Theatre Complex  
Civic Boulevard  
Braamfontein  
Johannesburg

Tel: +27 11 877 6802  
E-mail: [bridget@joburgtheatre.com](mailto:bridget@joburgtheatre.com)  
Web: <http://www.joburgtheatre.com>

## TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS .....	5
OFFICIAL SIGN-OFF .....	7
1. EXECUTIVE SUMMARY .....	8
2. STRATEGIC OVERVIEW .....	18
2.1. Mandate / Purpose.....	18
2.2. Vision .....	19
2.3. Mission .....	19
2.4. Values .....	19
2.5. Legislation and Policy Environment.....	20
2.5.1. <i>Constitutional and Legislative Mandates</i> .....	20
2.5.2. <i>Policy and Strategy Mandates</i> .....	21
2.6. JCT Operating and Business Model .....	25
2.7. Strategic Objectives .....	30
3. STRATEGIC ANALYSIS .....	34
3.1. Service Delivery and Performance Analysis.....	34
3.2. Environmental Analysis.....	37
3.2.1. <i>Macro-Environment Context</i> .....	37
3.2.2. <i>PESTEL Analysis</i> .....	41
3.2.3. <i>JCT's SWOT Analysis</i> .....	45
3.2.4. <i>Risk Assessment</i> .....	52
4. STRATEGIC RESPONSE – IMPLEMENTATION AND PERFORMANCE.....	57
4.1. Key Performance Areas.....	57
4.2. Past Performance .....	58
4.3. COJ Areas of Focus, Critical Issues, and Key Interventions .....	58
4.4. Corporate Scorecard for 2022-2023 .....	62
4.4.1. <i>JCT 2022/23 Corporate Scorecard</i> .....	62
4.4.2. <i>Circular 88 Indicators</i> .....	66
4.5. KPI's Definition.....	67
4.6. Service Standards Charter.....	74
5. FINANCIAL IMPACT .....	75
5.1. Budget and Sources of Funding .....	75
5.2. Operational Expenditure (Opex) .....	76
5.3. Capital Expenditure (Capex).....	77
6. MANAGEMENT AND ORGANISATIONAL STRUCTURES .....	77
6.1. Joburg City Theatres Governance Arrangements .....	77

6.1.1.	<i>Corporate Governance Structure</i> .....	77
6.1.2.	<i>Governance and Oversight</i> .....	80
6.2.	Organisation Structure and Human Capital Management.....	80
6.2.1.	<i>Capacity Analysis</i> .....	84
6.2.2.	<i>Employment Equity</i> .....	84
7.	COMMUNICATION AND STAKEHOLDER MANAGEMENT .....	86
7.1.	Stakeholder Matrix .....	86
7.2.	Communication Plan.....	89
8.	AUDIT RESOLUTION .....	91
9.	ANNEXURE A: DEMAND PLAN 2022/23.....	92
10.	ANNEXURE B: JCT STRATEGIC RISK REGISTER.....	96

## ABBREVIATIONS AND ACRONYMS

AGSA	Auditor-General of South Africa
ARC	Audit and Risk Committee
B-BBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China and South Africa
Capex	Capital Expenditure
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport Sector
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COJ	City of Johannesburg
COVID-19	Novel Coronavirus Disease 2019
DPME	Department of Planning, Monitoring and Evaluation
DSACR	Gauteng Department of Sport, Arts and Culture
DVD	Digital Video Disc / Digital Versatile Disc
EPWP	Expanded Public Works Programme
ERRP	Economic Reconstruction and Recovery Plan
EU	European Union
Exco	Executive Committee / Executive Council
GGT2030	Growing Gauteng Together 2030
HR	Human Resources
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IETM	Informal European Theatre Meeting
ISPA	Internet Service Providers Association
IT	Information Technology
JCT	Joburg City Theatres
JMPD	Johannesburg Metropolitan Police Department
Joburg	Johannesburg
JPO	Johannesburg Philharmonic Orchestra
JT	Joburg Theatre
KPA	Key Performance Area
KPI	Key Performance Indicator
LGBTIQA+	Lesbian, Gay, Bisexual, Transgender, Gender Diverse, Intersex, Queer, Asexual and Questioning

LSM	Living Standards Measure
MFMA	Municipal Finance Management Act
MMC	Member of the Mayoral Committee
MOE	Municipal-owned Entity
MOI	Memorandum of Incorporation
MPG	Multiparty Government
MSA	Municipal Systems Act
MSCOA	Municipal Standard Chart of Accounts
MTREF	Medium-Term Revenue and Expenditure Framework
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan
NPC	Non-profit Company
OECD	Organisation for Economic Co-operation and Development
Opex	Operating Expenditure
PACOFS	Performing Arts Centre of the Free State
PESTEL	Political, Economic, Social, Technological, Environmental and Legislative
Pty	Proprietary
RemSEC	Remunerations, Social and Ethics Committee
SAPS	South African Police Service
SCM	Supply Chain Management
SDA	Service Delivery Agreement
SLA	Service Level Agreement
SMART	Specific, Measurable, Achievable, Realistic and Time-bound
SMME	Small, Medium and Micro Enterprise
SWOT	Strengths, Weaknesses, Opportunities, Threats
SO	Strategic Objective
SOC	State-owned Company
t/a	Trading As
UK	United Kingdom
UK ITC	United Kingdom International Trade Centre
US/USA	United States of America
WHO	World Health Organisation
Wits	University of the Witwatersrand
WSP	Workplace Skills Plan

## OFFICIAL SIGN-OFF

It is hereby confirmed that this 2022/23 Business Plan for Joburg City Theatres (JCT):

- 1) Was developed by the management team of Joburg City Theatres under the guidance of the Board.
- 2) Takes into account all the relevant legislation, policies and other mandates for which Joburg City Theatres is responsible; and
- 3) Accurately reflects the performance targets which Joburg City Theatres will endeavour to achieve for the 2022/23 financial year, given the resources made available in the budget.


Recommended by:

**Mr. Vukani Magubane**

**Acting Chief Financial Officer**

**Signature:**

**Date:**


  
11/05/2022

**Ms. Bridget Mashika**

**Chief Operating Officer**

**Signature:**

**Date:**


  
11/05/2022

**Ms. Xoliswa Nduneni-Ngema**

**Chief Executive Officer  
(Accounting Officer)**

**Signature:**

**Date:**

  
11/05/2022


Approved by:

**Mr. Zane Meas**

**Chairperson of the Board**

**Signature:**

**Date:**


  
12/05/2022

**Cllr. Ronald Harris**

**MMC: Community Development**

**Signature:**

**Date:**

  
12/05/2022



## 1. EXECUTIVE SUMMARY

The City Council of Johannesburg (COJ) initially constructed the Johannesburg Civic Theatre in 1962, creating a high-profile landmark on the top of the Braamfontein hill, which grew to become one of the most technically proficient theatres in the southern hemisphere. It was operated by the Johannesburg Civic Theatre Association<sup>1</sup>.

In July 2000, when theatres across the country were considered to be both creatively and financially moribund, through the iGoli process, the Johannesburg Civic Theatre (Pty) Ltd was corporatized from the then Johannesburg Civic Theatre Association, a Section 21 Company. It was then rebranded in 2009 as Joburg Theatre.

Roodepoort City Theatre NPC t/a Joburg Promusica was founded in 1980. The name of the theatre was later changed to the Promusica Theatre, through the iGoli process in 2000. The theatre operates as a 328-seat auditorium and an 80-seat box theatre. In 2009/10, the strategic positioning of the organisation was reviewed, resulting in a stronger focus on the receiving house aspects of Promusica and a more concerted effort to attract independent producers to the venue.

The Soweto Theatre in Jabulani, Soweto was officially launched in 2012.

In 2011, a high-level review of the City's institutional arrangements was commissioned, and it resolved that Joburg Theatre (SOC) Ltd and Roodepoort City Theatre NPC t/a Joburg Promusica be integrated into a single theatre management company; and further to institutionalise the operations of the newly established Soweto Theatre under the same structure.

The strategic rationale for this decision was as follows:

- 1) The governance structures of the entities were regarded as costly and perhaps not ideal for small entity/ies that, by the nature of the service it offers to communities, will always rely on some funding from the City to be sustainable.
- 2) At the time, the relative independence of the entities had not facilitated an integrated strategic approach and plan for the (sic three) theatres, or indeed for integrated arts and culture advancement and resultant socio-economic benefit within the City.

Therefore, it was recommended that all the theatres be integrated under a single 'theatre management company', with one Board and 'Group CEO' to manage the three theatres. In addition, benefit would be realised by savings at executive level (i.e. single CFO, Company Secretary, Shared Services, etc.).

The integration of the Joburg Theatre (SOC) Ltd and Roodepoort City Theatre NPC t/a Joburg Promusica was approved by Council on 25 August 2011. The effective date for the integration was 1 January 2013.

Joburg Theatre is also permanent home to Joburg Ballet, which is supported by an annual grant from Joburg City Theatres, as well as the Peoples Theatre Company – performing

---

<sup>1</sup> *Joburg Theatre – the First 45 Years, 1962–2007. September 2007*



throughout the year to children between the ages of 3 and 13; and one of the country's most respected community development projects in the arts, the tiny 'black-box' theatre known as [space.com](http://space.com).

Since 2017, the Joburg Philharmonic Orchestra is also supported through an annual grant from Joburg City Theatres.

As a secondary mandate, over the period since 2013, the hospitality, catering, and restaurant services provided by Joburg City Theatres have also matured and grown, contributing significantly to revenue generation and to the suite of services that Joburg City Theatres offers. Stages currently operate at the Joburg City theatres, Joburg Zoo, and the Metropolitan Centre.

The Board of Joburg City Theatres (JCT) is the Accounting Authority in terms of the Municipal Finance Management Act (MFMA). The Board provides strategic direction, leadership, and oversight, so as to enhance shareholder value and ensure Joburg City Theatres' long-term sustainability, development, and growth. In fulfilling its responsibilities, the Board is supported by the Chief Executive Officer and the executive team in implementing the approved strategic plan, annual business plan, and policies.

Joburg City Theatres strives to comply with the principles and practices contained in the King IV Report on Corporate Governance for South Africa (King IV report). In line with good corporate governance practices, the Board of Joburg City Theatres has developed a five-year strategic plan for the organisation, which covers the period between 2019/20 and 2023/24. The plan focuses on the development of a series of aligned annual business plans for the organisation, which reflect the medium-term and annual targets and responsibilities of the rolling milestones defined by the strategic plan.

For this 2022/23 annual planning period, the Board has taken the decision to retain the current 2019-2024 Strategic Plan, which reflects the strategic goals and strategic objectives against which the Entity aligns its annual business plans. The Strategic Plan will be reviewed in the next planning period, once the COJ's Integrated Development Plan (IDP) for 2022-2027 is finalised. The intention being to continue to strengthen the results-based management approach to planning, and to define what would form part of the 'legacy' of the Board, albeit that the Strategic Plan would extend beyond the period of the Board's tenure.

While JCT commenced its annual strategic review and planning process in November 2021, a comprehensive assessment of the draft Business Plan was conducted by the newly formed Board that took office in March 2022. At the Board planning session on 30 March 2022, the Board provided leadership and strategic direction and critically reviewed performance of the organisation against its mandate and planned outcomes. This included:

- 1) An overview of JCT's mandate and alignment with the policy context of the newly formed COJ multiparty government.
- 2) An overview of JCT's strategic framework, refinement of the Mission, review of progress against the goals and objectives of the five-year strategic plan (outcome-level planning) and alignment with the priorities of the new administration.
- 3) A review of the draft situational analysis, stakeholder analysis, and agreement on the planning priorities for the short to medium-term period.

- 4) Input into the development of the tactical/performance plan for the 2022/23 planning cycle, including an alignment with the focus areas and priorities outlined in the COJ's 2022/23 business planning guidelines and the Circular 88 indicators.
- 5) Agreement on the enablers/critical success factors to support the implementation of the 2022/23 Business Plan, including budget, organisational structure and capacitation, and risk management.

The management team then carried forward the strategic direction provided by the Board to develop and finalise the 2022/23 Business Plan and Corporate Scorecard. The Business Plan is structured in accordance with the City's business planning guidelines.

## **SECTION 2: STRATEGIC OVERVIEW (WHO ARE WE)**

In terms of its Memorandum of Incorporation (MOI) and the Service Delivery Agreement (SDA) entered into with the City of Johannesburg Metropolitan Council, which defines the role and primary objects of JCT, JCT has a primary mandate *"to provide quality, innovative and accessible theatre, live entertainment and educational productions and experiences, which serves the diverse communities of the City of Joburg and supports social cohesion, inclusivity and tolerance"*. Supporting the organisation's sustainability is the secondary mandate *"to provide supportive hospitality infrastructure and services"*.

In line with this mandate, JCT has set for itself the following vision:

***A leading African artistic platform providing sustainable, development-oriented and diverse programming and services.***

JCT's mission is:

***To produce and present innovative, relevant and diverse local and international entertainment programmes that promote inclusion and social cohesion.***

JCT's values are: **Service Excellence | Ubuntu | Accountability | Agility**

In terms of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), JCT operates within the local government legislative framework and supports the COJ's responsibility for ensuring the sustainable provision of municipal services within the City of Johannesburg through its establishment as a non-profit municipal-owned entity (MOE), wholly owned and controlled by the City.

The business plan reflects on JCT's contribution to the National Medium-Term Strategic Framework (MTSF) for the 2019-2024 national electoral cycle, as well as the provincial Growing Gauteng Together 2030 Plan of Action (GGT2030), which describes the practical interventions and measures of success to deliver the intended impact of building over time *"the Gauteng we want"*.

Within the political structure of the COJ, JCT forms part of the COJ's Social and Human Development Cluster, located under the City's Department of Community Development, with the MMC for Community Development providing political oversight. The organisation is tasked to support the strategic direction provided by the objectives and priorities of the multiparty government (MPG) of the City's government elected and formed in 2021.

In terms of the seven mayoral (COJ) priorities, JCT has a programmatic contribution to all seven priorities and strategic interventions, as follows:

1) **COJ Priority 5: An inclusive City.**

- Sports and arts facilities that promote activities we enjoy doing as a community.

2) **COJ Priority 3: A caring City.**

- Consistent support and uplifting of marginalised communities such as women, youth, people with disabilities and LGBTIQA+.

3) **COJ Priority 1: Getting the basics right.**

- Create and maintain facilities that promote social cohesion.

4) **COJ Priority 6: A well-run City.**

- A financially sustainable City (by implication, a financially sustainable theatre).

5) **COJ Priority 4: A business-friendly City**

- More skills for jobs and programmes for young people to gain skills and experience.
- Fair access to EPWP opportunities and fair allocation of local contracts.
- Promote business and leisure tourism as important job creators

6) **COJ Priority 7: A smart City**

- A smart City that embraces ICT innovation as a force for good.

7) **COJ Priority 2: A safe and secure City**

- Integrated and visible policing where SAPS, the private sector, and community organisations collaborate to monitor areas, provide alerts, and share capacity.

JCT's response is through its operating model, which comprises six operating divisions/functions, with head office providing governance, oversight and corporate support through various enabling services. The core business is implemented through the three theatres – Joburg Theatre, Roodepoort Theatre, and Soweto Theatre. Other operations include hospitality and catering, youth and community development, as well as JCT's support via grant for the Joburg Ballet and Joburg Philharmonic Orchestra (JPO).

Five strategic objectives have been developed in order to enable JCT to effectively focus and prioritise its options in delivering on its mandate and to respond to the City's priorities:

- 1) Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs.
- 2) Quality performing arts and entertainment experiences and facilities.
- 3) Affordable access to and use of theatres by communities.

- 4) Good governance, financial sustainability, and sound management.
- 5) Mobilisation of resources to support the mandate and improved brand recognition and awareness of JCT.

The focus areas of the strategic objectives have been updated in planning for the 2022/23 financial year to incorporate the priorities and strategic interventions of the City and have informed the key performance areas (KPA) and performance information contained in the 2022/23 Corporate Scorecard.

### **SECTION 3: STRATEGIC ANALYSIS**

The first part of the strategic analysis reflects on JCT's service delivery and performance highlights in terms of key successes, challenges and the future outlook, summarised as follows:

#### **Quality service delivery:**

JCT is able to produce and host world class productions due to the high standard of infrastructure and facilities at the three theatres. The upgraded stage machinery at the Joburg Theatre makes it globally competitive and a preferred venue for producers. While the Soweto and Roodepoort theatres both have functional generators installed, the problem of loadshedding and power outages will be addressed at the Joburg Theatre once the backup generator that was procured in the 2021/22 financial year is operational by July 2022. The quality facilities are supported by strong technical capabilities of the JCT team, who are able to manage diverse productions. The organisation has continued to receive a good public relations return on investment over the years and is well-placed to fill the arts and theatre gap that has been created by the closure of private sector theatres in the COVID-19 period.

#### **Key challenges:**

Notwithstanding the successes, key challenges include inconsistent attendance at theatre shows, with many people remaining sceptical about indoor gatherings due to the COVID-19 pandemic. Furthermore, COVID-19 regulations continue to limit the audience numbers, with audiences allowed in the theatres limited to 50% of capacity. The lack of brand positioning and brand awareness of JCT needs to be addressed, as does the limited number of in-house productions to absorb newly trained practitioners.

#### **Future outlook:**

Looking ahead, JCT will continue to operate under the five-year strategic plan theme "*to procure and/or produce transformed content in transformed spaces*"; and:

- 1) *to commercialise the transformed content by ensuring the shows are profitable; and*
- 2) *to grow Joburg City Theatre's profile by showcasing the transformed content nationally and internationally.*

Focus will, therefore, be given to:

- 1) Strengthening governance and compliance:
  - Motivate for the reconstitution of the Board Artistic/Service Delivery Committee.

2) Strengthening the operations and commercial viability of the theatres:

- Enhance the curation of festivals (Festival of Lights, Arts Alive, School Networks, Shakespeare Festival, Festival of Excellence in Dramatic Arts, New Year's Eve over two days, and Heritage Festival).
- Curation of a Joburg Festival that looks at Newtown, Wits corner, and Braamfontein along the lines of the "Edinburgh Festival".

3) The JCT touring circuit:

- Annual showcase by taking at least one show nationally.

4) Commercial outreach and developing talent:

- Expanded utilisation of the Mobile Theatre Truck to access audiences that are not traditional theatre goers.
- Service learners in the Gauteng region by providing a teaching and learning experience outside of the conventional classroom in a way that adds value to the education experience.

5) Implementing the City's priorities, relating to:

- Soweto Theatre Amphitheatre launch.
- Celebration of major milestone events in 2022 – Joburg Theatre (60 years), Soweto Theatre (10 years) and Arts Alive (30 years).
- Revenue generation.
- Arts and Culture/Tourism strategy.

The second part of the strategic analysis provides a reflection on the macro-environment context within which JCT operates, understanding that tourism, arts, and entertainment have been severely impacted by the COVID-19 pandemic and will not see a substantial rebound until the pandemic is brought under control, all restrictions for indoor events are lifted and audiences begin to take comfort again in being in close contact with others. The economic outlook for South Africa remains subdued, unemployment rates are at record highs, and poverty and inequality remain pervasive. Focus must be given to supporting women, youth, and people with disabilities. For JCT, the future arts and theatre practitioners will come from the youth, and thus a specific strategic objective with aligned KPAs on youth development.

The PESTEL analysis, SWOT analysis, and summarised Risk Assessment make up the rest of the environmental analysis, detailed in the business plan and informing JCT's strategic response.

#### **SECTION 4: STRATEGIC RESPONSE – IMPLEMENTATION, PERFORMANCE**

In response to the above strategic intent, COJ priorities, and the environmental analysis, JCT has redefined its key performance areas (KPAs) for the 2022/23 planning period. While the strategic objectives are the medium-term outcomes that the organisation is striving towards,



the KPAs are defined as the key outputs or deliverables to give effect to the five strategic objectives, which are aligned to the COJ priorities as follows:

COJ Priority	Strategic Objective	Key Performance Areas
COJ Priority 3: A caring City COJ Priority 4: A business friendly City	SO1. Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	Work opportunities created at Joburg City Theatres Youth developed in arts and theatre
COJ Priority 1: Getting the basics right COJ Priority 5: An inclusive City COJ Priority 7: A Smart City	SO2. Quality performing arts and entertainment experiences and facilities	Service level standards achieved Arts and culture festivals and themed productions hosted and produced Joburg Ballet and Philharmonic Orchestra integrated into the group offering JCT touring circuit implemented Annual legends tribute programme implemented Theatre Productions streaming and making available productions online Offering free Wi-Fi in theatre venues
COJ Priority 1: Getting the basics right COJ Priority 3: A caring City COJ Priority 5: An inclusive city	SO3. Affordable access to and use of theatres by communities	Audiences developed and venues accessed School set work offerings provided across all 3 theatres City-wide integrated activations implemented
COJ Priority 1: Getting the basics right COJ Priority 4: A business-friendly City COJ Priority 6: A well-run City	SO4. Good governance, financial sustainability and sound management	Financial management and sustainability Governance, internal controls, performance and risks managed Small businesses supported through B-BBEE and preferential procurement Circular 88 outcomes and outputs on financial management and good governance monitored and reported on
COJ Priority 1: Getting the basics right COJ Priority 6: A well-run City	SO5. Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	Stakeholders mobilised and managed Arts and theatre promoted through major milestones and anniversary events



JCT's Corporate Scorecard is further informed by the focus areas, critical issues, and key interventions delegated to JCT by the COJ through the 2022/23 Business Planning Guidelines.

Areas of focus:

<b>Critical Issue</b>	<b>Key Interventions</b>		
	<b>Short Term (End of 2021/22 FY)</b>	<b>Medium Term (2022–2025 MTREF)</b>	<b>Longer Term (Term of Office)</b>
Amphitheatre Launch	<ul style="list-style-type: none"> <li>▪ Resubmission of SDP and building plans by JPC.</li> <li>▪ Issuing of Occupation Certificate by COJ Planning Department</li> </ul>	Official Launch of the Amphitheatre – September 2022.	Use of venue as a multipurpose space for traditional music and dance, fashion shows, music concerts, sports (basketball/boxing)
Major Milestone Events in 2022: <ul style="list-style-type: none"> <li>▪ Joburg Theatre 60<sup>th</sup></li> <li>▪ Soweto Theatre 10<sup>th</sup></li> <li>▪ Roodepoort Theatre 45<sup>th</sup></li> </ul>	<ul style="list-style-type: none"> <li>▪ Six months programme announcement and implementation</li> <li>▪ Soweto Theatre 10<sup>th</sup> anniversary</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continuation of programme implementation</li> <li>▪ 30th Anniversary of Johannesburg Arts Alive International Festival</li> <li>▪ Joburg Theatre 60<sup>th</sup> anniversary (2022/23)</li> <li>▪ Roodepoort Theatre 45<sup>th</sup> anniversary (2024/25)</li> </ul>	---
Revenue generation	<ul style="list-style-type: none"> <li>▪ Stage fewer yet high-profile productions, which will result in greater ticket sales (balance tickets sold/complimentary ticket ratio)</li> <li>▪ Review marketing and sales strategies to yield the desired outcomes – paying bums on seats</li> </ul>	Strengthen school set work offering across all three theatres	Position arts alongside sport in schools for development of future audiences
Arts and Culture/ Tourism strategy	Strengthen tourist focused marketing and promotion	<ul style="list-style-type: none"> <li>▪ Revitalisation of the Arts in Joburg</li> <li>▪ Better integrate the Joburg Ballet and Johannesburg Philharmonic Orchestra into the group offering</li> </ul>	Joburg City Theatres Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg

<i>Critical Issue</i>	Key Interventions		
	Short Term (End of 2021/22 FY)	Medium Term (2022–2025 MTREF)	Longer Term (Term of Office)
Newtown Cultural Precinct	Maintenance of clean and safe precinct	Newtown artistic programming budget	Joburg festivals like Edinburgh and Adelaide festivals
Underground parking at Joburg Theatre	Prepare a business case as per research for the development of parking bays to diversify revenue streams	Secure funding for implementation in the outer years	Diversification of revenue streams and product offering, creating jobs and infrastructure development

The 2022/23 Corporate Scorecard comprises the following logframe tables:

- 1) JCT Corporate Scorecard 2022/23, which outlines the key performance indicators (KPIs), annual and quarterly targets and budgets for each of the above KPAs.
- 2) Circular 88 Indicators for 2022/23, which contains the finance and governance-related indicators that are applicable to JCT.

