



JOBURG | SOWETO | ROODEPOORT

Joburg Theatre (SOC) Ltd

T/a

**Joburg City Theatres
City of Johannesburg**

**Business Plan
for the Financial Year
2019/20**

the JOBURG THEATRE



30 April 2019



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ABBREVIATIONS AND ACRONYMS

ACH	Arts, Culture and Heritage
B-BBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China and South Africa
Capex	Capital Expenditure
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COJ	City of Johannesburg
CSI	Corporate Social Investment
DAC	Department of Arts and Culture
DPME	Department of Planning, Monitoring and Evaluation
DVD	Digital Video Disc / Digital Versatile Disc
EAP	Employee Assistance Plan
EU	European Union
Exco	Executive Committee / Executive Council
GDS	Growth and Development Strategy
HR	Human Resources
IDP	Integrated Development Plan
IETM	Informal European Theatre Meeting
IMF	International Monetary Fund
IR	International Relations
ISPA	Internet Service Providers Association
JCT	Joburg City Theatres
JHB	Johannesburg
JMPD	Johannesburg Metropolitan Police Department
JPO	Johannesburg Philharmonic Orchestra
JT	Joburg Theatre
KPA	Key Performance Area
KPI	Key Performance Indicator
LSM	Living Standards Measure
Ltd	Limited
MD	Managing Director

MFMA	Municipal Finance Management Act
MMC	Member of the Mayoral Committee
MOE	Municipal Owned Entity
MSA	Municipal Systems Act
NDP	National Development Plan
NPC	Non-Profit Company
PMDS	Performance Management and Development System
PR	Public Relations
PTSD	Post-Traumatic Stress Disorder
Pty	Proprietary
Q	Quarter
RSA	Republic of South Africa
SA	South Africa
SDA	Service Delivery Agreement
SLA	Service Level Agreement
SMART	Specific, Measureable, Achievable, Realistic and Time bound
SMME	Small, Medium and Micro Enterprise
SWOT	Strengths, Weaknesses, Opportunities, Threats
SO	Strategic Objective
SOC	State Owned Company
TOR	Terms of Reference
TV	Television
UK	United Kingdom
UK ITC	United Kingdom International Trade Centre
US/USA	United States of America
VAT	Value-Added Tax

OFFICIAL SIGN-OFF

It is hereby confirmed that this 2019/20 Business Plan for Joburg City Theatres (JCT):

- Was developed by the management team of Joburg City Theatres under the guidance of the Board;
- Takes into account all the relevant legislation, policies and other mandates for which Joburg City Theatres is responsible; and
- Accurately reflects the performance targets which Joburg City Theatres will endeavour to achieve for the 2019/20 financial year, given the resources made available in the budget.

Recommended by:

Mr. Solomon Mphakathi

Chief Financial Officer

Signature:



Date:

30/04/2019

Ms. Bridget Mashika

Chief Operating Officer

Signature:



Date:

30/04/2019

Ms. Xoliswa Nduneni-Ngema

Chief Executive Officer (Accounting Officer)

Signature:



Date:

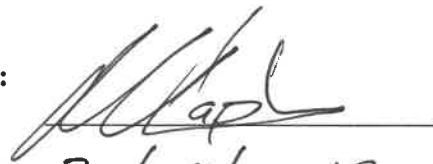
30/04/2019

Approved by:

Mr. Nkopane Maphiri

Chairperson of the Board

Signature:



Date:

30/04/2019

Cllr. Nonhlanhla Sifumba

MMC: Community Development

Signature:



Date:

02/05/2019

1. EXECUTIVE SUMMARY AND STRATEGIC OVERVIEW OF JCT

The City Council of Johannesburg 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 Association¹.

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 corporatised 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 the 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/MD" 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 merger of the Joburg Theatre (SOC) Ltd and Roodepoort City Theatre NPC t/a Joburg Promusica was approved by Council on 25 August 2011, pending the required due diligence and legal processes; and the integrated theatre management company – now called **Joburg City Theatres (JCT)** – was mandated to render the functions and services that, until 31 December 2012, were rendered by the three theatres. The effective date for the integration was 1 January 2013.

¹ *Joburg Theatre – the First 45 Years, 1962–2007. September 2007*

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 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.

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

While not its core 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.

The Board of the integrated “Johannesburg 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 and policies.

Joburg City Theatres strives to comply with the principles contained in the King 4 code of Good Governance in South Africa. In line with good corporate governance practices, the Board of Joburg City Theatres has developed this 5-year corporate strategic plan for the organisation, which covers the period between 2019/20 and 2023/24. Once this plan is approved, focus will then shift to the development of a series of aligned annual performance/business plans for the organisation, which will reflect the medium-term and annual targets and responsibilities of the rolling milestones defined by the strategic plan.

In terms of its planning approach, historically, the Joburg City Theatres has undertaken an annual process, led by the Board, to develop an Annual Business Plan which includes the current year and two outer years. The challenge with this approach is that it is by its nature quite short-term (focused on the year at hand) and possibly lacks a longer-term (5-year and beyond) view of where the Theatres are going. The Board thus decided to lead a process for developing a longer-term strategic plan, which would provide a longer-term view of the Theatres. This would then inform the rolling Annual Business Plans over the period (1st for 2019/20) – which are then a series of progressive plans towards achieving the strategy.

The goal was to move beyond compliance driven planning to an integrated results-based approach to planning. While it is appreciated that the period of a Joburg City Theatres 5-Year Strategic Plan would extend even beyond the period of the Board’s tenure, this would form part of the Board “legacy”.