Each corporate scorecard KPI is further defined by detailed technical indicator descriptions. The section concludes with JCT's service standards commitment as contained in the signed Service Delivery Agreement.

## **SECTION 5: FINANCIAL IMPACT**

The budget and expenditure schedules for the Medium-Term Revenue and Expenditure Framework (MTREF) are detailed in the business plan, summarised as follows:

- 1) 2022/23 total operational expenditure budget of R238.619 million, which is a 3.12% increase on the previous full financial year forecast. It is estimated that the budget will increase by a total of 12.75% over the three-year MTREF period, using the 2021/22 full year forecast as the baseline.

It should be noted that JCT's full year revenue forecast for 2021/22 is R231.381 million as compared to the adjusted budget estimate of R217.839 million.

- 2) The estimated capital budget for 2022/23 is R12.626 million, up from the R11.768 million of the 2021/22 financial year.

## **SECTION 6: MANAGEMENT AND ORGANISATIONAL STRUCTURES**

The newly instituted Board of Directors of JCT consists of seven non-executive directors and two executive directors (CEO and CFO). The Board is supported by two committees, namely, the Audit and Risk Committee: and the Remuneration, Social and Ethics Committee. JCT is of the view that a third committee is necessary to give focus on the core business of arts and theatre and will engage in discussions with the City for the establishment of an Artistic/Service Delivery Committee.

The Theatres' management team is inclusive and representative of the demographics of the country. The members of the support management team comprise of staff members from a diverse background. 94% of the staff complement is made up of historically disadvantaged individuals and 37% are female.

As at 31 December 2021, JCT had 463 employees. The workforce profile is presented as follows: 239 of staff are permanent employees, 205 are temporary fixed-term employees, and 19 interns. JCT has 205 temporary/ad-hoc employees, and the majority of these temporary employees are working in the Hospitality and Catering Department (i.e., 135). They are contracted and required to work and/or called per show. They are paid an hourly rate.

Temporary employees in the Hospitality and Catering Department consist of waitresses, scullers, bartenders, Commie Chefs, kitchen staff, banqueting staff, and general assistants, etc.

## **SECTION 7: COMMUNICATION AND STAKEHOLDER MANAGEMENT**

This section provides a detailed assessment of the expectations of the key stakeholder groups that JCT engages with and describes the interventions that are required to meet the stakeholder expectations. The section further provides an overview of the Marketing and Communication Strategy, and overall Communication Plan.

## **SECTION 8: AUDIT RESOLUTION**

Status on the resolution of the internal and external audit findings raised by the Group Risk Assurance Services (internal auditors) and the Auditor-General (external auditors), as of the end of the third quarter of the 2021/22 financial year:

- 1) 18 internal audit findings addressed in the 2021/22 financial year (1 open from 2019/20 and 17 raised by internal audit in 2020/21) – 67% resolved as per internal audit verifications.
- 2) 10 findings raised by the Auditor-General in the 2020/21 external audit – 20% resolved as per internal audit verifications.

Management is engaging with internal audit to ensure 100% internal audit verification of resolution of internal and external audit findings by the end of the 2021/22 financial year. JCT is resolute on achieving a clean audit outcome for the 2021/22 financial year, and to maintain the audit outcome in subsequent years.

## 2. STRATEGIC OVERVIEW

### 2.1. MANDATE / PURPOSE

Joburg City Theatres is governed in terms of its Memorandum of Incorporation and the amended Shareholder Agreement, which outlines the role and primary objects of Joburg City Theatres. Read together, in terms of these documents, Joburg City Theatres focuses on the delivery of the following services:

- 1) The management and promotion of high-quality performing arts and entertainment facilities.
- 2) To enable Joburg residents to access and benefit from quality arts and culture facilities and experiences.
- 3) The hosting and showcasing of revenue generating local and international productions that have a positive impact on the financial sustainability of Joburg City Theatres, whilst also exposing Joburg citizens to globally recognised professional entertainment.
- 4) The hosting of quality performing arts and entertainment productions that are attractive to both traditional and regular theatre goers, but also to new and diverse audiences.
- 5) The promotion and development of local content and local markets through programmes that advance social cohesion and support the transformation of society.
- 6) The in-house and/or co-production and staging of arts and entertainment productions in collaboration with local and international arts practitioners, entrepreneurs, and enterprises.
- 7) The acceleration of youth development through enhancing the teaching and learning experience of learners, programmes that stimulate an interest in the arts as a viable career path and the provision of opportunities for future arts practitioners and entrepreneurs.
- 8) To conceptualise, create, produce, market and disseminate content, both through own facilities and by taking shows to communities.
- 9) Provision of supportive hospitality infrastructure and services.
- 10) To generate revenue over and above the subsidy received from the City through the effective delivery of the above services.

In summary, the mandate of Joburg City Theatres is:

*To provide quality, innovative and accessible theatre, live entertainment and educational productions and experiences, which serves the diverse communities of the City of Joburg and supports social cohesion, inclusivity and tolerance.*

In support of this mandate, the core business of Joburg City Theatres is:

- *To provide quality, well-managed and accessible theatre and live entertainment venues, and proactively work to develop new audiences and markets.*
- *To identify, commission and produce relevant productions and experiences; and support youth development, including the development of future arts practitioners and entrepreneurs; and*
- *To offer quality support and services that enable the acquisition and hosting of local and international professional productions and experiences that are relevant to diverse audiences.*

The secondary business of Joburg City Theatres is:

- *The provision of supportive hospitality infrastructure and services.*

## **2.2. VISION**

***A leading African artistic platform providing sustainable, development-oriented and diverse programming and services.***

## **2.3. MISSION**

***To produce and present innovative, relevant and diverse local and international entertainment programmes that promote inclusion and social cohesion.***

*In so doing, Joburg City Theatres' commits to:*

- *Conceptualise, manage, host and promote quality performing arts and entertainment experiences and facilities.*
- *Create opportunities for affordable access and use of theatres by all communities.*
- *Provide opportunities for the youth, including the development of future arts and theatre practitioners and entrepreneurs.*
- *Grow shareholder value by ensuring sound financial sustainability and good governance.*
- *Work in partnership with others to maximise the impact of our programmes.*

## **2.4. VALUES**

To support and drive its core strategy, Joburg City Theatres appreciates that values identify the principles for the conduct of the institution in carrying out its mission. Joburg City Theatres' values define a citizen-oriented approach for producing and delivering its services in line with the service delivery priorities of the COJ, as follows:



Value	What it means in practice
<b>Service excellence</b>	<ul style="list-style-type: none"> <li>▪ We will at all times render the quickest, responsive and best service to our customers. We will do so in a competent, timely, cost effective, efficient and professional manner</li> <li>▪ We will strive for enhanced levels of customer satisfaction and responsiveness, and diligently strive to meet and exceed our service standards</li> </ul>
<b>UBUNTU (care and concern for people)</b>	<ul style="list-style-type: none"> <li>▪ We will do our work with care, empathy and concern for the wellbeing of vulnerable communities, customers and stakeholders</li> <li>▪ We will at all times display tolerance, respect and consideration of cultural diversity</li> <li>▪ We will implement Batho Pele Principles</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>▪ We will display punctuality, reliability, dependability and a commitment to meet deadlines</li> <li>▪ We will act in a transparent manner and display ethical and consistent behaviour</li> <li>▪ We will behave with integrity in all our actions, always acting in the best interest of the citizen and organisation</li> </ul>
<b>Agility</b>	<ul style="list-style-type: none"> <li>▪ We will seek to be flexible, adaptable and responsive to our highly competitive environment</li> <li>▪ We will value and promote innovative ideas and solutions in order to deliver exceptional results</li> <li>▪ We will strive to identify opportunities to delivery services more economically and efficiently, and to respond to revenue opportunities, given the constrained fiscal environment</li> <li>▪ We will seek to leverage the positive social benefit of the arts, and to use the arts to address societal issues and promote greater quality of life</li> </ul>

## 2.5. LEGISLATION AND POLICY ENVIRONMENT

### 2.5.1. CONSTITUTIONAL AND LEGISLATIVE MANDATES

At the apex of the mandate informing the work of Joburg City Theatres lies the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), as the supreme law of the Republic. It provides the legal foundation for the existence of South Africa, sets out the rights and duties of its citizens and defines the structure of the State, and all laws of the country must be consistent with the Constitution. The Constitution further requires that all spheres of government and society work together to address poverty, underdevelopment, marginalisation of individuals and communities and other legacies of apartheid and discrimination.

Section 152 of the Constitution outlines the objectives of local government, which are –



- 1) To provide democratic and accountable government for local communities.
- 2) To ensure the provision of services to communities in a sustainable manner.
- 3) To promote social and economic development.
- 4) To promote a safe and healthy environment, and
- 5) To encourage the involvement of communities and community organisations in the matters of local government.

Read with the Constitution, the Municipal Structures Act (No.117 of 1998) and Regulations, and the Municipal Systems Act (No.32 of 2000), provide the basis upon which local government is established. JCT supports the COJ in implementing the local government legislative prescripts, including Section 10 of the Municipal Systems Act, which states that, inter alia –

*“the Council of a municipality, ... has the duty to exercise the municipality’s executive and legislative authority and use the resources of the municipality in the best interests of the local community; encourage the involvement of the local community; strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner; give members of the local community equitable access to the municipal services to which they are entitled; promote and undertake development in the municipality; and promote a safe and healthy environment in the municipality.”*

Within this local government legislative framework and in terms of the Municipal Finance Management Act (No.56 of 2003), JCT is a non-profit municipal-owned entity (MOE), wholly-owned by the COJ and mandated in terms of its MOI and Service Delivery Agreement. The Entity is compelled to comply in full with the prescripts of the MFMA, as well as with all national and provincial legislation and regulations, and COJ bylaws, applicable to its functions and areas of operation.

While operating at a municipal-level under the auspices of the COJ, JCT works in partnership with key arts and culture role-players and is a complementary and supportive intergovernmental partner of the National Department of Sport, Arts and Culture (DSAC). JCT is cognisant of the progress being made towards the development of the Revised White Paper on Arts, Culture and Heritage, which will have implications for all sector role-players once finalised.

## **2.5.2. POLICY AND STRATEGY MANDATES**

### **National and Provincial Policy and Strategy Frameworks**

Designed as a broad set of programmatic interventions, the National Development Plan (NDP) proposes a ‘virtuous cycle’ of growth and development, whilst reducing poverty and inequality. The enablers are strong leadership throughout society, national consensus, social cohesion and a capable State. Chapter 15 of the NDP asserts that:

*“Arts and culture opens powerful spaces for engagement about where a society finds itself and where it is going. Promoted effectively, the creative and cultural industries can*

*contribute substantially to small business development, job creation, urban development and renewal.”*

To this end, a transformed, socially cohesive society and united country as put forward by the NDP, as both a national outcome and as a means to eradicating poverty and inequality, is at the heart of the strategy of the DSAC and, therefore, an informant of this Business Plan of JCT.

The NDP is given effect by the Medium-Term Strategic Framework, currently for the five-year period 2019-2024. JCT's core business contributes to Priority 5 – Spatial integration, human settlements and local government and Priority 6 – Social cohesion and safe communities. Contributions are also made to Priority 1 – A capable, ethical and developmental State, and Priority 2 – Economic transformation and job creation.

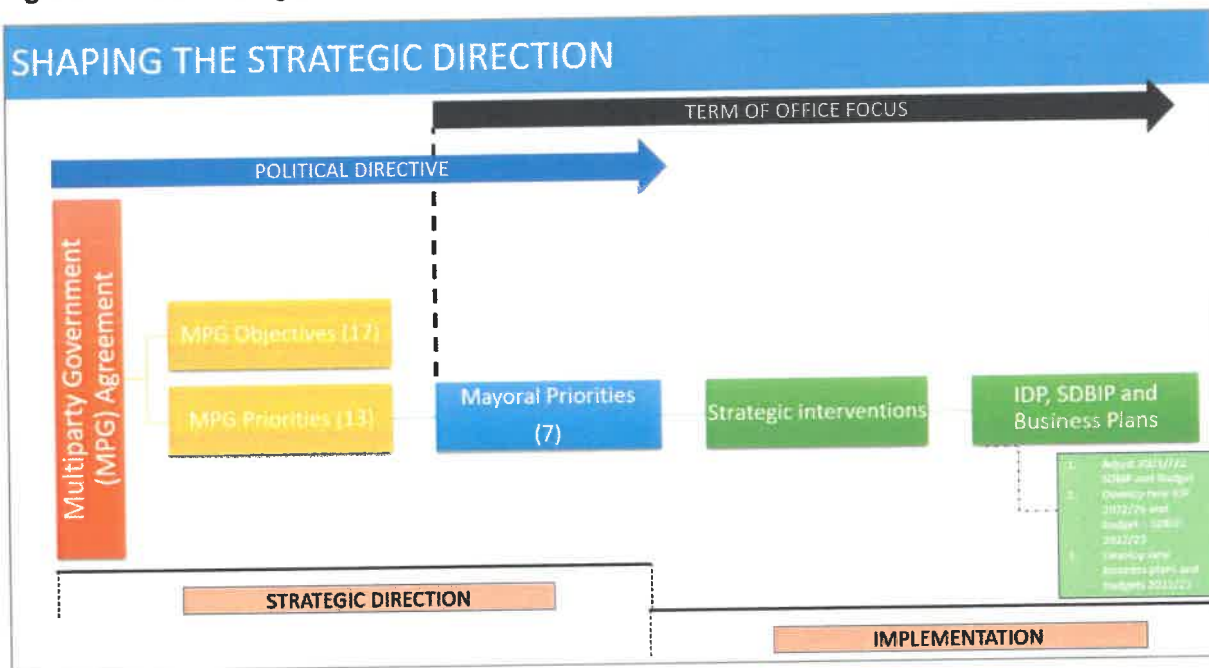
The Gauteng Provincial Government's (GPG) response to the NDP and MTSF is the Gauteng Growing Together 2030 Plan of Action (GGT2030), which has seven priorities aligned to the MTSF, with practical interventions and measures of success to deliver the intended impact of building over time *“the Gauteng we want”* – a province where:

- 1) No one goes to bed hungry.
- 2) The economy reflects the full diversity of our population and harnesses the full potential of all the people.
- 3) Everyone has a job and earns a living wage.
- 4) Businesses, big and small, thrive and prosper.
- 5) Every household has access to basic shelter, a piece of land, and a decent income.
- 6) Everyone has access to quality healthcare.
- 7) Everyone, young and old, has access to the kind of education that unleashes their full potential.
- 8) All residents have access to basic services and quality infrastructure.
- 9) Everyone feels safe and can walk the streets at any time.
- 10) Women enjoy their rights, free from all forms of patriarchy; and
- 11) The environment is protected and cared for.

### **City of Johannesburg Strategic Direction**

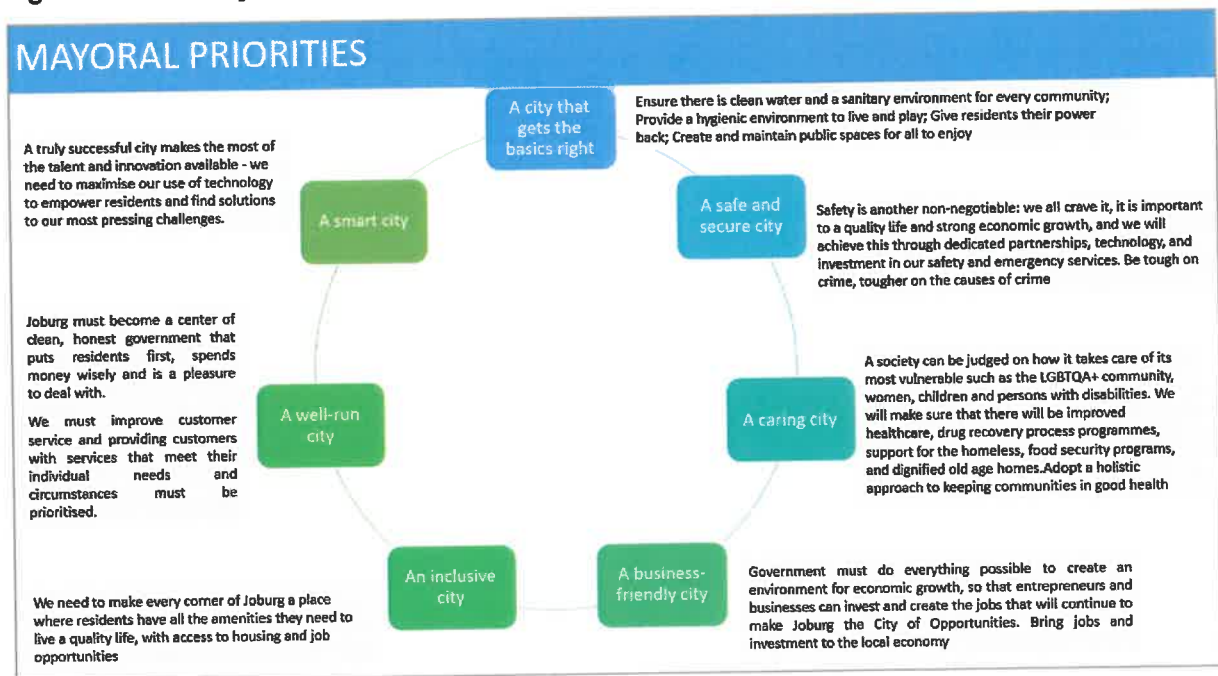
JCT forms part of the COJ's Social and Human Development Cluster, located under the City's Department of Community Development, with the MMC for Community Development providing political oversight. Once finalised, the 2022-2027 Integrated Development Plan (IDP) will provide JCT with the overarching framework against which to orientate its strategic and annual business plans. For the 2022/23 planning period, JCT is tasked to support the strategic direction provided by the objectives and priorities of the multiparty government (MPG), which seeks to ensure an integrated approach to serving the needs of all citizens of the City.

Figure 1: COJ Strategic Direction



The seven mayoral priorities requiring an aligned response in planning are reflected in the figure below.

Figure 2: COJ Mayoral Priorities



The programmatic response of JCT to the Mayoral Priorities, and applicable COJ strategic interventions, is reflected in the table below.

**Table 1: JCT Response to the Mayoral Priorities and Applicable Strategic Interventions**

<b>COJ PRIORITIES</b> (Applicable Strategic Interventions)	<b>JCT PROGRAMMATIC RESPONSE</b> (Informing JCT Strategic Objectives and KPAs)
<p><b>COJ Priority 5: An inclusive City</b></p> <ul style="list-style-type: none"> <li>➤ Sports and arts facilities that promote activities we enjoy doing as a community</li> </ul>	<ul style="list-style-type: none"> <li>▪ Audience development</li> <li>▪ Arts education and arts talent skills development</li> <li>▪ Theatre open days</li> <li>▪ Mobile theatre truck – take theatre to communities</li> <li>▪ Soweto Theatre Amphitheatre launch</li> <li>▪ Leveraging major milestones/anniversary events of the theatres to promote the arts and theatre</li> <li>▪ Better leverage the Joburg Ballet and Philharmonic Orchestra into the group offering</li> </ul>
<p><b>COJ Priority 3: A caring City</b></p> <ul style="list-style-type: none"> <li>➤ Consistent support and uplifting of marginalised communities such as women, youth, people with disabilities and LGBTIQA+</li> </ul>	<ul style="list-style-type: none"> <li>▪ Thematic productions</li> <li>▪ Strengthen school set work offering across all theatres</li> <li>▪ Position arts alongside sport in schools for development of future audiences</li> <li>▪ Provide opportunities for the youth, including the development of future arts and theatre practitioners</li> </ul>
<p><b>COJ Priority 1: Getting the basics right</b></p> <ul style="list-style-type: none"> <li>➤ Create and maintain facilities that promote social cohesion</li> </ul>	<ul style="list-style-type: none"> <li>▪ Thematic productions</li> <li>▪ Host, develop and stage productions that tell the story – and promote civic pride/social cohesion</li> <li>▪ Customer care improvement</li> <li>▪ Integrated programming of the theatres</li> <li>▪ Ensure efficient and effective internal business processes and systems</li> <li>▪ JCT Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg</li> </ul>
<p><b>COJ Priority 6: A well-run City</b></p> <ul style="list-style-type: none"> <li>➤ A financially sustainable City (by implication, a financially sustainable Theatre)</li> </ul>	<p>Anti-fraud and corruption:</p> <ul style="list-style-type: none"> <li>▪ Put mechanisms in place to verify observance of code of conduct and ethics and make it known within JCT</li> <li>▪ Perform a comprehensive fraud risk assessment as part of the operational risk assessment</li> <li>▪ Develop and deploy preventative and detective fraud control activities</li> <li>▪ Formulate and collate a fraud response plan to ensure a coordinated approach to investigation and corrective action</li> </ul>

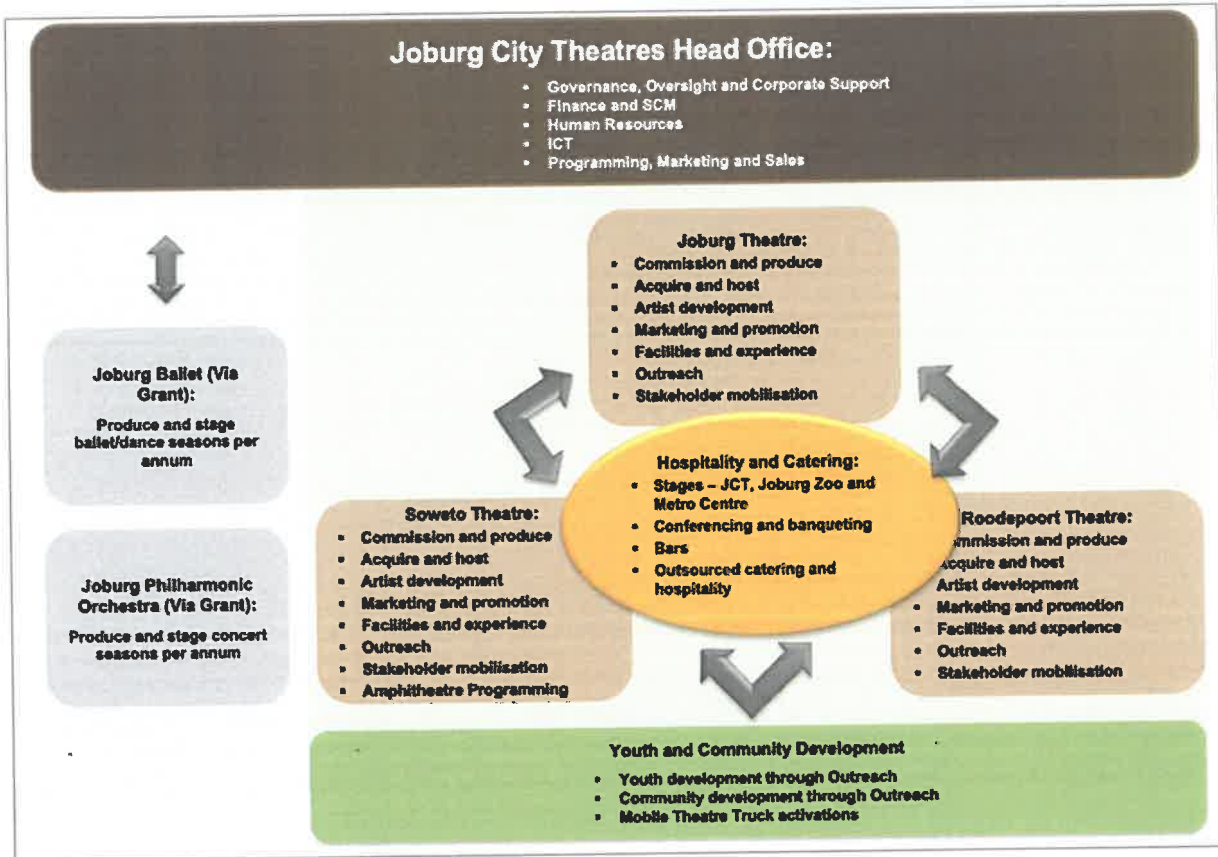


COJ PRIORITIES (Applicable Strategic Interventions)	JCT PROGRAMMATIC RESPONSE (Informing JCT Strategic Objectives and KPAs)
	<p>Financial sustainability:</p> <ul style="list-style-type: none"> <li>▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue</li> <li>▪ Increase asset utilisation and leveraging investment.</li> <li>▪ Well planned and implemented Capex and maintenance programme.</li> <li>▪ Cost efficiency across the value-chain</li> <li>▪ Stage fewer yet high-profile productions – balance tickets sold / complimentary ticket ratio</li> <li>▪ Underground parking at Joburg Theatre for own use and revenue diversification</li> </ul>
<p><b>COJ Priority 4: A business-friendly City</b></p> <ul style="list-style-type: none"> <li>➤ More skills for jobs and programmes for young people to gain skills and experience</li> <li>➤ Fair access to EPWP opportunities and fair allocation of local contracts</li> <li>➤ Promote business and leisure tourism as important job creators</li> </ul>	<ul style="list-style-type: none"> <li>▪ Expanded Public Works programmes (EPWPs) opportunities</li> <li>▪ Work opportunities created at JCT</li> <li>▪ SMME support</li> <li>▪ Ensure sound and consistent supply chain management processes that support preferential procurement, and enhance the contribution of JCT to enterprise development</li> <li>▪ Cultivate local entrepreneurs/suppliers</li> <li>▪ Strengthen tourist-focused marketing and promotion</li> <li>▪ Joburg festivals (Newtown cultural precinct), like Edinburgh and Adelaide festivals</li> </ul>
<p><b>COJ Priority 7: A smart City</b></p> <ul style="list-style-type: none"> <li>➤ A smart City that embraces ICT innovation as a force for good</li> </ul>	<ul style="list-style-type: none"> <li>▪ Theatre production streaming</li> <li>▪ Offering free Wi-Fi in theatre venues</li> </ul>
<p><b>COJ Priority 2: A safe and secure City</b></p> <ul style="list-style-type: none"> <li>➤ Integrated and visible policing where SAPS, the private sector, and community organisations collaborate to monitor areas, provide alerts and share capacity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Joburg Theatre participates in the Braamfontein improvement district, which focuses on safety in Braamfontein</li> <li>▪ Soweto Theatre collaborate with the Jabulani SAPS and the Community Policing Forum.</li> <li>▪ Roodepoort Theatre has a relationship with JMPD</li> </ul>

## 2.6. JCT OPERATING AND BUSINESS MODEL

JCT's operating model reflects the Entity's business logic, reflecting what the organisation offers its customers; how it reaches and relates to them; and through which resources, activities and partners this is achieved. It reflects how JCT earns money and deploys available funding.

Figure 3: JCT Operating Model



In line with the above-integrated operating model, the six operating divisions of JCT define their aim and focus as follows:

Table 2: Aim and Focus of JCT's Six Operating Divisions

AIM AND FOCUS OF JCT'S SIX OPERATING DIVISIONS	
<b>Head Office Operations:</b>	
<p>Governance, Oversight and Corporate Support:</p> <p>Finance and SCM, HR, ICT, and Facilities Management</p>	<p><u>Aim:</u> Supporting the delivery of JCT services to the right quality and standard; promoting good governance, transparency and accountability; ensuring sound financial management and accounting and building institutional resilience and administrative capability.</p> <p><u>Focus areas:</u></p> <ol style="list-style-type: none"> <li>1) To provide an enabling environment in support of all five strategic objectives, through the provision of effective leadership, strategic management and corporate support within Joburg City Theatres, in fulfilment of its mandate and mission.</li> <li>2) To ensure effective systems of governance and compliance to relevant regulations, standards and guidelines.</li> <li>3) To secure sound and sustainable management of JCT financial affairs. Maintain effective, efficient transparent systems of financial risk and financial control. Ensure that irregular, unauthorised or fruitless and wasteful expenditure and other losses are prevented.</li> </ol>



## AIM AND FOCUS OF JCT'S SIX OPERATING DIVISIONS

	<p>4) To ensure effective and consistent human resources management and development across Joburg City Theatres.</p> <p>5) Promote the provision of accessible, universal, affordable, reliable, modern, and high-quality levels of ICT facilities and services.</p>
<p>Programming, Marketing and Sales</p>	<p><u>Aim:</u></p> <ol style="list-style-type: none"> <li>1) Produce and present innovative and relevant indigenous and international entertainment programmes that promotes diversity and social cohesion. Programming comprises of an inclusive mix of genres, theatre (musicals and drama), poetry, comedy, dance, educational programmes, events, and festivals.</li> <li>2) To create brand awareness campaigns. Increase the number of people who make a purchase by attracting them to the theatre, expose customers to who we are, what we have and what we do, and contributing to the theatres in creating a sustainable revenue growth</li> <li>3) Increased ticket sales.</li> </ol> <p><u>Focus areas:</u></p> <p>To provide</p> <ol style="list-style-type: none"> <li>1) To identify acquire, host, commission and produce relevant and sustainable programming.</li> <li>2) To attract and sustain a diverse patrons and external stakeholders. To create brand awareness, build a loyal audience, create customer experience and services.</li> <li>3) Increase the number of people who make a purchase by attracting them to the theatre, expose customers to who we are, what we have and what we do, and contributing to the theatres in creating a sustainable revenue growth.</li> </ol>

### Joburg Theatre

Aim: To be seen as an industry leader in Africa providing high-quality and diverse live performances, the preferred venue for artists, producers and directors to partner and co-produce with, and a leading partner for the export of local and international production content.

Focus areas:

- 1) Maintain traditional JT strengths (panto, ballet, opera, musicals), but to infuse cutting edge and contemporary art forms (dance, drama, festivals and concerts).
- 2) Develop exceptional curatorship and client relationship management discipline.
- 3) Establish solid partnerships with production and funding institutions.
- 4) Establish strong mutually beneficial relationships and collaborations with local and international production and funding institutions, which will enable the exchange of productions to and from Joburg Theatre.
- 5) Audience development.

### Roodepoort Theatre

## AIM AND FOCUS OF JCT'S SIX OPERATING DIVISIONS

**Aim:** To be a world class arts centre that seeks new ways of being relevant, by producing and presenting diverse programmes that address the youth and communities through music, theatre, poetry, dance, and festivals.

**Focus areas:**

- 1) Becoming a theatre venue that will attract prominent local and national artists.
- 2) Providing opportunities for new producers (emerging/entrepreneurial individuals and groups) to stage productions.
- 3) Producing work in a variety of genres to attract diversified audiences.
- 4) Producing work that will attract external funding.
- 5) Partnering with other entities and institutions to produce work that actively contributes to the upliftment and education of the public at large (e.g., schools theatre, street theatre).
- 6) Audience development.

### **Soweto Theatre**

**Aim:** To be a first township theatre experience, which is relevant and meaningful to society. A place of gathering in lifestyle entertainment.

**Focus areas:**

- 1) Be a destination for national and international tourists visiting Soweto.
- 2) Provide a teaching and learning experience, which adds value to the educational experience of young people in Gauteng.
- 3) Maintain a sustainable and socially impactful in-house to rental ratio.
- 4) Be a national and international festival venue including the other venues in the Jabulani precinct.
- 5) Audience development.

### **Hospitality and Catering**

**Aim:** To be acknowledged within the City of Joburg as the #1 Hospitality and Catering solution.

**Focus areas:**

- 1) The provision of food and beverage services:
  - Stages restaurants and bars within all three theatres.
  - Stages restaurant, canteen and bar in the metro centre.
  - Two restaurants in the Joburg Zoo.
- 2) The provision of hospitality venues:
  - Six hospitality venues in the Joburg Theatre.
  - One hospitality venue in the Roodepoort Theatre.
  - Two flexible hospitality venues in the Soweto Theatre.
- 3) The provision of external catering:
  - Strong relationships within the Metro Centre, COJ departments, and entities who procure bulk catering services.

## AIM AND FOCUS OF JCT'S SIX OPERATING DIVISIONS

### Youth and Community Development

Aim: To develop artists through education and support programmes; to excel in the various art forms. This will allow artists to be part of socio-economic development and to provide opportunities for future arts practitioners and entrepreneurs for revenue generation in the practice.

Focus areas:

- 1) Providing opportunities for the youth, including the development of future arts practitioners and entrepreneurs through structured programmes focused in education, education support, and community participation.
- 2) Track growth of current programmes, introduce new developmental programmes, and capacitate exchange programmes through partnerships.
- 3) Increase utilisation of the Mobile Theatre Truck as part of outreach programmes.
- 4) Providing Space.com at Joburg Theatre, Basement at Roodepoort Theatre, and Yellow Theatre and Soweto Theatre as venues for development programmes.

### Via Grant

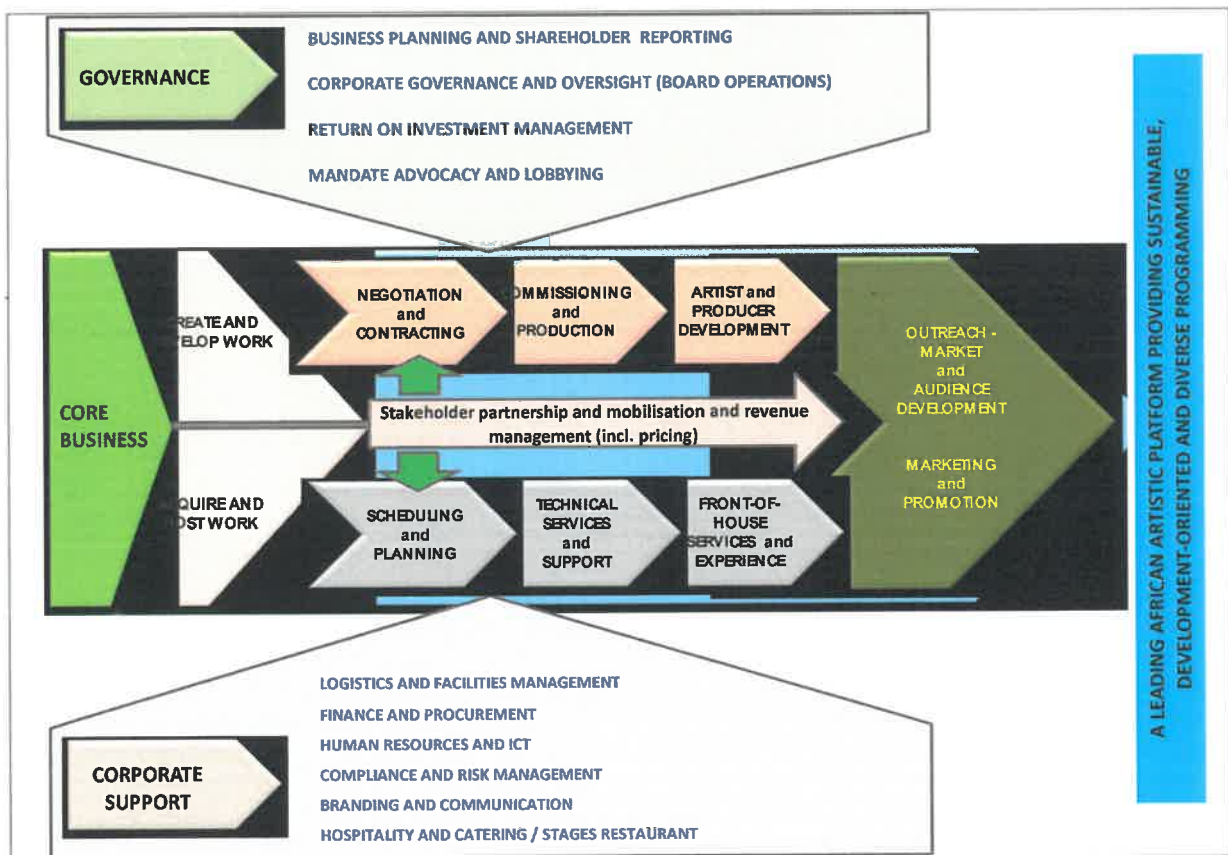
Joburg Ballet	<p><u>Aim:</u> To present professional productions of a consistently high standard, accessible to all South Africans and audiences internationally, and to provide dancers with an artistic education of excellence.</p> <p><u>Focus areas:</u></p> <ol style="list-style-type: none"> <li>1) Grow and revitalise of the great legacy of classical ballet and the development of new choreographers, new works and new audiences from across South Africa.</li> <li>2) Provide a high standard of training for students via Joburg Ballet School and Academy, plus a comprehensive programme of community-based development and outreach work via the satellite schools, with emphasis on historically disadvantaged communities.</li> <li>3) Share its creativity with audiences, dance teachers, and arts practitioners in Johannesburg, South Africa, and abroad.</li> <li>4) Ensuring the Joburg Ballet's artistic growth and financial stability.</li> <li>5) Contributing significantly to economic development and tourism in Johannesburg, Gauteng, and in South Africa.</li> </ol>
Joburg Philharmonic Orchestra	<p><u>Aim:</u> To be an orchestra, which is internationally recognised for its artistic excellence, innovation, education initiatives, and community engagement programmes.</p> <p><u>Focus areas:</u></p> <ol style="list-style-type: none"> <li>1) Creating platforms within communities for the advancement of the experience of orchestral music.</li> <li>2) Inspiring young people to discover their full potential through creativity and performances.</li> <li>3) Identifying highly talented young musicians and nurturing their skills with the view to enhancing the pool of professional South African orchestral musicians.</li> </ol>

## AIM AND FOCUS OF JCT'S SIX OPERATING DIVISIONS

- 4) Ensuring the Joburg Philharmonic Orchestra's artistic growth and financial stability.
- 5) Contributing significantly to economic development and tourism in Johannesburg, Gauteng, and in South Africa.

The defined strategic objectives relate to and are discussed within the context of the business/service delivery model of Joburg City Theatres, which has informed the organisation's operations and the packaging of its strategic objectives – illustrated in the figure below:

**Figure 4: JCT Business (Service Delivery) Model**



## 2.7. STRATEGIC OBJECTIVES

JCT's strategic objectives are derived from the above strategic intent and business/service delivery model and are aligned to the COJ strategic priorities and interventions informing planning for 2022/23.

Six strategic objectives have been developed in order to enable JCT to effectively focus and prioritise its options in delivering on its mandate and to respond to the City's priorities.

The strategic objectives are framed as statements that describe the outcome expected as a result of Joburg City Theatres' intervention and are elaborated upon in the table below:



**Table 3: JCT Strategic Objectives and Focus Areas**

JCT Strategic Objective	Objective Description and Focus Areas	COJ Priority Alignment
<p>1) Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs.</p>	<ul style="list-style-type: none"> <li>▪ Support local content development.</li> <li>▪ Support for youth development programmes.</li> <li>▪ Facilitate partnerships and co-productions that widen the participation of local producing partners engaged with JCT.</li> <li>▪ Implement structured opportunities for the development of the talents and skills of young people in the arts.</li> </ul>	<p>Priority 3: A caring City Priority 4: A business-friendly City</p>
<p>2) Quality performing arts and entertainment experiences and facilities.</p>	<ul style="list-style-type: none"> <li>▪ Supporting the development and creation of work.</li> <li>▪ Strengthening the acquiring and hosting of local and international work.</li> <li>▪ Facilitate production partnerships with theatres in South Africa and the African Diaspora for the Development of Productions from African stories.</li> <li>▪ Ensuring facilities and infrastructure are in excellent condition.</li> <li>▪ Monitor and enhance customer satisfaction and the achievement of service level standards.</li> <li>▪ Joburg festivals (Newtown cultural precinct), like Edinburgh and Adelaide festivals.</li> <li>▪ Soweto Theatre Amphitheatre launch and operationalisation.</li> <li>▪ Better leverage the Joburg Ballet and Philharmonic Orchestra into the group offering.</li> <li>▪ JCT Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg.</li> <li>▪ JCT touring circuit – annual showcase by taking at least one show nationally.</li> <li>▪ JCT annual legend tribute programme.</li> </ul>	<p>Priority 1: Getting the basics right Priority 5: An inclusive City</p>
<p>3) Affordable access to and use of theatres by communities.</p>	<ul style="list-style-type: none"> <li>▪ Thematic productions that address societal issues.</li> <li>▪ Engagement with arts practitioners, private sector and communities in bringing new audiences into contact with JCT programmes.</li> <li>▪ Develop future audiences by providing discounted tickets to learners.</li> </ul>	<p>Priority 1: Getting the basics right Priority 3: A caring City Priority 5: An inclusive city</p>

JCT Strategic Objective	Objective Description and Focus Areas	COJ Priority Alignment
	<ul style="list-style-type: none"> <li>▪ Provide access to JCT venues.</li> <li>▪ Accessibility to theatres venues for people living with disabilities (universal access).</li> <li>▪ Mechanisms and approaches that assist to make theatre going practical for various communities.</li> <li>▪ Strengthen school set work offering across all theatres.</li> <li>▪ Position arts alongside sport in schools for development of future audiences.</li> <li>▪ Utilisation of the Mobile Theatre Truck to access audiences that are not traditional theatre goers.</li> </ul>	
4) Good governance, financial sustainability and sound management.	<ul style="list-style-type: none"> <li>▪ Balance the imperative for revenue generation with socio-economic development.</li> <li>▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue.</li> <li>▪ Increase asset utilisation and leveraging investment.</li> <li>▪ Cost efficiency across the value-chain.</li> <li>▪ Integrate the programming and value chains of the theatres.</li> <li>▪ Ensure efficient and effective internal business processes and systems.</li> <li>▪ Enhance Joburg City Theatres hospitality, events, and catering services.</li> <li>▪ Stage fewer yet high-profile productions – balance tickets sold/complimentary ticket ratio.</li> <li>▪ Underground parking at Joburg Theatre for own use and revenue diversification.</li> <li>▪ Sound and consistent supply chain management processes that support preferential procurement and JCT's contribution to enterprise development.</li> </ul>	<p>Priority 1: Getting the basics right</p> <p>Priority 4: A business-friendly City</p> <p>Priority 6: A well-run City</p>
5) Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT.	<ul style="list-style-type: none"> <li>▪ Build JCT brand awareness and grow the market share of JCT as a leading brand.</li> <li>▪ Build JCT visibility through enhanced marketing, communication and stakeholder management.</li> <li>▪ Leveraging of mutually beneficial partnering agreements and joint programmes.</li> </ul>	<p>Priority 1: Getting the basics right</p> <p>Priority 6: A well-run City</p>



**JCT Strategic Objective**

**Objective Description and Focus Areas**

**COJ Priority Alignment**

- Fundraising and donations.
- Strengthen tourist-focused marketing and promotion.
- Leverage major milestones/anniversary events of the theatres to promote the arts and theatre.

### 3. STRATEGIC ANALYSIS

#### 3.1. SERVICE DELIVERY AND PERFORMANCE ANALYSIS

JCT strives to meet and exceed the expectations of the COJ as the sole shareholder through the achievement of its annually approved business plan. The tables below provide an overview of JCT's historical performance in terms of the AGSA's audit opinion, performance against predetermined objectives, capital budget expenditure and service delivery achievements.

**Table 4: Past Performance on Audits by the AGSA**

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Financial Audit Opinion</b>	Clean audit	Clean audit	Clean audit	Clean audit	Unqualified audit	Unqualified audit
<b>Performance</b>	Material adjustment to the annual report	Material adjustment to the annual report	No findings	No findings	Material adjustment to the annual report	Material adjustment to the annual report

**Table 5: Past Performance of Predetermined Objectives**

Financial Year	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22 (Midyear)
Number of KPIs	---	17	21	18	22	23	22
Percentage achieved	100%	92%	90%	94%	91%	81%	90%

**Table 6: Past Performance of Capital Expenditure**

Financial Year	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Percentage achieved	100%	99%	100%	94%	100%	100%

The table below provides a summary of past performance and service delivery highlights.

**Table 7: Joburg City Theatres Past Performance Achievements**

Strategic Objective	Key Performance Areas	Achievement (Audited Results, 2020/21)
1) Provision of opportunities for the youth, including future arts practitioners and entrepreneurs	<ul style="list-style-type: none"> <li>▪ Increased work opportunities at JCT</li> <li>▪ Increased youth development</li> </ul>	190 EPWP work opportunities created at JCT
		330 youths attending arts programmes
	<ul style="list-style-type: none"> <li>▪ Continuation of JCT services</li> </ul>	100% achievement of service level standards

Strategic Objective	Key Performance Areas	Achievement (Audited Results, 2020/21)
2) High-quality performing arts and entertainment experiences and facilities	<ul style="list-style-type: none"> <li>▪ Improved service delivery</li> <li>▪ Improved audience development and accessibility to venues</li> <li>▪ Promote positive social local content</li> <li>▪ Promote economic development</li> </ul>	<p>45 Arts and Culture festivals held/ in-house productions held</p> <p>1 Ballet Season was held</p> <p>4 Philharmonic Orchestra were held</p>
3) Affordable access to and use of theatres by communities	<ul style="list-style-type: none"> <li>▪ Improved audience development and accessibility</li> </ul>	39 692 attendees to theatre
4) Good governance, financial sustainability and sound management	<ul style="list-style-type: none"> <li>▪ Improved financial planning and project management</li> </ul>	<p>Ratio earned revenue/subsidy – 21%/79%</p> <p>Earned revenue – R43.008m</p> <p>Total revenue – R206.463m</p> <p>53% of procurement spend on SMMEs quarterly against total procurement expenditure - target of 30%</p> <p>100% of procurement spend on B-BBEE quarterly against total procurement expenditure - target of 75%</p> <p>100% Capex budget spent</p> <p>Unqualified audit report</p>
5) Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	<ul style="list-style-type: none"> <li>▪ Improved stakeholder mobilisation</li> </ul>	13 strategic partnerships created

Key achievements as at 31 December 2021 (midyear of 2021/22 financial year):

- 1) Overall scorecard achievement for the midyear is 90%.
- 2) 100% of service standards achieved.
- 3) 120 EPWP work opportunities created at JCT (annual target, 220).
- 4) 29 Arts and Culture festivals and themed productions were presented (annual target, 20).

- 5) Youth and community development programmes – 646 youth attended Arts programmes (annual target, 200).
- 6) 6 Ballet Seasons held (annual target, 4).
- 7) 3 Philharmonic Orchestra held (annual target, 4).
- 8) 65 504 attendees to theatre (annual target, 80 000).
- 9) Trading surplus of R7.5m for the midyear against the budget surplus of R2.6 million.
- 10) JCT is operating at 92% occupancy against the approved staff establishment, with the remaining 8% recorded as vacancy rate.

**Quality service delivery:**

JCT is able to produce and host world class productions due to the high standard of infrastructure and facilities at the three theatres. The upgraded stage machinery at the Joburg Theatre makes it globally competitive and a preferred venue for producers. While the Soweto and Roodepoort theatres both have functional generators installed, the problem of loadshedding and power outages will be addressed at the Joburg Theatre once the backup generator that was procured in the 2021/22 financial year is operational by July 2022. The quality facilities are supported by strong technical capabilities of the JCT team, who are able to manage diverse productions. The organisation has continued to receive a good public relations return on investment over the years and is well-placed to fill the arts and theatre gap that has been created by the closure of private sector theatres in the COVID-19 period.

**Key challenges:**

Notwithstanding the successes, key challenges include inconsistent attendance at theatre shows, with many people remaining sceptical about indoor gatherings due to the COVID-19 pandemic. Furthermore, COVID-19 regulations continue to limit the audience numbers, with audiences allowed in the theatres limited to 50% of capacity. The lack of brand positioning and brand awareness of JCT needs to be addressed as does the limited number of in-house productions to absorb newly trained practitioners.

**Future outlook:**

Looking ahead, JCT will continue to operate under the five-year strategic plan theme “*to procure and/or produce transformed content in transformed spaces*”; and:

- 1) *to commercialise the transformed content by ensuring the shows are profitable; and*
- 2) *to grow Joburg City Theatre’s profile by showcasing the transformed content nationally and internationally.*

Focus will, therefore, be given to:

- 1) Strengthening governance and compliance:
  - Motivate for the reconstitution of the Board Artistic/Service Delivery Committee.
- 2) Strengthening the operations and commercial viability of the theatres:

- Enhance the curation of festivals (Festival of Lights, Arts Alive, School Networks, Shakespeare Festival, Festival of Excellence in Dramatic Arts, New Year's Eve over two days, and Heritage Festival)
  - Curation of a Joburg Festival that looks at Newtown, Wits corner, and Braamfontein along the lines of the "Edinburgh Festival".
- 3) The JCT touring circuit:
- Annual showcase by taking at least one show nationally.
- 4) Commercial outreach and developing talent:
- Expanded utilisation of the Mobile Theatre Truck to access audiences that are not traditional theatre goers.
  - Service learners in the Gauteng region by providing a teaching and learning experience outside of the conventional classroom in a way that adds value to the education experience.
- 5) Implementing the City's priorities, relating to:
- Soweto Theatre Amphitheatre launch.
  - Celebration of major milestone events in 2022 – Joburg Theatre (60 years), Soweto Theatre (10 years), and Arts Alive (30 years).
  - Revenue generation.
  - Arts and Culture/Tourism strategy.

## **3.2. ENVIRONMENTAL ANALYSIS**

### **3.2.1. MACRO-ENVIRONMENT CONTEXT**

In South Africa, with its divisive past and while social cohesion and nation building have been on the agenda for some time, the heightened levels of social and political contestation have had an impact on intergovernmental relations, nation building, and social cohesion<sup>[1]</sup>, and point towards the need for an upscaled focus towards building an active citizenry and a socially cohesive society.

Despite progress since 1994, South African society remains divided:

- 1) School-going children are particularly vulnerable to social, economic, health, racial, and discriminatory challenges. Racial integration in schools remains limited, mostly to Quintile 5 schools. There is also a lack of care and support provided by schools, parents, and communities. Therefore, vulnerable children continue to grow into vulnerable youth and adults.

---

<sup>[1]</sup> DPME, *Report on Progress against 2014–2019 MTSF*



- 2) Although South Africa has 11 official languages, multilingualism is not adequately promoted and/or enforced through legislation. This is particularly true for the minority African languages. Beyond the 11 official languages and cultures there is a lack of inclusivity of certain indigenous peoples and cultures, for example, the First Nations Nama, Khoi, and San languages.
- 3) The slow progress in land reform continues to deny citizens the economic empowerment that comes with land ownership. Moreover, beneficiaries of land redistribution often opt for money in lieu of owning the land, not appreciating the long-term benefit of land ownership.
- 4) The increasing perception of corruption in government, moral decay and wastage of resources, particularly over the recent period, is a considerable stumbling block to nation building and social cohesion – indications are that people increasingly do not trust government. Public apathy fuels the problem, while political opportunism spurs public sentiment. Where communities display their dissatisfaction, it often manifests in violent protests.
- 5) Opportunity continues to be largely defined by race, gender, ability, geographic location, class, and linguistic background. Under-employment and unemployment in the labour market is particularly high among black youth. The economy has not yet generated new opportunities in the form of employment and openings for new enterprises on the desired scale. Those in far-flung, remote areas are often neglected and lack adequate access to services and economic opportunities, creating a sense of neglect and marginalisation.
- 6) South Africa is among the countries with the highest rate of violence against women and children, despite the unprecedented body of laws and world best practice model institutions to address violence against women and children. Societal attitudes and mind-sets cemented over generations and reinforced every day by culture, tradition, religion, popular culture, and the media, still pose a challenge to the empowerment of women, removal of patriarchy and building on social cohesion across class, race, and gender divides.
- 7) Women still suffer from discrimination in both the education system and in the labour market. African graduates find it harder to be absorbed into the labour market and attitudinal, physical and communication barriers continue to exclude and marginalise persons with disabilities.
- 8) Part of the apartheid inheritance psyche is a tendency for the populace to abdicate responsibility for their wellbeing to government. Therefore, the key challenge is how to inculcate a spirit of active citizenry, ownership, and responsibility, and to expand on the concept and definition of active citizenry to the holistic involvement of citizens in their communities and self-development, beyond politically-driven public participation structures.
- 9) The unintended consequence of national days turning into political events is the exclusion of minorities. There is a need to significantly change the structure of national day's celebrations and other commemorations to be more inclusive and an enabler of building a common national identity.

While the NDP targets an improvement in the Gini Coefficient to 0.60% by 2030, the Gini remains stubbornly in the 0.68–0.69 range (2016)<sup>[2]</sup>. According to the latest governmental data from 2019, the Gini coefficient in South Africa was 0.65 points in 2015, with lesser inequality in income within the rural areas of the most southern country of Africa. The Gini index gives information on the distribution of income in a country. In an ideal situation in which incomes are perfectly distributed, the coefficient is equal to zero, whereas one represents the highest inequality situation.

The country cannot achieve unity and social cohesion without reducing the gaps between rich and poor, black and white, women and men, city and country. In doing this, it is necessary to recognise the historical obligation for redress, to correct the wrongs of the past, and to affirm the historically disadvantaged. Without unity, the nation cannot hope to correct the wrongs of the past. Without correcting the wrongs of the past, unity would be superficial.

Global prospects remain highly uncertain two years into the COVID-19 pandemic. New virus mutations and the accumulating human toll raise concerns, even as growing vaccine coverage lifts sentiment. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. The outlook depends not just on the outcome of the battle between the virus and vaccines, it also hinges on how effectively economic policies deployed under high uncertainty can limit lasting damage from this unprecedented crisis.

Although the downward revision for 2021 reflects a downgrade for advanced economies, in part due to supply disruptions, the global forecast continues to indicate clear differences between emerging markets and advanced economies, with vaccine access and early policy support being the principal drivers of the gaps. The varied growth projections imply wide negative output gaps and elevated unemployment rates, particularly in emerging market economies<sup>2</sup>.

The adverse impact on low-income households is particularly acute, imperilling the significant progress made in reducing extreme poverty in the world since the 1990s<sup>3</sup>. The effect on women, children and the youth are particularly hard felt. Data from the World Bank (2020) indicates that by 2018, four out of five people below the international poverty line lived in rural areas. Half of the poor are children. Women represent a majority of the poor in most regions and among some age groups.

*“Travel, the arts, entertainment, sports, hospitality, and brick-and-mortar retail have operated at a fraction of their capacity since the beginning of the pandemic and will not see a substantial rebound before the pandemic is brought under control.”*

According to the Organisation for Economic Co-operation and Development (OECD), the South African economy is projected to rebound by 3.8% in 2021 and 2.5% in 2022, following the 7.2% contraction in 2020. Whilst inflation is increasing, it has remained below the Reserve Bank’s target. However, a gradual increase in interest rates is expected over the short to medium term. Fiscal policy will continue to be constrained to limit debt growth, with a focus on two policy objectives, (1) promoting economic recovery through the Economic Reconstruction and Recovery Plan (ERRP), and (2) returning public finances to a sustainable position. A big

---

<sup>[2]</sup> Statistics South Africa, Community Survey, June 2020

<sup>2</sup> International Monetary Fund, World Economic Outlook Update, October 2021

<sup>3</sup> International Monetary Fund, World Economic Outlook Update, October 2021

target for budget cuts is the public sector wage bill, which will be reduced by R303.4 billion over the three-year period to 2023/24, targeting compensation freezes and early retirement<sup>4</sup>.

Unemployment continues to impact progress in South Africa, with the unemployment rate having increased to 34.9% in Q3:2021, its highest level since the start of the Quarterly Labour Force Survey in 2008<sup>5</sup> and showing the impact of the COVID-19 pandemic on South Africa's employment landscape. The formal sector, which accounts for 67.4% of employment in the country, shed 571 000 jobs between Q2 and Q3 of 2021, while 9 000 more people were employed in the informal sector. Youth aged 15-24 years and 25-34 years recorded the highest unemployment rates of 66.5% and 43.8% respectively. Businesses have continued to close their doors and many families have experienced layoffs of either one or both breadwinners.

Fast-tracking the implementation of government's Infrastructure Investment Plan is thus essential to lift growth. Unlocking electricity production too, will be key to lifting production bottlenecks and restoring confidence. Leisure tourism is a high impact sector and contributor to economic growth and employment, requiring policy certainty and decisive actions to increase the vaccination rate and communicate the message that South Africa is a safe destination.

Without resolute action to cut wasteful and inefficient spending across the State, there is a growing danger that the most vulnerable citizens will suffer the effects of fiscal consolidation. The implication of this challenging macro environment is that all state-owned organisations need to deploy their limited resources optimally in pursuit of their mandate, requiring efficiency, effectiveness, and economy in their operations and management.

The country must, therefore, continue with measures to facilitate active engagement of the populace in its own development. Efforts to enable healing of the wounds of the past, while reducing economic exclusion, inequality of opportunity and outcomes, enabling the sharing of space across race and class, as well as fostering an overarching South African identity anchored by the Constitution and the values embedded therein should be optimised.

JCT's analysis of the macro and micro environment is consolidated in the below PESTEL and SWOT analyses. The implications of the identified environmental factors have informed JCT's programmatic approach and performance plan for the 2022/23 planning period.

---

<sup>4</sup> 2021 Budget Speech

<sup>5</sup> Statistics SA Quarterly Labour Force Survey Q3:2021.

### 3.2.2. PESTEL ANALYSIS

**Table 8: JCT PESTEL Analysis**

Factor	Emerging Issue	Implications for Joburg City Theatres
<b>Political</b>	<p>Ongoing strategy and policy alignment.</p> <p>The need to accelerate service delivery in the COJ and to generate a culture of community activism.</p>	<ul style="list-style-type: none"> <li>▪ Strategic and programmatic alignment to national policy priorities.</li> <li>▪ Programmatic alignment to COJ policy priorities and strategic interventions.</li> <li>▪ Balance transformation and increased local content against the need for financial sustainability and revenue generation.</li> <li>▪ Improved communication of the programmes of the theatres, particularly showcasing productions with high levels of local content.</li> <li>▪ Audience development.</li> <li>▪ Youth development and mainstreaming.</li> <li>▪ SMME development.</li> <li>▪ Development and hosting of themed content on COJ multiparty government priorities.</li> </ul>
	<p>Other socio-economic priorities taking precedence over arts, culture and entertainment.</p>	<ul style="list-style-type: none"> <li>▪ Limited budgets shared among City departments and entities.</li> <li>▪ Need to pursue external funding/revenue streams.</li> <li>▪ Need to 'champion' the arts and culture agenda in the COJ in collaboration with governmental and non-governmental partners.</li> </ul>
<b>Economic</b>	<p>COVID-19 national pandemic</p>	<p><i>Joburg City Theatres has political support to vigorously pursue programs that are associated with the priorities of national government and the City's Priorities. The organisation is well-placed to take advantage of current and future political focus on improved quality of life, social cohesion, and inclusivity.</i></p> <ul style="list-style-type: none"> <li>▪ Cancellation and postponement of productions.</li> <li>▪ Negative financial implication (revenue reduction or losses and new costs emanating from COVID-19).</li> <li>▪ Health and safety issues.</li> <li>▪ Post-COVID-19, attract audiences to the theatres.</li> </ul>



Factor	Emerging Issue	Implications for Joburg City Theatres
	Low growth economy and reduced personal disposal income.	<ul style="list-style-type: none"> <li>▪ The need to remain relevant and attractive to audiences.</li> <li>▪ Careful management of ticket prices to retain levels of affordability.</li> <li>▪ Utilisation of innovative, mobile platforms to take productions to communities that are unable to afford to attend the formal theatres.</li> </ul>
	Increased unemployment.	<ul style="list-style-type: none"> <li>▪ Job creation opportunities for the youth and historically disadvantaged.</li> <li>▪ Mzansi Golden Economy Strategy incentives and sourcing of grants through jobs funds.</li> </ul>
	Globalisation and the impact of exchange rate fluctuations.	<ul style="list-style-type: none"> <li>▪ Attract global talent and international components. However, at an ever-increasing cost due to the depreciation of the rand.</li> <li>▪ Export of local talent and productions. The potential exists to generate significant revenue, due to the depreciation of the rand, making South African productions globally more cost competitive.</li> </ul>
	Increased competition for 'event' audiences from casino's, festivals, football stadiums, and other large-scale entertainment facilities.	<ul style="list-style-type: none"> <li>▪ To develop offerings able to compete with the 'hidden' subsidies that casinos are able to provide.</li> <li>▪ To maintain professional theatre facilities and associated hospitality infrastructure and amenities.</li> <li>▪ Marketing, communication, and promotion of well-conceived value propositions of the venues of the three theatres.</li> </ul>
	Enterprise/SMME development.	<ul style="list-style-type: none"> <li>▪ Development of local content.</li> <li>▪ Procurement spend from SMMEs.</li> </ul>
		<p><i>The economic growth outlook in South Africa remains low, with some prominent economists in the country predicting ongoing challenges to growth, with rising inflation and lower disposal income impacting on audience numbers. Joburg City Theatres, however, is challenged to be creative and innovative in seeing off competition and taking advantage of the unfortunate gap created by the closure of private sector theatres due to COVID-19, and improving revenue, whilst creating opportunities for job creation and the development of local arts practitioners and enterprises.</i></p>
Social and cultural	Increasing migration – a shifting population.	<ul style="list-style-type: none"> <li>▪ The development of content in line with the needs of a diverse and changing population demographic.</li> </ul>
	High youth unemployment.	<ul style="list-style-type: none"> <li>▪ Job creation opportunities, learnerships and contracting opportunities.</li> </ul>



Factor	Emerging Issue	Implications for Joburg City Theatres
	Social exclusion.	<ul style="list-style-type: none"> <li>▪ Mobilising youth structures at community level – to partner Joburg City Theatres in programmes.</li> <li>▪ An understanding of the LSM groups attending the various theatres and catering for their needs.</li> <li>▪ Be creative in balancing commercially-driven programming against the developmental and transformative mandate.</li> <li>▪ Optimal utilisation of theatre spaces, particularly during the day.</li> <li>▪ Limited after-hours availability of transport to theatre venues – dependence on vehicles for transport, a constraint for many communities.</li> <li>▪ Mobile theatre – take theatre to communities.</li> <li>▪ Increased skills development and training.</li> </ul>
	Culture and transformation.	<ul style="list-style-type: none"> <li>▪ Communication of successes in light of the dual mandate of revenue generation and transformation agenda.</li> <li>▪ Find innovative ways to develop the theatre culture among the black community – which constitutes the majority of the citizenry – to create the necessary critical mass to sustain theatres.</li> <li>▪ Development of more African stories, as a source for drama and entertainment productions.</li> </ul>
	More active citizenry.	<ul style="list-style-type: none"> <li>▪ Implement programmes focussed on promoting active community participation and appreciation for the arts.</li> <li>▪ Strengthen education and community awareness for the arts through local content and local market development.</li> </ul>
<b>The activities of JCT should be aimed at developing socially inclusive and cohesive communities and improving the lives of all citizens of Joburg through relevant, quality programming.</b>		
<b>Technological</b>	New technologies for market analysis and targeted planning.	<ul style="list-style-type: none"> <li>▪ Adoption of new methods of market analysis for decision-making and to target commercially viable productions, using mass data analysis.</li> </ul>
	Global network revolution and growth in social media platforms.	<ul style="list-style-type: none"> <li>▪ Use of websites and social media for marketing, communications, promotions and selling.</li> <li>▪ Competition from streaming and cinema based performing arts exhibitions.</li> </ul>

**Implications for Joburg City Theatres**

**Emerging Issue**

**Factor**

	<ul style="list-style-type: none"> <li>▪ Home cinema, DVDs, and online TV providing competition for family and individual entertainment budgets.</li> <li>▪ Need to strengthen Joburg City Theatres' social media presence and content.</li> <li>▪ Opportunities to collaborate with modern taxi operators, such as Uber, and other local taxi operators to address the night time transportation needs of communities.</li> <li>▪ Continue engagements with Rea-Vaya regarding available public transport to and around the theatres.</li> <li>▪ Make facilities 100% compliant and accessible.</li> </ul>
	<p>Transportation.</p>
	<p>Catering for people living with disabilities.</p>
	<p><b>The availability of technology implies that Joburg City Theatres has the opportunity to better understand its market, to develop the local market and to extend its reach through the use of internet-based solutions and social media.</b></p>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>▪ Strengthen conservation and environmental management practices at all theatres.</li> <li>▪ Implementation of green building retrofits at theatres – lights, solar, green materials, waste separation, etc.</li> <li>▪ Conceptualisation, creation and development of urban greening and environmental themed productions using local talent – at theatres, at schools and mobile theatres to communities.</li> </ul>
	<p><b>JCT has a duty to pursue climate crisis mitigation measures at its facilities and to contribute to the education of the citizens of Joburg in respect of greening and environmental conservation.</b></p>
<b>Legislative</b>	<ul style="list-style-type: none"> <li>▪ Ensure policies and procedures are in place to enable legislative compliance, particularly pertaining to the MFMA and supply chain management; and aligned to amendments and new legislation.</li> </ul>
	<p><b>JCT must comply with all applicable legislation, must be accountable to its principals and the community at large. The highest level of corporate governance and accountability underpins Joburg City Theatres' aspiration to contribute positively to the professional image of the COJ.</b></p>

The considerations and issues highlighted in the PESTEL analysis above, are then carried forward in an analysis of Joburg City Theatres stakeholders and their needs and expectations.

### 3.2.3. JCT'S SWOT ANALYSIS

The SWOT analysis considers the mission and the strategic theme of JCT, to identify the emerging external and organisational issues which inform the 2022/23 planning period, as summarised in the table below:

**Table 9: JCT SWOT Analysis**

Internal Strengths		
Nº.	Strength Identified	Actions to Leverage and Build the Strength
1.	Soweto has strong 'brand' recognition internationally, enhanced locally by the iconic Soweto Theatre building.	<ul style="list-style-type: none"> <li>▪ Build international partnerships for productions at Soweto Theatre, in light of the interest by US, EU, and BRICS theatres for co-productions and tour opportunities.</li> <li>▪ Use brand recognition as basis for international fundraising.</li> <li>▪ Build visual presence for Soweto Theatre at Roodepoort and Joburg Theatre to promote quality and security of venues and vice versa.</li> <li>▪ Develop virtual tour for website.</li> <li>▪ Continue usage of Soweto Theatre as a conference and meeting venue.</li> </ul>
2.	Recognised high standards of commercial theatre production and presentation at Joburg Theatre.	<ul style="list-style-type: none"> <li>▪ Maintain the strong network of international connections in commercial entertainment and theatre business.</li> <li>▪ Address the risk of sustained "subsidised" competition from casino-based theatres for rights, production partnerships and audiences through the development and communication of JCT's value proposition.</li> <li>▪ Develop partnerships for touring opportunities for productions in SA and beyond.</li> <li>▪ Keep the brand alive – top of mind awareness by audiences and consumers.</li> </ul>
3.	Strong leadership and extensive creative industries experience, knowledge and skills within the management team.	<ul style="list-style-type: none"> <li>▪ Maintain benefits of integration of Joburg City Theatres group.</li> <li>▪ Development and implementation of a values-driven and performance-oriented culture in which team members' benefit from collaboration with each other, across all three theatres, while also developing personally.</li> <li>▪ Through sharing of expertise, to ensure that competency levels at all three theatres are developed to a similar standard.</li> </ul>
4.	Annual subsidy from the Shareholder, the City of Joburg, for both Capex and Opex.	<ul style="list-style-type: none"> <li>▪ Maintain a strong relationship with the Shareholder and ensure reporting for Joburg City Theatres demonstrates a strategic response to the City's social and economic development agendas across the three theatres.</li> <li>▪ Ensure an optimal balance between commercially-driven</li> </ul>

## Internal Strengths

N <sup>o</sup> .	Strength Identified	Actions to Leverage and Build the Strength
		programming and transformative programming, in order to mitigate the risk of reduction in funding, due to other pressing City-wide budgetary requirements.
5.	Quality restaurant and hospitality facilities at the three theatres, Joburg Zoo and metro centre canteen.	<ul style="list-style-type: none"> <li>▪ Maintain and further develop corporate entertainment and conference use of facilities.</li> <li>▪ Consider the rollout of 'Stages' as a franchise at non-theatre spaces across the COJ entities, thereby generating additional revenue.</li> <li>▪ Strengthen catering opportunities for the COJ.</li> </ul>
6.	Location of Joburg Theatre in regenerated centre of business and leisure area of the City.	<ul style="list-style-type: none"> <li>▪ Investigate the use of the Joburg Theatre gardens and areas surrounding Joburg Theatre for special events, to gain wider community appeal, with due consideration for the noise impact on Stages turnover.</li> <li>▪ Explore possibilities of partnership with the new owners of the Hollard building.</li> </ul>
7.	High quality stage facilities supported by the necessary skills to use and maintain the facilities and equipment.	<ul style="list-style-type: none"> <li>▪ Share expertise within the group and ensure skills transfer.</li> <li>▪ Establish monthly technical coordination meetings across the three theatres to deal with health and safety and technical support issues.</li> <li>▪ Explore further opportunities for internship/learnership training programmes for youth from historically disadvantaged backgrounds.</li> </ul>
8.	Presence of Joburg Ballet and Peoples Theatre (Theatre for Children) as long-term tenants at Joburg Theatre.	<ul style="list-style-type: none"> <li>▪ Maintain and enhance the partnerships for mutual benefit.</li> <li>▪ Investigate fundraising to facilitate wider access to school performances.</li> <li>▪ Joburg Ballet and Peoples Theatre to develop schools performances at the Soweto and Roodepoort theatres.</li> <li>▪ The content of the children's theatre programme to be themed more along African storylines– opportunity for commissions to expand the cultural source of the stories told.</li> </ul>
9.	Quality of governance and accountability structure and range of skills and backgrounds of the board and management team.	<ul style="list-style-type: none"> <li>▪ Explore the development of local advisory groups, to further enhance governance and to support local content and local market development at Soweto and Roodepoort theatres.</li> </ul>
10.	Strong support from City structures.	<ul style="list-style-type: none"> <li>▪ Implement an "industrial theatre" offering to showcase, profile and support City messaging, e.g., combat corruption, fraud and maladministration, service delivery, change management; etc.</li> <li>▪ Continue information dissemination through Jozi Net and other City communication platforms.</li> </ul>



## Internal Strengths

N <sup>o</sup> .	Strength Identified	Actions to Leverage and Build the Strength
11.	Programme for young people – past experience of presenting set works performances for school audiences at Roodepoort Theatre.	<ul style="list-style-type: none"> <li>▪ Continuation of set works programmes in all three theatres.</li> <li>▪ Development and implementation of integrated youth development and training strategy across the three theatres.</li> </ul>

## Internal Weaknesses

N <sup>o</sup> .	Weakness Identified	Actions to Address the Weakness
1.	Overstretched technical team to fully service the five venues/spaces at Soweto Theatre.	<ul style="list-style-type: none"> <li>▪ Careful management of programming across the theatre spaces in consideration of available technical support capacity – lighting, sound, etc.</li> <li>▪ Explore opportunities to engage the services of contractors to provide support when in-house resources are stretched to capacity.</li> <li>▪ Resource and capacity plans to be developed and budgeted for.</li> </ul>
2.	Vulnerability to the failure of rental and co-productions.	<ul style="list-style-type: none"> <li>▪ Assess the quality of the productions if it will succeed and do not put JCT into disrepute.</li> <li>▪ Work with tenant productions on marketing to help develop audiences.</li> </ul>
3.	Limited established regular audience for theatre productions at the Soweto Theatre.	<ul style="list-style-type: none"> <li>▪ A multipronged audience development plan to be implemented, incorporating promotions in conjunction with appropriate billboard, print, social media, radio, and TV media partners.</li> <li>▪ Programming team to ensure content of productions are appealing to the typical audience of Soweto Theatre.</li> </ul>
4.	Audience capacity (320) at Roodepoort Theatre, providing limitation on the scale of event that is viable.	<ul style="list-style-type: none"> <li>▪ Programme appropriate work for scale of Theatre focusing on community, children's and education performances, e.g., Opera Aria, small-scale ballet and musicals, set works, etc.</li> </ul>
5.	Isolated location of Roodepoort Theatre, with very limited passing footfall.	<ul style="list-style-type: none"> <li>▪ Market Stages Restaurant as a destination.</li> <li>▪ Negotiate with City and local volunteers to ensure museum is more regularly open to the public.</li> <li>▪ Promote joint museum and theatre performance visits to schools.</li> <li>▪ Establish open-air market at Roodepoort Theatre.</li> </ul>
6.	Price of commercial productions out of reach of	<ul style="list-style-type: none"> <li>▪ Implement an audience development strategy for smaller venues at Joburg Theatre, with lower seat prices for</li> </ul>



Internal Weaknesses		
Nº	Weakness Identified	Actions to Address the Weakness
	the majority of the population.	<p>targeted groups or communities.</p> <ul style="list-style-type: none"> <li>▪ Draft a plan to implement 'last minute' discounted ticket pricing approach to reach more people.</li> <li>▪ Undertake Living Standards Measure (LSM) based research into spending patterns of LSM groups in catchment areas for the three venues.</li> <li>▪ A pricing and sales strategy needs to be formulated to explore cheaper tickets during weekdays.</li> </ul>
7.	Strategy of telling local stories is sound, but ticket sale numbers are low.	<ul style="list-style-type: none"> <li>▪ Attract the community of Soweto through more targeted productions and assess the timing of the staging of productions through the year.</li> <li>▪ Continue to investigate why ticket sales are low for in-house productions at Soweto Theatres.</li> <li>▪ Monitor ticket sales.</li> <li>▪ Focus on building a generational culture of theatregoers.</li> </ul>
8.	Reliance on a single funding source (COJ) to achieve the dual mandate of transformative programming and audience development, while maintaining a financially viability theatre operation.	<ul style="list-style-type: none"> <li>▪ The development of a comprehensive fundraising strategy for the Joburg City Theatres.</li> <li>▪ Using existing financial resources to maintain a balance between commercially-driven and transformation-driven programming.</li> <li>▪ Emphasise the 'Public Good' created by the theatres, as part of fundraising and public relations campaigns.</li> <li>▪ Prepare proposals for youth development initiatives and for in-house productions.</li> </ul>

External Opportunities		
Nº	Opportunities Identified	Actions to Exploit the Opportunity
1.	The optimal utilisation of the ten theatre spaces at the three theatres (addressing the dual mandate of transformation and financial viability).	<ul style="list-style-type: none"> <li>▪ Development of a JCT resourcing and capacity plan to cater for the maximum utilisation of the ten theatre spaces.</li> <li>▪ Implement an "industrial theatre" offering to showcase, profile and support City messaging, e.g., combat corruption, fraud and maladministration, service delivery, change management, etc.</li> <li>▪ Implement daytime programme strategy.</li> <li>▪ Improve access through discounted tickets/'last minute' tickets.</li> <li>▪ Engage with Joburg "Red Busses" to visit theatres – consider advance planning for 'mini-productions' to showcase Joburg for tourists (traditional dance, language, culture, etc.).</li> </ul>

## External Opportunities

N <sup>o</sup> .	Opportunities Identified	Actions to Exploit the Opportunity
2.	Restored amphitheatre at Jabulani, suitable for mass events and productions with local appeal.	<ul style="list-style-type: none"> <li>▪ Extend the contract to cover the management of the amphitheatre.</li> <li>▪ Develop a programming plan to limit programming clashes with the Soweto Theatre, including operational costs and marketing plan.</li> </ul>
3.	Maintaining contacts in global entertainment industry.	<ul style="list-style-type: none"> <li>▪ Take strategic view of international connections – link with international networking events, such as ISPA Congresses (January and June), IETM, UK ITC, and TMA Conferences.</li> <li>▪ Explore partnerships with international festivals, such as Afro Vibes, BRICS, and Africa Seasons.</li> </ul>
4.	Transformation and arts awareness through innovative education and community participation programmes at all theatres.	<ul style="list-style-type: none"> <li>▪ Build on existing programmes and events at all three theatres: (e.g. African Groove, Soweto Countdown and Heritage Month Celebrations).</li> <li>▪ Implement set works programme for schools.</li> </ul>
5.	Production partnerships with other national, international production and presenting houses.	<ul style="list-style-type: none"> <li>▪ Facilitate the development of inter-theatre partnerships.</li> <li>▪ Exploring the African diaspora for stories and partnerships.</li> <li>▪ Attend appropriate theatre conferences and other networking events, such as ISPA, IETM, African and American theatre and cultural conferences.</li> <li>▪ Develop network through Black Theatre Network and other web-based organisations.</li> <li>▪ Consider running conference on co-production and cooperation across the African Diaspora.</li> </ul>
6.	Social Cluster integration.	<ul style="list-style-type: none"> <li>▪ Joburg City Theatres to coordinate outreach programmes that involve Human and Social Development Cluster departments/MOEs, e.g. coordinated outreach that involves mobile theatre, mobile library, mobile clinic, mobile zoo, mobile museum, JMPD, etc.</li> </ul>
7.	Corporate partnerships for production funding.	<ul style="list-style-type: none"> <li>▪ Develop structured fundraising strategy with analysis of likely targets in the corporate sector.</li> <li>▪ Target corporate social responsibility budgets for education, audience development, and training programmes.</li> </ul>
8.	Explore government funded international exchange programmes.	<ul style="list-style-type: none"> <li>▪ USA Trust and Foundation funding with tax concessions to donors requires the establishment of a USA-based Joburg City Theatres fundraising entity. Market Theatre have USA Trust – requires info on how to establish and operate.</li> <li>▪ Develop local partnerships with international cultural agencies, such as British Council, Goethe Institute, Swiss, French, Swedish, USA, German, Asian Bloc and BRICS countries.</li> <li>▪ Register with Proudly South African, and partner with Brand</li> </ul>

## External Opportunities

N <sup>o</sup> .	Opportunities Identified	Actions to Exploit the Opportunity
		South Africa.

## External Threats

N <sup>o</sup> .	Threat Identified	Actions to Mitigate the Threat
1.	COVID-19	<ul style="list-style-type: none"> <li>▪ Implementation of the Workplace Plan.</li> <li>▪ COVID-19 Risk Identification and Mitigation Plan.</li> <li>▪ Funding of COVID-19-related initiatives.</li> </ul>
2.	Competition from casino-based theatres.	<ul style="list-style-type: none"> <li>▪ Maintain high standards of production and customer service delivery at all Joburg City Theatres venues.</li> <li>▪ Strengthen Joburg City Theatres' social media presence and content, including streaming of content.</li> </ul>
3.	Competition from other entertainment and arts venues, festivals, special events, and broadcast and online versions.	<ul style="list-style-type: none"> <li>▪ Maintain high standards of production and customer service delivery at all Joburg City Theatres venues.</li> <li>▪ Maintain the marketing of the special appeal of the live theatre and entertainment experience.</li> <li>▪ Streaming of content.</li> </ul>
4.	Sectoral challenges in developing collaboration with others, as a result of the competitive nature of the industry.	<ul style="list-style-type: none"> <li>▪ Maintain and develop relationships with local theatres and producers, such as The Market Theatre Foundation in Johannesburg, State Theatre in Pretoria; and nationally, such as The Fugard Theatre, Artscape in Cape Town, the Playhouse Company in Durban, and PACOFS in Bloemfontein.</li> </ul>
5.	Failure at box office of programme initiatives. Loss of core audience before new audience is built.	<ul style="list-style-type: none"> <li>▪ Develop programme changes incrementally, so that existing audiences are maintained, whilst new programme strands and audiences are added.</li> <li>▪ Diversification of audience base, as a key part of a strategy to maintain box office returns by widening the number of people interested in Joburg City Theatres product at all theatres.</li> <li>▪ Maintain and develop the highest standards of customer care at all venues.</li> <li>▪ Strengthen Joburg City Theatres' social media presence and content.</li> </ul>
6.	Public perception of poor safety in the areas around each of the theatres.	<ul style="list-style-type: none"> <li>▪ Continue good relationships with police in precincts surrounding each of the theatres.</li> <li>▪ Stress the presence of nearby police stations at Joburg and Soweto theatres on website and public communications about the theatres.</li> </ul>

External Threats		
N <sup>o</sup> .	Threat Identified	Actions to Mitigate the Threat
		<ul style="list-style-type: none"> <li>▪ Publicise safe and signposted routes to Soweto Theatre in marketing material.</li> <li>▪ Engage Braamfontein Improvement District, JMPD, Pikitup, and City Power to ensure that Braamfontein is safe, illuminated at night, and clean at all times.</li> </ul>
7.	Poor public transport to venues at night.	<ul style="list-style-type: none"> <li>▪ Enter discussions with City entities to discuss mutual objectives – develop understanding for strategy with City transport authorities about night time transportation to and from Joburg City Theatres.</li> <li>▪ Engage with taxi industry.</li> <li>▪ Explore options with modern taxi service operations, such as Uber.</li> <li>▪ Continue engagements with Rea Vaya regarding public transport to and around the theatres.</li> </ul>
8.	Load shedding	<ul style="list-style-type: none"> <li>▪ Procurement and maintenance of generators to provide alternative energy</li> </ul>

Notwithstanding the clear and wide-ranging internal and external considerations that Joburg City Theatres has to contend with, as highlighted in the SWOT analysis table above, it is equally clear that there is a vast number of opportunities for JCT to explore and pursue, and threats to acknowledge and contend with.

The COVID-19 spread was declared as a pandemic by the World Health Organisation and, therefore, necessitated urgent and aggressive responses worldwide forcing, among others, governments all over the world to direct public resources towards this cause. The National COVID-19 Response Team chaired by the President, remains the key statutory body directing and coordinating efforts directed to the reduction of the spread of Coronavirus. While some of functions in fighting the virus may not necessarily be purely local government functions, the City's contribution should be aligned as much as possible to the mandate and the regulatory framework governing local government. The City of Johannesburg sits on the Provincial Command Centre, which feeds into the National Command Centre. Among the key local government relevant emerging themes for which public resources should respond to the pandemic include:

- 1) Practising the most and highest levels of hygiene and environmental care by all the residents of the City at their private homes, workplaces, and public gatherings.
- 2) Compliance with the worldwide adopted WHO guidelines as they relate to the adoption by all governments and citizens practises that reduce the spread and infection rate of the COVID-19.
- 3) Ramping up the provision of the necessary basic services infrastructure and dealing with elements of informality and housing that encourages non-compliance with COVID-19 guidelines within the boundaries of the City.



- 4) Aggressively complementing the capacity of the health sector to deal with the peak of the infection rate to the general population; and
- 5) Supporting the national and provincial efforts to ensure that the social security net is resilient to responding to the demands of the measures designed to reduce the spread and infections of the COVID-19.

JCT has amended programmes since the onset of COVID-19 lockdowns in March 2020 and will continue to respond accordingly and in line with pronouncements by the National COVID-19 Command Centre for financial year 2022/23 and the MTREF period.

#### **3.2.4. RISK ASSESSMENT**

JCT has established and maintains a system of risk management in accordance with the provisions of the MFMA and the King IV™ report on Corporate Governance and Risk Management Standards, as applicable.

Oversight over the governance and management of risk in Joburg City Theatres is carried out by the Audit and Risk Committee, which is a sub-committee of the Board of directors. The Audit and Risk Committee meets on a quarterly basis and operates in accordance with approved terms of reference.

The Audit and Risk Committee of Joburg City Theatres has adopted an integrated approach to risk management and has adopted the COJ Group Risk Management Framework and Group Risk Management Policy as approved by Council.

The key risks, current controls and mitigation actions as at end March 2022 is summarised in the table below. The detailed risk register is attached as an annexure to this Business Plan.



**Table 10: JCT Summary Strategic Risk Register**

Risk N <sup>o</sup>	Strategic Objective	Risk Description	Root Causes	Current Controls	Mitigation Actions
1.	SO2. Quality performing arts and entertainment experience and facilities	Business disruption	<ol style="list-style-type: none"> <li>1) Global pandemic (COVID-19)</li> <li>2) Lockdown regulations</li> <li>3) Political unrest / Criminality</li> <li>4) Loadshedding</li> <li>5) Water cut</li> <li>6) Natural Disasters</li> </ol>	<ol style="list-style-type: none"> <li>1) Procured the backup generator for the shows and it has been delivered on March 2022.</li> <li>2) The theatre is permitted to operate at 50% capacity as per the health regulations.</li> <li>3) Virtual meeting and remotely working.</li> <li>4) Implementation of health and safety regulations.</li> <li>5) JT continuously engages and negotiates with City Power to conveniently schedule load shedding.</li> <li>6) ST has an emergency generator for lighting</li> <li>7) RT has a generator however does not provide sufficient power to run all the operations</li> <li>8) Implementation of the Business Continuity Plan does not have sufficient power to run all the operations</li> <li>9) Implementation of the Business Continuity Plan</li> </ol>	<ol style="list-style-type: none"> <li>1) Handover of the backup generator to JCT Management.</li> <li>2) Employees are working in separate areas to observe social distancing.</li> <li>3) Continue to encourage online booking to avoid cash exchange.</li> <li>4) Patrons are encouraged to use electronic tickets</li> </ol>

Risk N <sup>o</sup>	Strategic Objective	Risk Description	Root Causes	Current Controls	Mitigation Actions
2.	SO3. Affordable access to and use of theatres by communities	Inconsistent attendance at theatre shows	<ol style="list-style-type: none"> <li>1) High cost of productions and the need to recover costs.</li> <li>2) Effect of the country's economic status.</li> <li>3) Lack of exposure of potential audiences to the theatre experience</li> <li>4) Loadshedding</li> <li>5) Fear of COVID-19</li> <li>6) Fear of crime in the area.</li> <li>7) Disaster Management regulations and limited audiences allowed in the theatre</li> <li>8) Limited public transport to the theatre at night.</li> <li>9) Ineffective implementation of the marketing strategy.</li> </ol>	<ol style="list-style-type: none"> <li>1) Different pricing structures based on product and venue.</li> <li>2) Offering a limited number of discounted and/or free tickets to the youth and senior citizens</li> <li>3) Mobile theatre truck used to take the arts to targeted diverse communities.</li> <li>4) Action to engage stakeholder to ensure safety in the precinct</li> <li>5) Customer satisfaction survey conducted after every show.</li> <li>6) Marketing plan developed for each production</li> </ol>	<ol style="list-style-type: none"> <li>1) Implementation of sponsorship policy to target sponsorship</li> <li>2) Conduct comprehensive survey to establish audience needs</li> <li>3) To engage JMPD and SAPS to police the precinct.</li> <li>4) Implement a marketing plan for each production</li> <li>5) Engage public transport provider (Rea Vaya, taxis etc.) to provide transport for shows.</li> </ol>
3.	SO5. Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	Lack of brand positioning and brand awareness	<ol style="list-style-type: none"> <li>1) Inadequate marketing budget</li> <li>2) Shortcoming of the marketing strategy</li> <li>3) Inadequate marketing personnel</li> </ol>	<ol style="list-style-type: none"> <li>1) Media partnerships for productions at each theatre</li> <li>2) Media database management</li> <li>3) Continuous productions awareness campaigns.</li> <li>4) Revised marketing and communication strategy in place (e-marketing; and social media)</li> </ol>	<ol style="list-style-type: none"> <li>1) To review marketing and communication strategy</li> <li>2) To organise online promotional campaigns for brand awareness in line with the budget</li> <li>3) Introduction of a marketing performance management.</li> </ol>
4.	SO4. Good governance, financial sustainability and sound management	Theft, fraud, and corruption	<ol style="list-style-type: none"> <li>1) Conflict of interest (Greed, collusion, bribery)</li> </ol>	<ol style="list-style-type: none"> <li>1) Fraud prevention policy and continuous monitoring of thereof.</li> <li>2) Code of conduct and Gift register in place.</li> <li>3) Segregation of duties</li> </ol>	<ol style="list-style-type: none"> <li>1) Continue to conduct ethics awareness workshop (awareness of fraud hotlines).</li> </ol>

Risk No.	Strategic Objective	Risk Description	Root Causes	Current Controls	Mitigation Actions
5.	SO4. Good governance, financial sustainability and sound management	Non-compliance with applicable legislation	<ul style="list-style-type: none"> <li>2) Inadequate segregation of duties / Inadequate or no supervision</li> <li>3) Weak internal control environment - cash handling / administrative procedures</li> <li>4) Lack of accountability and consequence management</li> <li>5) Poor work ethics</li> <li>6) Inadequate IT access controls</li> <li>7) Inadequate physical security controls</li> <li>8) Cyber attack</li> </ul>	<ul style="list-style-type: none"> <li>4) Declaration of interests</li> <li>5) Remuneration, Social and Ethics Committee</li> <li>6) Fraud risk assessment conducted annually</li> <li>7) Ethics awareness workshops conducted</li> <li>8) Approved Financial Management Policies</li> <li>9) IT Policy in place</li> </ul>	<ul style="list-style-type: none"> <li>2) Continue to conduct Fraud risk assessment.</li> <li>3) Development of a social and ethics strategy Development of a contracts management framework.</li> </ul>
5.	SO4. Good governance, financial sustainability and sound management	Non-compliance with applicable legislation	<ul style="list-style-type: none"> <li>1) Various and changing legislative requirements to be complied with.</li> <li>2) There is a requirement to comply with MSCOA</li> <li>3) Inadequate assessment of compliance risk.</li> <li>4) knowledge gaps in new legislative developments</li> </ul>	<ul style="list-style-type: none"> <li>1) Regulatory compliance register/ assessment tool monitored by the Company Secretary.</li> <li>2) Compliance policy and framework in place</li> <li>3) Presented to the BOD the impact and progress on MSCOA compliance.</li> <li>4) Quarterly reporting to oversight committees on compliance.</li> <li>5) Entity is currently transacting on MSCOA</li> </ul>	<ul style="list-style-type: none"> <li>Review of Regulatory compliance register</li> <li>Continuous monitoring reporting on compliance.</li> <li>Seamless integration of systems will be completed on implementation of SAP</li> </ul>
6.	SO1. Provision of opportunities for the youth, including future arts; theatre	Limited programmes available for newly trained arts practitioners	<ul style="list-style-type: none"> <li>1) Limited in-house production to absorb newly trained practitioners</li> <li>2) Limited budgets</li> </ul>	<ul style="list-style-type: none"> <li>1) Applied Performing Arts and Arts Management partnership with WITS.</li> <li>2) Weekly drama workshops</li> </ul>	<ul style="list-style-type: none"> <li>1) Establish partnership with other role players in the industry</li> <li>2) Introducing theatre to communities through outreach programs.</li> </ul>

Risk N <sup>o</sup> .	Strategic Objective	Risk Description	Root Causes	Current Controls	Mitigation Actions
	practitioners and entrepreneur			3) Mentoring and upskilling of internal staff in key positions on in-house productions	3) Encouraging entrepreneurs to leverage JCT venues and marketing expertise. 4) Marketing the program and up and coming artists.

## 4. STRATEGIC RESPONSE – IMPLEMENTATION AND PERFORMANCE

### 4.1. KEY PERFORMANCE AREAS

Informed by JCT's mission and integrated operating model, the COJ's priorities, and the above performance and environmental analysis, the organisation has reviewed and revised the 2022/23 key performance areas (KPA's). The KPA's are the key outputs or deliverables of the focus areas of the five strategic objectives discussed in Section 2.7. above. The KPA's have informed the performance information of the 2022/23 Corporate Scorecard, which will be monitored and reported on over the planning period.

**Table 11: JCT Key Performance Areas**

COJ Priority	Strategic Objective	Key Performance Areas
COJ Priority 3: A caring City COJ Priority 4: A business friendly City	SO1. Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	Work opportunities created at Joburg City Theatres
		Youth developed in arts and theatre
COJ Priority 1: Getting the basics right COJ Priority 5: An inclusive City	SO2. Quality performing arts and entertainment experiences and facilities	Service level standards achieved
		Arts and culture festivals and themed productions hosted and produced
		Joburg Ballet and Philharmonic Orchestra integrated into the group offering
		JCT touring circuit implemented
COJ Priority 1: Getting the basics right COJ Priority 3: A caring City COJ Priority 5: An inclusive city	SO3. Affordable access to and use of theatres by communities	Audiences developed and venues accessed
		School set work offerings provided across all 3 theatres
		City-wide integrated activations implemented
COJ Priority 1: Getting the basics right COJ Priority 4: A business-friendly City COJ Priority 6: A well-run City	SO4. Good governance, financial sustainability and sound management	Financial management and sustainability
		Governance, internal controls, performance, and risks managed
		Small businesses supported through B-BBEE and preferential procurement
		Circular 88 outcomes and outputs on financial management and good governance monitored and reported on



COJ Priority	Strategic Objective	Key Performance Areas
COJ Priority 1: Getting the basics right COJ Priority 6: A well-run City	SO5. Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	Stakeholders mobilised and managed Arts and theatre promoted through major milestones and anniversary events

## 4.2. PAST PERFORMANCE

*Discussed in Section 3.1. (Service Delivery and Performance Analysis).*

## 4.3. COJ AREAS OF FOCUS, CRITICAL ISSUES, AND KEY INTERVENTIONS

The next table reflects the focus areas, critical issues and short, medium, and long-term interventions delegated to JCT by the COJ through the 2022/23 Business Planning Guidelines.

Areas of focus:

- 1) Amphitheatre launch (Soweto Theatre).
- 2) Major milestone events in 2022.
- 3) Revenue generation.
- 4) Arts and Culture/Tourism strategy.

**Table 12: Critical Issues and Key Interventions (COJ Business Planning Guidelines, 2022/23)**

Critical Issue	Key Interventions:		
	Short Term (End of 2021/22 FY)	Medium Term (2022 – 2025 MTREF)	Longer Term (Term of Office)
Amphitheatre Launch	<ul style="list-style-type: none"> <li>▪ Resubmission of SDP and building plans by JPC</li> <li>▪ Issuing of Occupation Certificate by COJ Planning Department</li> </ul>	Official Launch of the Amphitheatre – September 2022.	Use of venue as a multipurpose space for traditional music and dance, fashion shows, music concerts, sports (basketball/boxing)
Major Milestone Events in 2022: <ul style="list-style-type: none"> <li>▪ Joburg Theatre 60<sup>th</sup></li> <li>▪ Soweto Theatre 10<sup>th</sup></li> </ul>	<ul style="list-style-type: none"> <li>▪ Six months programme announcement and implementation</li> <li>▪ Soweto Theatre 10<sup>th</sup> anniversary</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continuation of programme implementation</li> <li>▪ 30th Anniversary of Johannesburg Arts Alive International Festival</li> </ul>	---

Critical Issue	Key Interventions:		
	Short Term (End of 2021/22 FY)	Medium Term (2022 – 2025 MTREF)	Longer Term (Term of Office)
<ul style="list-style-type: none"> <li>Roodepoort Theatre 45<sup>th</sup></li> </ul>		<ul style="list-style-type: none"> <li>Joburg Theatre 60<sup>th</sup> anniversary (2022/23)</li> <li>Roodepoort Theatre 45<sup>th</sup> anniversary (2024/25)</li> </ul>	
Revenue generation	<ul style="list-style-type: none"> <li>Stage fewer yet high-profile productions, which will result in greater ticket sales (balance tickets sold/complimentary ticket ratio)</li> <li>Review marketing and sales strategies to yield the desired outcomes – paying bums on seats</li> </ul>	Strengthen school set work offering across all three theatres	Position arts alongside sport in schools for development of future audiences
Arts & Culture / Tourism strategy	Strengthen tourist focused marketing and promotion	<ul style="list-style-type: none"> <li>Revitalisation of the Arts in Joburg</li> <li>Better integrate the Joburg Ballet and Johannesburg Philharmonic Orchestra into the group offering</li> </ul>	Joburg City Theatres Archive/ Resource Centre to preserve and tell the story of the history of theatre in Johannesburg
Newtown Cultural Precinct	Maintenance of clean and safe precinct	Newtown artistic programming budget	Joburg festivals like Edinburgh and Adelaide festivals
Underground parking at Joburg Theatre	Prepare a Business Case as per research for the development of parking bays to diversify revenue streams	Secure funding for implementation in the outer years	Diversification of revenue streams and product offering, creating jobs and infrastructure development

JCT has committed resources to the following projects aimed at showcasing the City's support and commitment to arts and culture as a vehicle for socio-economic development and for social transformation in the 2022/23 financial year.

**Table 13: JCT Key Projects for 2022/23, with Resource Commitments**

Key Project	Inputs / Requirements	Resource Commitments for 2022/23 Financial Year
Integrated Joburg festivals	<ul style="list-style-type: none"> <li>▪ Ongoing funding commitment</li> <li>▪ Implement social cohesive and integrated festivals</li> </ul>	R8,6 m p/a
A transformed Joburg Ballet	<ul style="list-style-type: none"> <li>▪ Ongoing funding commitment</li> <li>▪ Enforcing partnerships with other dance forms</li> </ul>	R11,531m p/a
A revived JPO, with a commitment to continue with Youth Development Programme	<ul style="list-style-type: none"> <li>▪ Ongoing funding commitment</li> <li>▪ Commitment to continue with JPO Youth Development Programme</li> </ul>	R11,892m p/a
JCT Annual Legend Tribute Programme	<ul style="list-style-type: none"> <li>▪ Ongoing funding commitment</li> <li>▪ Secure touring opportunities for the annual productions</li> </ul>	R700k – R1m p/a
Newtown Cultural Precinct	<ul style="list-style-type: none"> <li>▪ Develop and resubmit business case for budget to establish a Joburg Festival like Edinburgh and Adelaide festivals in the Newtown (and Braamfontein) precincts</li> </ul>	Budget not available for 2022/23
Launch Soweto Theatre Amphitheatre	<ul style="list-style-type: none"> <li>▪ Issuing of Occupation Certificate by COJ Planning Department (dependency not in the control of JCT)</li> </ul>	Launch the Soweto Theatre Amphitheatre upon issuance of the occupation certificate
Arts and Culture/Tourism strategy	<ul style="list-style-type: none"> <li>▪ Development of Arts and Culture strategy in collaboration with Arts, Culture and Heritage Department of the COJ (link into Joburg Tourism Strategy)</li> <li>▪ Mobile Theatre Truck</li> </ul>	R250 – R300k for formulation of overall Joburg Arts and Culture Strategy
Major milestone anniversary celebrations	<ul style="list-style-type: none"> <li>▪ Support for the Arts Alive annual festival, including, the 30<sup>th</sup> anniversary in 2022/23</li> <li>▪ Major milestone theatre anniversary celebrations (Joburg Theatre 30<sup>th</sup> anniversary in 2022/23 and Roodepoort</li> </ul>	R2.8 million for Joburg Theatre anniversary celebration in 2022/23

Key Project	Inputs / Requirements	Resource Commitments for 2022/23 Financial Year
	Theatre 45 <sup>th</sup> anniversary in 2024/25)	

The COJ priority focus areas and interventions with budget allocations have been incorporated in JCT's corporate scorecard for 2022/23 reflected in the next section.

#### 4.4. CORPORATE SCORECARD FOR 2022-2023

The COJ focus areas and interventions reflected in Section 4.3. are incorporated in the performance information of JCT's Corporate Scorecard for 2022/23 and period of the MTREF. It should be noted that the Corporate Scorecard continues to take into consideration the effects of the COVID-19 pandemic and the limitation on the number of audiences that are allowed to attend indoor events (limited to 50% of venue capacity).

##### 4.4.1. JCT 2022/23 CORPORATE SCORECARD

**Table 14: JCT Corporate Scorecard 2022/23**

Key Performance Area	KPI #	Key Performance Indicator	Baseline		Annual Performance Targets (MTREF)		2022/23 Quarterly Performance Targets and Project Budgets				2022/23 Budget		Means of Verification	Responsible (Lead)	
			2020/21	2022/23	2023/24	2024/25	Q1	Q2	Q3	Q4	Capex	Opex			
<p>MTSF Priority – 2: Economic transformation and job creation                      COJ Priorities – 3: A caring City   4: A business-friendly City                      JCT Strategic Objective – SO1: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs.</p>															
Work opportunities created at Joburg City Theatres	1	Number of Expanded Public Works Programme (EPWP) work opportunities created at JCT	190	220	250	250	50	150	180	220					CFO
Youth developed in arts and theatre	2	Number of youths attending arts programmes	330	250 (Jul-Dec) 350 (Jan – Jun)	350 (Jul-Dec) 400 (Jan – Jun)	400 (Jul-Dec) 450 (Jan – Jun)	250	250	350	350	R0.86m	R1.3m	R1.9m	R1.9m	COO, Artistic Director
							R0.43m	R0.86m	R1.3m	R0.321m				R3m	
<p>MTSF Priority – 5: Spatial integration, human settlements and local government   6: Social cohesion and safe communities                      COJ Priorities – 1: Getting the basics right   5: An inclusive City                      JCT Strategic Objective – SO2: Quality performing arts and entertainment experiences and facilities</p>															



Key Performance Area	KPI #	Key Performance Indicator	Baseline				Annual Performance Targets (MTREF)				2022/23 Quarterly Performance Targets and Project Budgets				2022/23 Budget		Means of Verification	Responsible (Lead)
			2020/21	2022/23	2023/24	2024/25	Q1	Q2	Q3	Q4	Capex	Opex						
Service level standards achieved	3	Percentage achievement of service level standards <sup>9</sup>	90%	100%	100%	100%	100%	100%	100%	100%	100%	100%	n/a	n/a		Service level standards report	COO	
Arts and culture festivals and productions hosted and produced	4	Number of arts and culture festivals and themed productions held (in-house and co-productions)	19	50	60	65	8	16	22	30	R17.48m	R15.732m	R17.48m	-	R17.48m	Contracts Marketing material Show reports	COO	
Joburg Ballet and Philharmonic Orchestra integrated into the group offering	5	Number of Ballet seasons	4	4	4	4	1	2	3	4	R2.883m	R5.766m	R11.531m	-	R11.531m	Quarterly report Contracts & marketing material	COO	
JCT touring circuit implemented	6	Number of Philharmonic Orchestra seasons	4	4	4	4	1	2	3	4	R5.946m	R5.946m	-	-	R11.892m	Quarterly report Contracts & marketing material	COO	
JCT touring legends programme implemented	7	Number of JCT productions touring nationally/internationally	1	1	2	3	1	-	-	-	R1.122m	-	-	-	-	Business case / SLA	COO	
Annual legends tribute programme implemented	8	Number of annual legends productions implemented	New	2	3	4	-	1	-	2	-	-	-	-	R1.122m	Contracts with artists/creatives Marketing material Close-out report	COO	

MTSF Priority – 5: Spatial integration, human settlements and local government | 6: Social cohesion and safe communities  
COJ Priorities – 1: Getting the basics right | 3: A caring City | 5: An inclusive City  
JCT Strategic Objective – SO3: Affordable access to and use of theatres by communities

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

Key Performance Area	KPI #	Key Performance Indicator	Annual Performance Targets (MTREF)				2022/23 Quarterly Performance Targets and Project Budgets				2022/23 Budget		Means of Verification	Responsible (Lead)
			2020/21	2022/23	2023/24	2024/25	Q1	Q2	Q3	Q4	Capex	Opex		
Audiences developed and venues accessed	9	Number of attendees <sup>7</sup>	39,692 attendees	120,000 attendees	150,000 attendees	200,000 attendees	30,000	80,000	100,000	120,000	n/a	n/a	Ticket reports	COO
School set work offerings provided across all 3 theatres	10	Number of school set work programmes implemented	New	3	4	6	1	-	2	3			Contracts with artists/creatives Marketing material Close-out report	COO
City-wide integrated activations implemented	11	Number of city-wide integrated activations using the Mobile Theatre Truck	New	6	8	10	2	4	5	6			Business case Annual calendar Booking forms	COO
<b>MTSF Priority – 1: Capable, ethical and developmental State</b> <b>COJ Priorities – 1: Getting the basics right   4: A business-friendly City   6: A well-run City</b> <b>JCT Strategic Objective – SO4: Good governance, financial sustainability and sound management</b>														
Financial management and sustainability	12	Proportion of earned income against total revenue including subsidy	30% / 70% Earn revenue R43,009m Total revenue R206,463m	27% / 73% Earn revenue R65,155m Total revenue R238,619m	24% / 76% Earn revenue R56,394m Total revenue R237,662m	24% / 76% Earn revenue R59,637m Total revenue R251,328m	27% / 73% Earn revenue R15,561m Total revenue R56,345m	27% / 73% Earn revenue R31,125m Total revenue R112,693m	27% / 73% Earn revenue R46,686m Total revenue R169,037m	27% / 73% Earn revenue R65,155m Total revenue R238,619m			Financial statements Income reports	CFO
	13	Percentage spent on operating budget against approved operating budget	91%	100%	100%	100%	15%	50%	75%	100%			OPEX expenditure report Financial statements	CFO
	14	Percentage spent on capital budget against approved capital budget	100%	100%	100%	100%	10%	30%	70%	100%			CAPEX expenditure report Financial statements	CFO
Financial management and sustainability	15	Percentage of spent on repairs and maintenance against the budget	23%	8%	8%	8%	0%	4%	6.4%	8%			Expenditure report Financial statements	CFO

<sup>7</sup> Number of attendees is limited to 50% of venue capacity

Key Performance Area	KPI #	Key Performance Indicator	Annual Performance Targets (MTREF)				2022/23 Quarterly Performance Targets and Project Budgets				2022/23 Budget		Means of Verification	Responsible (Lead)
			2020/21	2022/23	2023/24	2024/25	Q1	Q2	Q3	Q4	Capex	Opex		
	16	Percentage reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred	new	50%	50%	50%	50%	30%	20%	10%			Expenditure report SCM report Financial statements	CFO
	17	Percentage of valid invoices paid within 30 days of invoice/statement date	100%	100%	100%	100%	100%	100%	100%	100%			Expenditure report Financial statements	CFO
Governance, internal controls, performance and risks managed	18	Percentage resolution of AG findings	100%	100%	100%	100%	80%	100%	50%	100%	n/a	n/a	Quarter reports / evidence files	CFO
	19	Percentage resolution of Internal Audit (IA) findings	100%	100%	100%	100%	10%	100%	30%	70%	100%	n/a	Quarter reports / evidence files	CFO
	20	Percentage of the strategic risk management action plans implemented	85%	100%	100%	100%	100%	100%	100%	100%	n/a	n/a	Quarter reports / evidence files	CFO
	21	Percentage of predetermined objectives achieved	85% of predetermined objectives achieved	85% of predetermined objectives achieved	85% of predetermined objectives achieved	85% of predetermined objectives achieved	-	85% of predetermined objectives achieved	-	-	n/a	n/a	Quarter reports / evidence files	CFO
Small businesses supported through B-BBEE and preferential procurement	22	Number of SMME's Supported	new	250	262	276	50	150	200	250			Procurement Reports	CFO
	23	Percentage of procurement spend on SMMEs against total procurement expenditure	30%	30%	30%	30%	30%	30%	30%	30%			Procurement reports	CFO
	24	Percentage of procurement spend on B-BBEE against	75%	75%	75%	75%	75%	75%	75%	75%			Procurement reports	CFO



Key Performance Area	KPI #	Key Performance Indicator	Baseline		Annual Performance Targets (MTREF)			2022/23 Quarterly Performance Targets and Project Budgets				2022/23 Budget		Means of Verification	Responsible (Lead)
			2020/21	2022/23	2023/24	2024/25	Q1	Q2	Q3	Q4	Capex	Opex			
<b>MTSF Priority – 1: Capable, ethical and developmental State   5: Spatial integration, human settlements and local government</b> <b>COJ Priorities – 1: Getting the basics right   6: A well-run City</b> <b>JCT Strategic Objective – SO5: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT</b>															
Stakeholders mobilised and managed	25	Number of strategic partnerships created	13	20	25	30	5	12	15	20	n/a	n/a	n/a	Signed MOA / MOU / contract	COO
Arts and theatre promoted through major milestones and anniversary events	26	Major milestones and anniversary events celebrated (2021/22)	Soweto Theatre 10 <sup>th</sup> anniversary celebration (2021/22)	Joburg Theatre 60 <sup>th</sup> anniversary celebration	-	Rodepoort Theatre 50 <sup>th</sup> anniversary celebration	Joburg Theatre 40 <sup>th</sup> anniversary celebration	-	-	-	-	-	-	Launch programme plan Marketing and branding material, Close-out reports	COO
		total procurement expenditure					R2.8m								

#### 4.4.2. CIRCULAR 88 INDICATORS

Table 15: 2022/23 Circular 88 Output Indicators

C88 Outcome	C88 Ref. No.	C88 Output Indicator	Baseline		Annual Targets				2022/23 Quarterly Targets and Budgets				2022/23 Total Budget		Means of Verification	Responsible (Lead)	
			2020/21	2022/23	2022/23	Q1	Q2	Q3	Q4	Capex	Opex						
<b>MTSF Priority – 1: Capable, ethical and developmental State</b> <b>COJ Priorities – 1: Getting the basics right   4: A business-friendly City   6: A well-run City</b> <b>JCT Strategic Objective – SO4: Good governance, financial sustainability and sound management</b>																	
FM3. Improved liquidity management	FM3.11	Cash/Cost coverage ratio	New	30-90 days	30-90 days	30-90 days	30-90 days	30-90 days	30-90 days	30-90 days	30-90 days	30-90 days	30-90 days	n/a	n/a	Opex expenditure report Financial statements	CFO
	FM3.12	Current ratio (current assets/current liabilities)	New	1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1	1.5-2:1	n/a	n/a	Opex expenditure report Financial statements	CFO
	FM3.13	Trade payables to cash ratio	New	2:1	2:1	2:1	2:1	2:1	2:1	2:1	2:1	2:1	2:1	n/a	n/a	Opex expenditure report	CFO

C88 Outcome	C88 Ref. No.	C88 Output Indicator	Baseline		Annual Targets		2022/23 Quarterly Targets and Budgets				2022/23 Total Budget		Means of Verification	Responsible (Lead)
			2020/21	2022/23	2022/23	2022/23	Q1	Q2	Q3	Q4	Capex	Opex		
FM3. Improved liquidity management	FM3.14	Liquidity ratio	New	1:1	1:1	1:1	1:1	1:1	1:1	n/a	n/a	n/a	Opex expenditure report Financial statements	CFO
FM6.	FM6.12	Percentage of awarded tenders (over R200k), published on the entity website	New	90%	90%	90%	90%	90%	90%	n/a	n/a	n/a	Quarter reports / evidence files	CFO
GG1. Improved municipal capability	GG1.21	Staff vacancy rate	New	10%	10%	10%	10%	10%	10%	n/a	n/a	n/a	HR reports	CFO

#### 4.5. KPI'S DEFINITION

Table 16: 2022/23 Corporate Scorecard Technical Indicator Descriptions

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
1	Number of Expanded Public Works Programme (EPWP) work opportunities created at JCT	Measures the number of work opportunities created under the EPWP. An EPWP opportunity is paid work created for an individual on an EPWP project for any period of time. For JCT it includes work opportunities created for arts programmes, theatre ushers and hospitality and catering ad-hoc staff.	Contributes to: <u>COJ Priorities:</u> 3: A caring City 4: A business-friendly City <u>JCT Strategic Objective:</u> SO1: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	Employment contracts / HR/ Payroll Information	Number of Jobs created per annum	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO
2	Number of youths attending arts programmes	Measures the number of youth participating in arts programmes.	Contributes to: <u>COJ Priorities:</u> 3: A caring City 4: A business-friendly City <u>JCT Strategic Objective:</u> SO1: Provision of opportunities for the youth,	Attendance registers Tutor reports on programme content/ summary	Simple count	None	Non-Cumulative	Quarterly	No	Achievement of the desired performance: Intake 1: 250 Jul-Dec Intake 2: 350 Jan-Jun	COO, Artistic Director



KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
3	Percentage achievement of service level standards	This KPI measures JCT's performance against standards that are set by the City to enhance competitive service level standards	including future arts and theatre practitioners and entrepreneurs  Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 5: An inclusive City <u>JCT Strategic Objective:</u> SO2: Quality performing arts and entertainment experiences and facilities	Service level standards report	Average achievement against set standards: 1. Accessibility 2. In-house productions commence within 15 min. as per schedule 3. Compliance to H&S legislation	None	Non-Cumulative	Quarterly	No	Achievement of the desired performance	COO
4	Number of arts and culture festivals and themed productions held (in-house and co-productions)	Measures the number of Arts and Culture themed productions held, festivals or in-house productions and co-productions with a partnership agreement programmed for JCT.	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 5: An inclusive City <u>JCT Strategic Objective:</u> SO2: Quality performing arts and entertainment experiences and facilities	Contracts Marketing material Show reports	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO
5	Number of Ballet seasons	Measures the number of ballet seasons staged by Joburg Ballet.	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 5: An inclusive City <u>JCT Strategic Objective:</u> SO2: Quality performing arts and entertainment experiences and facilities Supports the priority of better integrating Joburg Ballet into the group offering.	Quarterly report Contracts & marketing material	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO
6	Number of Philharmonic Orchestra seasons	Measures the number of ballet seasons staged by Joburg Philharmonic Orchestra.	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 5: An inclusive City <u>JCT Strategic Objective:</u>	Quarterly report Contracts & marketing material	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO

8 CORE BUSINESS	
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

**SERVICE LEVEL STANDARD**

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
7	Number of JCT productions touring nationally/internationally	Measures the number of JCT productions that are toured nationally or internationally	SO2: Quality performing arts and entertainment experiences and facilities Supports the priority of better integrating JPO into the group offering.  Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 5: An inclusive City <u>JCT Strategic Objective:</u> SO2: Quality performing arts and entertainment experiences and facilities	Business case / SLA	Simple count	None	Cumulative year-to-date	Quarterly	Yes	Higher than targeted performance is desirable	COO
8	Number of annual legends productions implemented	Measures the implementation of programmes aimed at showcasing legends of arts and theatre	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 5: An inclusive City <u>JCT Strategic Objective:</u> SO2: Quality performing arts and entertainment experiences and facilities	Contracts with artists/ creatives Marketing material Close-out report	Simple count	None	Cumulative year-to-date	Quarterly	Yes	Higher than targeted performance is desirable	COO
9	Number of attendees	Measures the total number of people that attend the JCT's programmes to promote audience development.	Contributes to: <u>COJ Priorities</u> 1: Getting the basics right 3: A caring City 5: An inclusive City <u>JCT Strategic Objective:</u> SO3: Affordable access to and use of theatres by communities	Ticket reports	Simple count	Number of attendees is limited to 50% of venue capacity	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO
10	Number of school set work programmes implemented	Measures the number of productions provided by the three theatres that support school set works for educational purposes and theatre accessibility	Contributes to: <u>COJ Priorities</u> 1: Getting the basics right 3: A caring City 5: An inclusive City <u>JCT Strategic Objective:</u> SO3: Affordable access to and use of theatres by communities	Contracts with artists/ creatives Marketing material Close-out report	Simple count	None	Cumulative year-to-date	Quarterly	Yes	Higher than targeted performance is desirable	COO
11	Number of city-wide integrated activations using	Measures the use of the Mobile Theatre Truck, in	Contributes to: <u>COJ Priorities</u>	Business case Annual calendar	Simple count	None	Cumulative year-to-date	Quarterly	Yes	Higher than targeted	COO

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
	the mobile theatre truck	collaboration with other city departments and entities, to take arts and theatre to communities	1: Getting the basics right 3: A caring City 5: An inclusive City <u>JCT Strategic Objective:</u> SO3: Affordable access to and use of theatres by communities	Booking forms						performance is desirable	
12	Proportion of earned income against total revenue including subsidy	Measures the revenue generated by JCT from arts/theatre and hospitality and catering operations income excluding subsidy against total revenue including subsidy	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 4: A business-friendly City 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Financial statements Income reports	Earned revenue divided by total revenue including subsidy, expressed as a percentage in relation to the subsidy	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO
13	Percentage spent on operating budget approved operating budget	Operational costs spent by the organization against the allocated budget against the allocated budget. The objective is to improve, stabilize and sustain a positive financial position	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 4: A business-friendly City 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	OPEX Expenditure Report Financial statements	Actual costs /Allocated budget *100	None	Cumulative	Monthly	No	100%	CFO
14	Percentage spent on capital budget against approved capital budget	The Capex spent on projects against the approved budget. The objective is to improve, stabilize and sustain a positive financial position	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 4: A business-friendly City 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	CAPEX Expenditure Report Financial statements	Total Capex spend divide by the budget Capex spend* 100	None	Cumulative	Monthly	No	100%	CFO
15	Percentage of spent on repairs and maintenance against the budget	It measures the level of Repairs & Maintenance to prevent breakdowns and interruptions to service delivery.	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 4: A business-friendly City 6: A well-run City <u>JCT Strategic Objective:</u>	Expenditure Report Financial statements	Total Repairs and Maintenance Expenditure/ Property, Plant and Equipment and Investment Property (Carrying value) x 100	None	Cumulative	Monthly	No	8%	CFO

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
16	Percentage reduction in unauthorized, irregular, fruitless and wasteful expenditure incurred (UJFW)	Percentage reduction on UJFW compared to the previous financial year AG finding.	SO4: Good governance, financial sustainability and sound management Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 4: A business-friendly City 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Expenditure Report Financial statements	The UJFW Expenditure closing balance of the current financial year against (will be compared with) the closing balance of the previous financial year.	None	Non-Cumulative	Quarterly/ Annually	Yes	50%	CFO
17	Percentage of valid invoices paid within 30 days of invoice date	It measures the percentage of valid invoices paid within 30 days. The objective is to increase the number paid within 30 days	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 4: A business-friendly City 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management		Total number of invoices processed for the month/Number of invoices paid within 30 days *100	None	Non-Cumulative	Monthly	No	100%	CFO
18	Percentage resolution of AG findings	Measures the number of Audit Findings resolved against the total number of audit findings issued by AGSA	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Quarter reports / evidence files	Actual number of AG findings resolved divided by the total number of AG findings, expressed as a percentage	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO
19	Percentage of Internal Audit (IA) findings	Measures the number of Audit Findings resolved against the total number of audit findings issued by Internal Audit	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Quarter reports / evidence files	Actual number of internal audit findings resolved divided by the total number of internal audit findings, expressed as a percentage	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO
20	Percentage of the strategic risk management action plans implemented	Measures percentage of Strategic risk action plans implemented compared to total	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 6: A well-run City	Quarter reports / evidence files	Number implemented strategic risk action plans divided by total number of	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO



KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
21	Percentage of predetermined objectives achieved	number of strategic risk action plans	<u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management  <u>Contributes to:</u> <u>COJ Priorities:</u> 1: Getting the basics right 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Quarter reports / evidence files	strategic risk action plans multiplied by 100	None	Non-Cumulative	Annually – 2 <sup>nd</sup> quarter	No	Higher than targeted performance is desirable	CFO
22	Number of SMME's Supported	The number of SMMEs participating in City Power available job opportunities	<u>Contributes to:</u> <u>COJ Priorities:</u> 3: A caring City 4: A business-friendly City <u>JCT Strategic Objective:</u> SO1: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	SCM Reports	Total number of SMME's doing business with JCT	None Identified	Cumulative	Annual	No	Achievement of the desired performance	CFO
23	Percentage of procurement spend on SMMEs against total procurement expenditure	Measures the total value of JCT procurement directed to SMMEs presented as a percentage of total JCT procurement spend.	<u>Contributes to:</u> <u>COJ Priorities:</u> 4: A business-friendly City 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Procurement reports	Total rand value of JCT procurement spent on SMMEs divided by the total JCT procurement spend, expressed as a percentage	None	Cumulative year-end	Quarterly	No	Higher than targeted performance is desirable	CFO
24	Percentage of procurement spend on B-BBEE against total procurement expenditure	Measures the total value of JCT procurement directed to B-BBEE presented as a percentage of total JCT procurement spend	<u>Contributes to:</u> <u>COJ Priorities:</u> 4: A business-friendly City 6: A well-run City <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Procurement reports	Total rand value of JCT procurement spent on B-BBEE enterprises divided by the total JCT procurement spend, expressed as a percentage	None	Cumulative year-end	Quarterly	No	Higher than targeted performance is desirable	CFO
25	Number of strategic partnerships created	Measures the total number of partnerships that are strategically intended	<u>Contributes to:</u> <u>COJ Priorities:</u> 1: Getting the basics right	Signed MOA / MOU / contract	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO



KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
		for the benefit of JCT.	6: A well-run City <u>JCT Strategic Objective:</u> SO6: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT								
26	Major milestones and anniversary events celebrated	Measures the implementation of the annual programme for the celebration of major milestone events and anniversaries	Contributes to: <u>COJ Priorities:</u> 1: Getting the basics right 6: A well-run City <u>JCT Strategic Objective:</u> SO6: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	Launch programme plan Marketing and branding material, Close-out reports	Document review confirming anniversary celebrations for: Joburg Theatre: 60 <sup>th</sup> Arts Alive: 30 <sup>th</sup>	None	Non-cumulative	Quarterly	Yes	Achievement of the desired performance	CFO

**NOTE: Technical indicator descriptions for the Circular 88 performance indicators are as per the National Treasury Circular 88 document and not repeated here.**

## 4.6. SERVICE STANDARDS CHARTER

Table 17: Services Standards

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

## 5. FINANCIAL IMPACT

### 5.1. BUDGET AND SOURCES OF FUNDING

Table 18: Revenue by Source for the MTREF

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			Medium Term Revenue and Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousands</b>										
<b>Revenue by Source</b>	1									
Property rates		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - jci revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		6,612.00	5,563.00	1,869	4,528	4,528	4,528	4,728	4,942	5,165
Interest earned - external investments		5,034.00	4,647.00	3,133	2,121	3,629	3,629	3,771	3,919	4,095
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other revenue		168,645	173,955	201,461	211,190	209,682	223,224	230,120	240,587	251,624
Gains		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>180,291.00</b>	<b>184,165</b>	<b>205,463</b>	<b>217,839</b>	<b>217,839</b>	<b>231,381</b>	<b>238,619</b>	<b>249,448</b>	<b>260,884</b>

## 5.2. OPERATIONAL EXPENDITURE (OPEX)

**Table 19: Operational Expenditure Budget for the MTREF**

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			Medium Term Revenue and Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousands</b>										
<b>Revenue by Source</b>	1									
Property rates		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - jct revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		6,612.00	5,563.00	1,869	4,528	4,528	4,528	4,728	4,942	5,165
Interest earned - external investments		5,034.00	4,847.00	3,133	2,121	3,629	3,629	3,771	3,919	4,095
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other revenue		168,645	173,955	201,461	211,190	209,682	223,224	230,120	240,587	251,624
Gains		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>180,291.00</b>	<b>184,165</b>	<b>206,463</b>	<b>217,839</b>	<b>217,839</b>	<b>231,381</b>	<b>238,619</b>	<b>249,448</b>	<b>260,884</b>
<b>Expenditure By Type</b>										
Employee related costs		-77,526	-91,644	-95,089	-102,727	-102,727	-102,727	-107,247	-112,073	-117,118
Remuneration of councillors		-	-	-	-	-	-	-	-	-
Debt Impairment	4	-46	-	-1,819	-	-	-	-	-	-
Depreciation & asset impairment		-1,641	-1,968	-1,900	-2,477	-2,477	-2,477	-2,586	-2,703	-2,824
Finance charges		-	-	-	-	-	-	-	-	-
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-
Inventory consumed	5	-3,080	-2,883	-3,107	-49,841	-49,841	-54,841	-52,036	-54,375	-56,821
Contracted services		-3,324	-1,505	-1,316	-1,803	-1,803	-1,803	-1,882	-1,965	-2,054
Transfers and subsidies		-20,467	-21,087	-21,512	-22,437	-22,437	-22,437	-23,424	-24,478	-25,560
Other expenditure	3	-61,297	-81,013	-75,448	-38,554	-38,554	-47,206	-51,450	-53,851	-56,268
Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>-187,381</b>	<b>-200,130</b>	<b>-200,291</b>	<b>-217,839</b>	<b>-217,839</b>	<b>-231,491</b>	<b>-238,625</b>	<b>-249,445</b>	<b>-260,665</b>
<b>Surplus/(Deficit)</b>		<b>-7,090</b>	<b>-15,965</b>	<b>6,172</b>	<b>0</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-7,090	-15,965	6,172	0	-	(0)	(0)	0	0
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>1,896</b>	<b>4,311</b>	<b>-1,324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>-5,194</b>	<b>-11,654</b>	<b>4,848</b>	<b>0.00</b>	<b>-</b>	<b>(0)</b>	<b>(0)</b>	<b>0</b>	<b>0</b>

### 5.3. CAPITAL EXPENDITURE (CAPEX)

Table 20: Capital Expenditure Budget as Registered in the JSIP

<b>JOBURG CITY THEATRES</b>				
<b>DRAFT MEDIUM TERM CAPITAL BUDGET FOR 2022/23-2024/25 AND ADJUSTMENT BUDGET 2021/22</b>				
Project Description	Adjusted Budget 2021/22	Draft Budget 2022/23	Draft Budget 2023/24	Draft Budget 2024/25
	R 000	R 000	R 000	R 000
Joburg Theatre - Technical Equipment	955	1 051	1 098	1 208
Joburg Theatre - Upgrade of stage machinery	4 515	2 006	2 076	2 284
Joburg Theatre - Building Renovations and upgrades	2 188	5 050	5 298	5 828
Soweto Theatre - Building Renovations and upgrades	1 261	1 387	1 449	1 594
Promusica Theatre - Building renovations and upgrades	416	457	478	526
Promusica Theatre - Information Technology	955	1 051	1 098	1 208
Soweto Theatre - Upgrading of Technical Equipment	948	1 042	1 089	1 198
Promusica Theatre - Upgrading of technical equipment	530	583	609	670
Joburg Theatre - Underground Parking				100 000
<b>GRAND TOTAL</b>	<b>11 768</b>	<b>12 626</b>	<b>13 195</b>	<b>114 516</b>

## 6. MANAGEMENT AND ORGANISATIONAL STRUCTURES

### 6.1. JOBURG CITY THEATRES GOVERNANCE ARRANGEMENTS

#### 6.1.1. CORPORATE GOVERNANCE STRUCTURE

Joburg Theatre (SOC) Ltd has a unitary board, which is chaired by a non-executive director. The roles of Chairperson and Chief Executive Officer are separate, with responsibilities divided between them. The Chairperson has no executive functions. Non-executive directors contribute an independent view to matters under consideration and add to the depth of



experience of the Board. The Chief Executive Officer and Chief Financial Officer are executive directors and attend Board and its committee meetings.

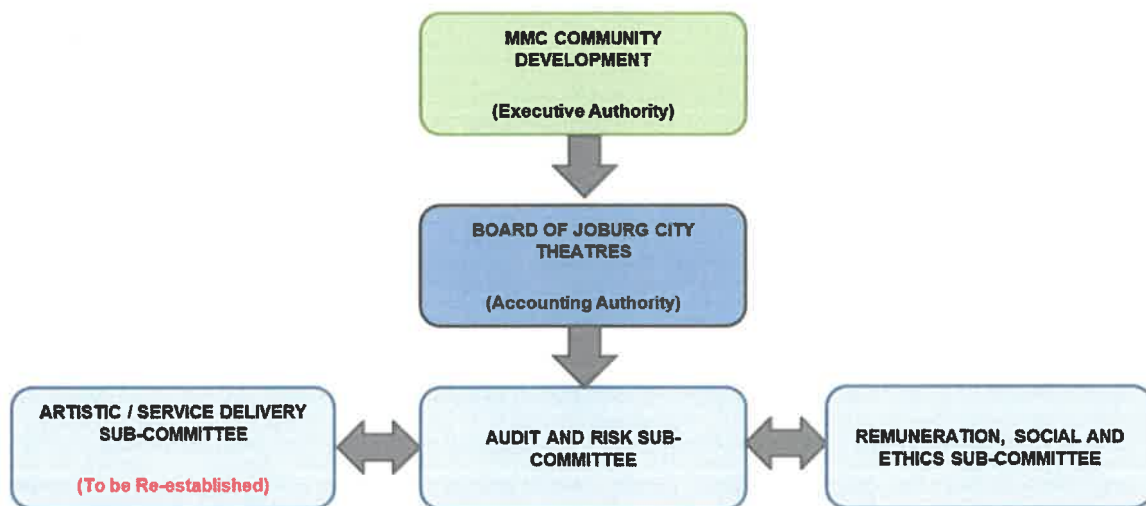
The board meets quarterly and retains full control over the company. The Board and Directors act in the best interests of the company and form the focal point of corporate governance, with responsibilities extending to accountability to the City of Johannesburg Metropolitan Municipality, the sole shareholder, and its stakeholders and the citizens of Johannesburg.

The Board consists of the following members:

- Mr. Zane Meas (Chairperson and Non-Executive Director (NED)).
- Mr. Jabu Hlongwane (NED)
- Mr. Jabu Love Mathevula (NED)
- Mr. Sean Kreuzsch (NED).
- Ms. Itumeleng Malope (NED).
- Ms. Dineo Sitole (NED).
- Ms. Ashley Hayden (NED).
- Ms. Xoliswa Nduneni (Chief Executive Officer and Executive Director)
- Mr. Solomon Mphakathi (Chief Financial Officer and Executive Director).

The following figure reflects the corporate governance structure of Joburg City Theatres.

**Figure 5: The Joburg City Theatres Governance Structure**



**Board Committees:**

The following committees have been established:

**Audit and Risk Committee:**

The role of the Audit and Risk Committee (ARC) is to assist the board by performing an objective and independent review of the functioning of the organisation's finance and accounting control mechanisms. It exercises its functions through close liaison and communication with corporate management and the internal and external auditors.

The ARC has been delegated the task of overseeing the quality, integrity, and reliability of the company's risk management function. In terms of its mandate, it reviews and assesses the integrity and the quality of risk control systems and ensures that risk policies and strategies are effectively managed.

The ARC operates in accordance with a written charter authorised by the Board and provides assistance to the board with regard to:

- 1) Ensuring compliance with applicable legislations and the requirements of regulatory authorities.
- 2) Matters relating to financial accounting, accounting policies, reporting, risk management, and disclosures.
- 3) Internal and external audit policy.
- 4) Activities, scope, adequacy, and effectiveness of the Internal Audit function and audit plans.
- 5) Review / approval of external audit plans, findings, problems, reports, and fees.
- 6) Compliance with the Code of Corporate Practices and Conduct; and
- 7) Compliance with the code of ethics.

#### **Remuneration, Social and Ethics Committee:**

The Remunerations, Social and Ethics Committee (RemSEC) advises the Board on remuneration policies, remuneration packages, and other terms of employment for all directors and senior executives. Its terms of reference also include recommendations to the Board on matters relating *inter alia*, general staff policy remuneration, bonuses, executive remuneration, director's remuneration and fees, service contracts and retirement funds. The independent professional advisors advise the committee when necessary.

Furthermore, the role of the RemSEC is:

- 1) To monitor the company's activities with regard to the following five areas of social responsibility:
  - i) social and economic development.
  - ii) good corporate citizenship.
  - iii) the environment, health and public safety.
  - iv) consumer relationships; and
  - v) labour and employment.

- 2) To draw matters within its mandate to the attention of the Board as required.
- 3) To report to the shareholders at the company's annual general meeting on the matters within its mandate.

Members have unlimited access to the Company Secretary, who acts as an advisor to the Board and its committees on matters, including compliance with company rules and procedures, statutory regulations and best corporate practices. The Board or any of its members may, in appropriate circumstances and at the expense of the company, obtain the advice of independent professionals. An annual Board evaluation is undertaken.

### **6.1.2. GOVERNANCE AND OVERSIGHT**

The Board has signed a Shareholder Compact with the Shareholder to regulate the relationship between the City, as the Shareholder of the Company and represented by the MMC: Community Development, and the Board of Directors of the Company as the Accounting Authority of the Company. In particular, the Shareholder Compact seeks to:

- 1) Outline and strengthen the accountability of the Board of directors to the shareholder with respect to the service delivery mandate of the Company.
- 2) Promote transparency.
- 3) Promote good governance in line with the applicable laws and regulations, Service Delivery Agreements and the Service Standards Charter that bind the Company; and
- 4) Set out the mandated key performance measures and indicators to be attained by the Company, as agreed to between the City as the Shareholder and the Board of Directors as the Accounting Authority.

An annual Service Delivery Agreement (SDA) is concluded in accordance with the provisions of the Municipal Systems Act (MSA), which governs the entity's relationship with the City of Johannesburg. The Board then provides quarterly, biannual, and annual reports on its service delivery performance to the COJ, as prescribed in the SDA, the MFMA and the MSA.

Board members have unlimited access to the Company Secretary, who acts as an advisor to the Board and its sub-committees on matters, including compliance with company rules and procedures, statutory regulations and best corporate practices. The Board, or any of its members may, in appropriate circumstances and at the expense of the company, obtain the advice of independent professionals. An annual Board evaluation is undertaken.

## **6.2. ORGANISATION STRUCTURE AND HUMAN CAPITAL MANAGEMENT**

The Theatres' management team is inclusive and representative of the demographics of the country. The members of the support management team comprise of staff members from a diverse background. 94% of the staff complement is made up of historically disadvantaged individuals and 37% are female.

As at 31 December 2021, JCT had 463 employees. The workforce profile is presented as follows: 239 of staff are permanent employees, 205 are temporary fixed-term employees and 19 interns. JCT has 205 temporary/ad-hoc employees, majority of these temporary employees are working in the Hospitality and Catering Department (i.e. 135). They are contracted and required to work and/or called per show. They are paid an hourly rate.

Temporary employees in hospitality and catering department consists of waitresses, scullers, bartenders, Commie Chefs, kitchen staff, banqueting staff, and general assistants, etc. JCT currently utilises fixed-term contracts due to the business requirements for the following reasons:

- 1) There is no fixed patron capacity in the theatre bars, as the business in this area is determined by the shows that are on the stage at any given time. Hence, this area is treated as seasonal work-based on the seasonal run of any given show.
- 2) The restaurant business is managed on a day-to-day basis as per point 1, as well as the daily take up of the restaurant by the surrounding businesses.
- 3) Unfortunately, the Entity often experiences extreme fluctuations of business volumes that occur over a period of any one year due to the area of the hospitality it works in, namely, the theatre.
- 4) There are very few foreign nationals in the workforce. Their fixed-term contracts are based on their current valid work permits.

The organisational structure follows the business model that informs JCT's operations:

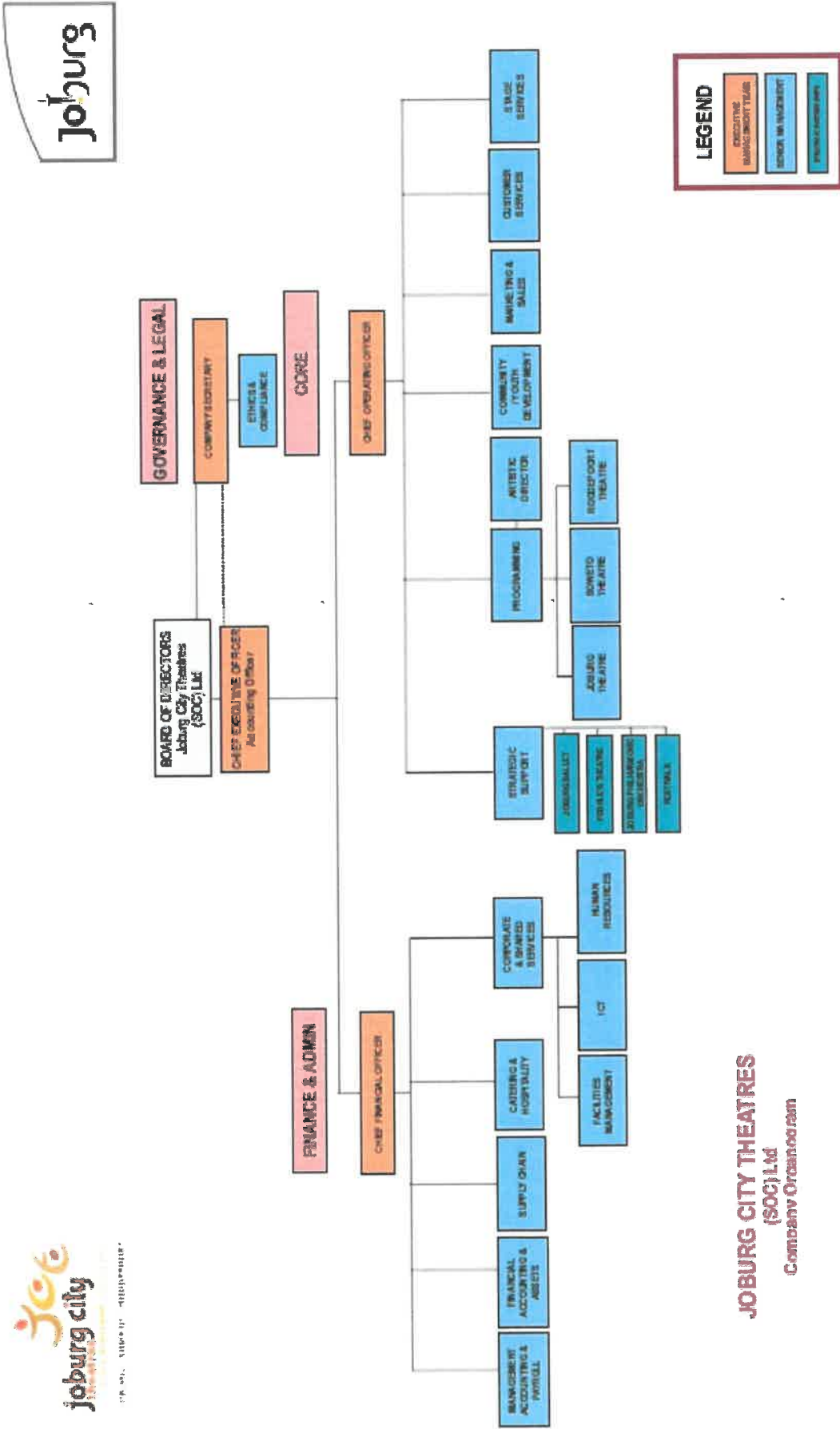
- 1) The Governance Department works with the company's Chief Executive Officer in various governance, compliance to effectively operate the three theatres.
  - Strategic Support provides governance services and management of Joburg Ballet, Joburg Philharmonic Orchestra, and Peoples Theatre Company and festivals.
- 2) Finance and Administration
  - The finance office manages all day-to-day, weekly, monthly, and annual financial aspects of the company, including Supply Chain Management and Compliance, Hospitality and Catering and Information Technology, Facilities Management, Safety and Security, and Human Resources Management
- 3) The Programming and Artistic Department is responsible for planning and programming, youth and community development, marketing and publicity, strategic relationships, production and technical services, customer services, and ticket sales.
  - Three business unit namely: Joburg Theatre, Roodepoort Theatre, and Soweto Theatre operates the day-to-day activities at the Theatre, including the general maintenance of the stage machinery and its assets, setting and maintaining professional operating standards in both customer and client services

Succession planning within the company is continuously implemented for all senior management. Support Management receive on-the-job training, as well as skills development

training on an ongoing basis. Regular performance appraisal and development interviews are conducted, followed by a thorough training needs analysis.



Figure 6: The Current Approved JCT Organisational Structure:



### **6.2.1. CAPACITY ANALYSIS**

JCT is committed to sustaining a continuous programme of training and development for its management and staff to improve either job performance and/or competitiveness for promotion. The company has a policy in respect of paid assistance for skills development courses, which help in enhancing the skills of previously disadvantaged individuals. The policy also includes access to training by members of designated groups, structured training and development programmes. Company retention strategies include the promotion of diverse organisational cultures, interactive communication and feedback and ongoing labour turnover analysis.

Skills development programmes are in line with the requirements of the Skills Development Act and our Workplace Skills Plan (WSP) is aligned to our business plan and focus is placed on occupational-specific programmes, management development, and legally required training.

Compliance to the Skills Development Act is ongoing. The implementation of the Workplace Skills Plan is on track. All grants due to JCT are claimed and received annually from CATHSETA. JCT's tax compliance is on track with the e-filing done twice per annum, as required. All tax directives for lump sum are implemented as they are received.

Theatre and television Producer Duma Ndlovu continues to facilitate acting workshops that are held every Thursday throughout the year. This is a training programme for acting graduates from various institutions around the world and is a candid class about the industry, talent, you education, work ethic, professional behaviour, audition preparations and how to carry oneself once cast.

### **6.2.2. EMPLOYMENT EQUITY**

Section 20 of the Employment Equity Act, 1998, provides that the employer must prepare and implement an employment equity plan, which will help to reach employment equity in the workplace. The company encourages promotion within the core employment base, with particular attention given to the opportunities of promoting those staff members from historically disadvantaged communities.

The company is committed to the principles of equity, anti-discrimination and diversity as enshrined in the Constitution and the Employment Equity Act. The implementation of JCT's employment equity plan is on track and all the relevant employment equity reports, have been submitted to the Department of Labour.

The Company has employment policies that it believes are appropriate to the business and the market in which it trades. Equal employment opportunities are offered to all employees. The company encourages promotion within the core employment base, with particular attention given to the opportunities of promoting those staff members from historically disadvantaged communities.

The Theatres' management team is inclusive and representative of the demographics of the country. The members of the support management team comprise of staff members from a diverse background. Historically disadvantaged individuals accounted 94% of the permanent staff compliment, 31% youth and 37% female.

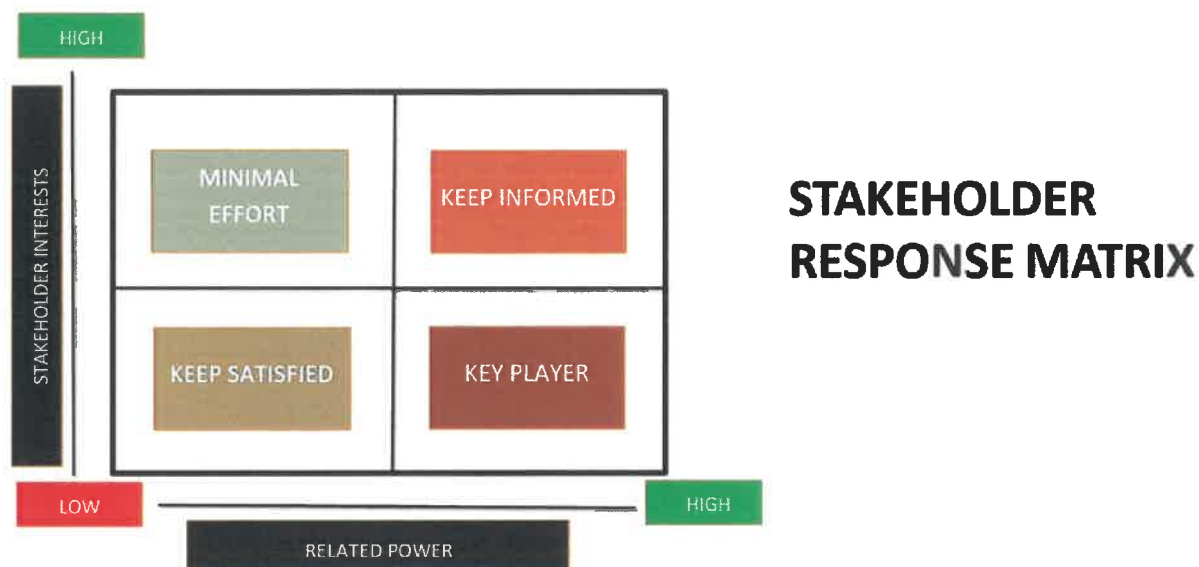
**People with Disabilities:**

Despite all the efforts to increase the employment of people with disabilities, the company does not receive responses from people living with disabilities when advertising vacant positions. The company has adapted to the primary needs of the disabled persons by ensuring that disabled theatre patrons have a smooth access to the theatre.

The Department of Labour has set the Disability Target of 2% which should be achieved against the institution's entire staff compliment. The employment of the persons with disabilities at JCT is currently at 1.7%. The target was achieved as a result of the campaign initiated from the HR office whereby employees issued Declaration forms to complete, and voluntary declare their disability status. Employees who declare their disabilities are advised to submit letters from the registered medical practitioner as proof.

## 7. COMMUNICATION AND STAKEHOLDER MANAGEMENT

A competitor and stakeholder analysis has been conducted and is presented in this section.



### 7.1. STAKEHOLDER MATRIX

The Board is dedicated in ensuring that JCT remains a responsible corporate citizen through providing strategic direction in a manner that balances the interests of all stakeholders. JCT supports improved accessibility, education and facilitates partnerships, as well as co-production opportunities; interventions which alleviate unemployment and further transformation.

Key stakeholder considerations informing 2022/23 planning are as follows:

**Table 21: Joburg City Theatres Stakeholder Management**

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
<b>External Stakeholders:</b>		
Artists, Practitioners and organised Performing Arts bodies	<ul style="list-style-type: none"> <li>Opportunities to create work and/or perform.</li> <li>Increasing access to live performance experience – market and audience development.</li> <li>Opportunities to perform, record and live stream.</li> <li>Assist with production funding.</li> </ul>	<ul style="list-style-type: none"> <li>Increase accessibility to facilities and infrastructure.</li> <li>Facilitate partnerships and co-production opportunities.</li> <li>Assist with marketing and publicity to attract a better deal, which brings more income.</li> <li>Incubate youth projects addressing:                             <ul style="list-style-type: none"> <li>unemployment</li> <li>development programmes</li> </ul> </li> </ul>
Patrons / Audiences	<ul style="list-style-type: none"> <li>Value for money.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure clean, attractive and safe facilities.</li> </ul>

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
	<ul style="list-style-type: none"> <li>▪ Provide programming that appeals to diverse Joburg audiences - different from the "usual".</li> <li>▪ A holistic and quality "evening out" experience.</li> <li>▪ Safety and security while watching productions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensure accessibility for people living with disabilities and other targeted groups.</li> <li>▪ Diversify our productions by staging a variety of programmes, e.g. Musicals, Drama, Comedy, School Setworks, Arts &amp; Crafts, Ballet/Dance, Pantomimes festivals, Concerts; Opera, Poetry and etc.</li> </ul>
Communities	<ul style="list-style-type: none"> <li>▪ Accessibility to JCT facilities.</li> <li>▪ Contribute to improve livelihoods and job opportunities – youth and community development, enterprise development etc.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Taking theatre to communities using the mobile theatre truck.</li> <li>▪ Identify and implement community participation programmes – markets, open and national days, festivals etc.</li> </ul>
Schools	<ul style="list-style-type: none"> <li>▪ School packages and special discounts.</li> <li>▪ Safety and security around the theatre.</li> <li>▪ Introducing the youth to theatre that is child friendly and that provides edutainment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Most of JCT productions offer special school packages.</li> <li>▪ Schools set-works such as Sizwe Banzi is Dead; the Island; MacBeth; Woza Albert; the Caucasian Chalk Circle; Shakespeare schools festival, Sophiatown, Ubhuku lwamanqe, My Children! My Africa!</li> </ul>
Pensioners	<ul style="list-style-type: none"> <li>▪ Special packages and discounts.</li> <li>▪ Safety and security around the theatre.</li> <li>▪ Compassionate environment.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Pensioner prices.</li> <li>▪ Wheelchair friendly environment.</li> <li>▪ Staff and security assistance by JCT personnel.</li> </ul>
Media	<ul style="list-style-type: none"> <li>▪ Media packages with appealing content.</li> <li>▪ Payment for media space and adverts.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Theatre programme booklet followed by regular media statements.</li> <li>▪ Creation of part cost and part commercial partnerships with barter deals created in exchange for media.</li> <li>▪ Budget for marketing purposes on various different media platforms.</li> </ul>
National and Provincial Departments of Arts and Culture	<ul style="list-style-type: none"> <li>▪ Alignment to National and Provincial priorities.</li> <li>▪ Preservation of arts, culture and heritage.</li> <li>▪ Programming that contributes to National days and festivals.</li> </ul>	<ul style="list-style-type: none"> <li>▪ To produce programmes that speak to and address sustainable economic activity, social issues, societal transformation and social cohesion.</li> <li>▪ Community development and in-house programmes.</li> </ul>



Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
		<ul style="list-style-type: none"> <li>▪ Leverage off national days of commemoration and align our production calendar.</li> </ul>
Donors and Sponsors / Funders	<ul style="list-style-type: none"> <li>▪ Brand value and mileage.</li> <li>▪ Sound governance and internal controls.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Programmes that add value to their social corporate investments and contribute to their marketing activities.</li> <li>▪ Well defined and articulated opportunities.</li> <li>▪ Responsive and well managed internal systems and processes.</li> </ul>
Events Companies	<ul style="list-style-type: none"> <li>▪ Quality service, facilities, space and quality hospitality and catering.</li> </ul>	<ul style="list-style-type: none"> <li>▪ To provide them with good service, the space or facilities and hospitality and catering.</li> </ul>
Business Community	<ul style="list-style-type: none"> <li>▪ Joint activations to enhance their brand value.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Formalise partnerships with the surrounding business community.</li> <li>▪ Develop activations as long-term programmes/ Create industrial theatre programmes specific to their environment.</li> </ul>
Professional service providers, contractors and suppliers	<ul style="list-style-type: none"> <li>▪ Improve contract negotiation, management and reporting.</li> <li>▪ Fair and transparent processes.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strengthen enterprise development focus and support.</li> <li>▪ Improve contract negotiation, management and reporting.</li> <li>▪ Consistency in application of norms and standards.</li> <li>▪ Timely payment.</li> </ul>
<b>Internal (COJ) Stakeholders:</b>		
COJ Human and Social Development Cluster	Programmes that support mutual priorities.	<ul style="list-style-type: none"> <li>▪ Engagement and coordination on joint community outreach projects.</li> <li>▪ Opportunities to leverage joint funding.</li> <li>▪ Enhancement of key programmes of other department / entities through themed productions.</li> <li>▪ Play a meaningful role in the planning and processes of the human and social development cluster.</li> </ul>
Other City Departments and MOEs	<ul style="list-style-type: none"> <li>▪ Education and communication of key messages.</li> <li>▪ Conferencing / Hospitality opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Implementation of other department / entities programmes / events because</li> </ul>

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
		<p>of the JCT's expertise and agility.</p> <ul style="list-style-type: none"> <li>Programmes targeting City and Entity employees.</li> </ul>
Shareholder/Executive Authority/Council	<ul style="list-style-type: none"> <li>Execute the political mandate and priorities.</li> <li>Focus on high-visibility "Multiparty Government programmes".</li> <li>Enhance shareholder value through financial sustainability and good governance.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure well aligned priorities and plans.</li> <li>Programmes that address social cohesion and inclusivity; and social ills e.g. substance abuse, gender-based violence etc.</li> <li>Ensure cost efficiency and revenue generation.</li> <li>Ensure sound governance principles and performance reporting.</li> </ul>
Board and its committees	<ul style="list-style-type: none"> <li>Execute the JCT mandate.</li> <li>Sound corporate governance.</li> </ul>	<ul style="list-style-type: none"> <li>Ensure sound and defensible performance reporting.</li> <li>Ensure strong and considered operational leadership.</li> <li>Enhance collaboration with partners in delivery of the mandate.</li> </ul>
Employees and employee representatives	<ul style="list-style-type: none"> <li>Good conditions of employment.</li> <li>Fair opportunities including employee personal growth, training and development, etc.</li> <li>A challenging and dynamic working environment.</li> </ul>	<ul style="list-style-type: none"> <li>Continuous employee development and Employee Wellness programmes.</li> <li>Implement and monitor the "living" of the values.</li> <li>Ensure appreciation and reward systems in place, mentorship programme, training, etc.</li> <li>Good communication – especially around employee relations and change management processes.</li> <li>Ensure compliance with health and safety regulations.</li> </ul>

## 7.2. COMMUNICATION PLAN

The Marketing and Communications functions are used to achieve objectives stipulated in the Marketing and Communications Strategy, which includes the use of various methods such as *Public Relations, Branding and Advertising, Events and Sponsorships and Digital Marketing (Digital Branding and Social Media)* in order to deliver on the marketing and communication requirements of the business.

Various production centric marketing campaigns are designed and executed in a way that promotes and advertises each JCT show, and event hosted by the different theatres. An integrated communication approach is taken; this seeks to reach maximum exposure for all JCT shows/events and to attract an audience through the activations (below-the-line) and media exposure (above-the-line) opportunities.

Linkages with strategic partners, media and relevant organisations are a value add in the delivery of the marketing and communications strategy. Collaborations are pursued in the form of relationships with “influencers” and well known and well-recognised individuals within the Arts industry, including veterans, as well as partnerships with shopping malls and trade exchanges with relevant media.

#### Marketing and Communication Strategy:

- 1) Create brand association and reaching the JCT target markets with specific messages that will have a positive impact on their attitude and/or feeling towards Joburg City Theatres brand.
- 2) Be consistently visible to the Joburg City Theatres consumer’s and living as a part of their surroundings within their radar. Working towards having a brand image and brand identity that is recognisable by many.
- 3) Show off what our brand assets are (infrastructure, people, venues, etc.) and the quality of our brand so that we create “brand loyalty”, whereby consumers continue to visit Joburg City Theatres even during price hikes and recessions.
- 4) Increase the number of people who make a purchase by attracting them to the theatre, expose customers to who we are, what we have and what we do.

#### Sponsorships and Partnerships:

Sponsorships and partnerships require a long-term investment in order to realise the maximum benefits of the association. Joburg City Theatres plans to get involved with potential sponsors and partners by being present at their events and exhibitions, in order to expose JCT brand to a larger and shared audience. This will assist with continuous growth of the database, leading to possibilities of increasing attendance numbers within the theatres and in turn generating revenue. The aim is to create shared benefits.

#### Partnerships:

- 1) City of Joburg Partnership - Create strategic partnerships with COJ and its entities to leverage on the existing resources specifically regarding media and advertising:
  - Billboards, newspapers, rate bills, Jozi Net, brochures and mall containers - the city owns many resources that we can leverage on.
- 2) Media Partners – JCT maintains relationships with various media houses on a trade exchange basis and continues to build relationships to secure media coverage for programmes, productions or events.
- 3) Distribution Point Partners - JCT aims to publicise and notify as many customers about productions, shows, events, hospitality and catering offerings.

- 4) Special Projects Partnerships - JCT create specific relationships with identified partners, who will only be relevant and add value for that specific project / show / event or production.

## 8. AUDIT RESOLUTION

The tables below show the status on the resolution of the internal and external audit findings raised by the Group Risk Assurance Services (Internal Auditors) and the Auditor-General (External Auditors). The status is as at the end of the 3<sup>rd</sup> quarter of the 2021/22 financial year.

**Table 22: Action Plans for Internal Audit Findings**

Description	Total Open Findings 01 July 2020	Findings raised during 2020/21	New Findings raised during 2021/22	Total Findings	Total resolved as per Management	Total unresolved as per management	% unresolved as per management	% resolved as per management	Total Resolved as per IA verifications	Total unresolved as per IA Verifications	% unresolved as per IA Verifications	% resolved as per IA Verifications
Internal Audit Findings	1	17	0	18	18	0	0	100%	12	6	33	67

A total of 67% internal audit findings have been resolved as per Internal Audit verifications.

The next table reflects the progress in resolving the Auditor-General's findings in the 2021/22 financial year. Of the 10 findings raised on the 2020/21 external audit, 20% have been resolved as per Internal Audit verifications.

**Table 23: Action Plans for External Audit Findings**

Description	Total Open Findings 01 July 2020	Findings raised during 2020/21	Total Findings	Total Resolved as per Management	Total unresolved as per Management	%Unresolved as per management	% Resolved as per Management	Total Resolved as per IA verifications	Total unresolved as per IA Verifications	% unresolved as per IA Verification	% resolved as per IA Verifications
Auditor General Findings	0	10	10	10	0	0%	100%	2	8	80%	20%

Management is engaging with internal audit to ensure 100% internal audit verification of resolution of internal and external audit findings by the end of the 2021/22 financial year. JCT is resolute on achieving a clean audit outcome for the 2021/22 financial year, and to maintain the audit outcome in subsequent years.





Official Travel	ComDay IDP	R\$5 650.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Entertainment	ComDay IDP	R\$87 000.00 14 days	Tender/ RFP / 3 Questions	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Official Entertainment - Offshoots for shows	ComDay IDP	R\$87 000.00 14 days	RFP / 3 Questions	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Youth Development	ComDay IDP	R\$2 200 000.00 14 days	Tender/ RFP / 3 Questions	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
School Set Works	ComDay IDP	R13 372 800.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Youth Artistic workshops	ComDay IDP	R5 872 000.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Literature and Poetry	ComDay IDP	R3 345 200.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Advertising, Publicity and Marketing	ComDay IDP	R5 148 000.00 14 days	Tender/ RFP / 3 Questions	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Billeded Rentals for shows	ComDay IDP	R2 850 000.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Show Stages	ComDay IDP	R1 295 500.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Printers and Flyers for shows	ComDay IDP	R532 760.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Hostelry and Catering Advertising	ComDay IDP	R 503 640.00 7 days	RFP	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
In-House Stage Productions	ComDay IDP	R8 070 000.00 11 weeks	Derivation	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Theating Systems	ComDay IDP	R1 257 000.00 14 days	Tender/ RFP / 3 Questions	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Miscellaneous	ComDay IDP	R3 194 000.00 14 days	Tender/ RFP / 3 Questions	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Counseling and Employee Wellness	ComDay IDP	R320 200.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Photocopy machine rentals	ComDay IDP	R\$60 300.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Subscriptions	ComDay IDP	R\$41 440.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Books, Magazines, Newspapers	ComDay IDP	R42 680.00 14 days	RFP / 3 Questions	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Bank charges	ComDay IDP	R152 000.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Employee Uniforms	ComDay IDP	R372 400.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Catering and Hospitality	ComDay IDP	R15 985 000.00 14 days	Tender/ RFP / 3 Questions	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content
Alcohol and Beverages	ComDay IDP	R5 548 150.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/06/2022	30/06/2022	BBBES/SMME / Women Youth/ Local Content

Lector Licenses	ComDev IDP	R477 270.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Mirco of Doctor Equipment	ComDev IDP	R554 540.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Fruit and Vegetables	ComDev IDP	R1 249 890.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Milk supplies	ComDev IDP	R2 386 350.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Dairy Products	ComDev IDP	R554 540.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Point of Sale	ComDev IDP	R1 999 080.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Habit Control	ComDev IDP	R318 180.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Hygiene Services	ComDev IDP	R477 270.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Pest Control	ComDev IDP	R1 213 630.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Anti-Afire	ComDev IDP	R10 000 000.00 14 days	Tender / Bids / 3 Questions	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
JCC Se-VAGE	ComDev IDP	R2 500 000.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
Productions Fois	ComDev IDP	R10 000 000.00 14 months	Deviation	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content
MilkShine	ComDev IDP	R1 000 000.00 14 days	Tender	ongoing	01/07/2022	30/07/2022	27/08/2022	30/08/2022	BBBE/SMAAF/ Women/Youth/ Local Content





ME Objectives	Risk Description	Root Causes	Consequences	Impact	Likelihood	Inherent Risk	Current controls	Control Effectiveness	Residual Risk	Risk Owner	Actions to improve management of the risk	Action Owners	Action Deadline
Good governance, financial sustainability and sound management	Theft, fraud and corruption	<ul style="list-style-type: none"> <li>1. Conflict of interest (breed, collusion, bribery)</li> <li>2. Inadequate segregation of duties / Inadequate or no supervision</li> <li>3. Weak internal control environment - cash handling / administrative procedures</li> <li>4. Lack of accountability and consequence management</li> <li>5. Poor work ethics</li> <li>6. Inadequate IT access controls</li> <li>7. Inadequate physical security controls</li> <li>8. Cyber attack</li> </ul>	<ul style="list-style-type: none"> <li>Reputational damage</li> <li>Financial loss</li> <li>Asset loss</li> <li>Negative audit outcome</li> <li>Low staff morale</li> </ul>	Major	<ul style="list-style-type: none"> <li>4</li> <li>4</li> <li>3</li> </ul>	High	<ul style="list-style-type: none"> <li>1. Fraud prevention policy and continuous monitoring of thereof.</li> <li>2. Code of conduct and Gift register in place.</li> <li>3. Segregation of duties</li> <li>4. Declaration of interests</li> <li>5. Remuneration, Social and Ethics Committee</li> <li>6. Fraud risk assessment conducted annually</li> <li>7. Ethics awareness workshops conducted</li> <li>8. Approved Financial Management Policy</li> <li>9. IT Policy in place</li> </ul>	Good	Low	CEO	<ul style="list-style-type: none"> <li>1.1 Continue to conduct ethics awareness workshop (awareness of fraud policies).</li> <li>1.2 Continue to conduct Fraud risk assessment.</li> <li>1.3 Development of a social and ethics strategy.</li> <li>1.4. Development of a contracts management framework.</li> </ul>	<ul style="list-style-type: none"> <li>Company Secretary</li> <li>Risk Champion (FII)</li> </ul>	<ul style="list-style-type: none"> <li>1.1 Annually</li> <li>1.2 Annually</li> <li>1.3 31 December 2022</li> <li>1.4 31 December 2022</li> </ul>
Good governance, financial sustainability and sound management	Non-compliance with applicable legislation	<ul style="list-style-type: none"> <li>1. Various and changing legislative requirements to be complied with.</li> <li>2. There is a requirement to comply with MSCOA</li> <li>3. Inadequate assessment of compliance risk.</li> <li>4. Knowledge gaps in new legislative developments</li> </ul>	<ul style="list-style-type: none"> <li>Reputational damage</li> <li>Penalties</li> </ul>	Major	<ul style="list-style-type: none"> <li>4</li> <li>4</li> <li>4</li> </ul>	High	<ul style="list-style-type: none"> <li>1. Regulatory compliance register assessment tool monitored by the Company Secretary.</li> <li>2. Compliance policy and framework in place</li> <li>3. Presented to the BOD the impact and progress on MSCOA compliance.</li> <li>4. Quarterly reporting to oversight committees on compliance.</li> <li>5. Entity is currently transacting on MSCOA</li> </ul>	Fair	Moderate	CEO	<ul style="list-style-type: none"> <li>1.1 Review of Regulatory compliance register</li> <li>1.2. Continuous monitoring reporting on compliance.</li> <li>2. Seamless integration of systems will be completed on implementation of S&amp;P</li> </ul>	<ul style="list-style-type: none"> <li>1. Company Secretary</li> <li>2. CFO</li> </ul>	<ul style="list-style-type: none"> <li>1. Annually (as and when legislation changes)</li> <li>1.2 Quarterly and Monthly</li> <li>2. Ongoing as per CoJ</li> </ul>
Provision of opportunities for the youth, including future arts, theatre practitioners and entrepreneurs	Limited programmes available for newly trained Arts Practitioners	<ul style="list-style-type: none"> <li>1. Limited in-house production to absorb newly trained practitioners</li> <li>2. Limited budgets</li> </ul>	<ul style="list-style-type: none"> <li>Limited opportunities for new entrants</li> </ul>	Major	<ul style="list-style-type: none"> <li>4</li> <li>4</li> <li>4</li> </ul>	High	<ul style="list-style-type: none"> <li>1. Applied Performing Arts and Arts Management partnership with WITS.</li> <li>2. Weekly drama workshops</li> <li>3. Mentoring and upskilling of internal staff in key positions on in-house productions</li> </ul>	Fair	Moderate	CEO	<ul style="list-style-type: none"> <li>1. Establish partnership with other role players in the industry</li> <li>2. Introducing theatre to communities through outreach programs.</li> <li>3. Encouraging entrepreneurs to leverage JCI venues and making expenditure.</li> <li>4. Monitor the program and up and</li> </ul>	COO	Quarterly