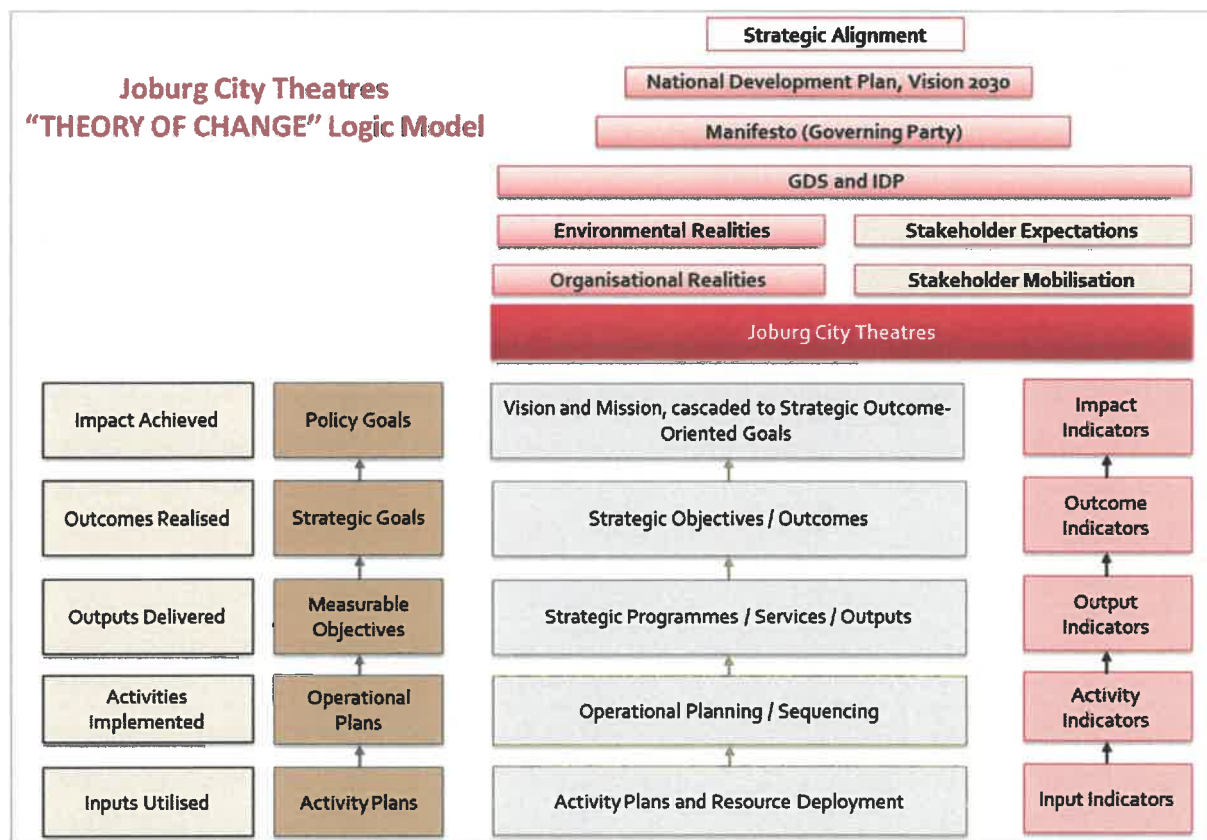
During November to December 2018, Joburg City Theatres thus embarked on an iterative process to critically examine its strategic posture and direction in line with its mandate, and in light of shifts in the environment which have an impact on its planning and programme delivery. There was a need to examine and consider the changes in the performance environment, as well as the policy framework. The process culminated in the development of this strategic framework that is progressive in nature and practical to implement.

The overall aim of the process was to apply the principles of strategic review, analysis, planning, monitoring and evaluation in developing a strategic plan; also reflecting aligned institutional arrangements and critical success areas to give effect to the strategic plan.

The planning process was necessarily iterative and focused on critically examining the strategic intent, goals, objectives and performance metrics to ensure that they are specific, measurable, achievable, realistic and time bound – in accordance with “SMART” principles.

In facilitating the process towards the development of the Strategic Plan, a Theory of Change Logic Model was followed and informed the approach to the discussions and to the packaging of the strategic data, as follows:

Figure 1: The Theory of Change Logic Model Informing the Planning Approach



In response to the various engagements and considerations, the Joburg City Theatres Strategic Plan presented below seeks to provide the organisation with clarity of purpose and describes:

- 1) A strategic framework for Joburg City Theatres that defines the character of the organisation, including a response to the regulatory, external and industry environment, and the expectations of the various partners and stakeholders;
- 2) An articulation of the mandate, vision, mission and values of Joburg City Theatres, in light of a carefully considered and defined response to its mandate and primary object;
- 3) The strategic role of Joburg City Theatres in relation to that of its partners from the state, civil society and the private sector, both domestically and internationally, in together delivering well-planned, effective and responsive programmes and services;
- 4) The Joburg City Theatres business model and service offerings, and a balanced and aligned set of strategic goals, focus areas, objectives and aligned performance metrics for the five year period, that seek to articulate:

- a) How to reposition and enhance the visibility of the organisation both domestically and internationally;
 - b) How to enhance the efficiency and effectiveness of Joburg City Theatres and its operations; and
 - c) How to best apply and leverage limited resources in order to grow the reach and impact of the organisation in the next five years and beyond;
- 5) The required institutional arrangements and organisational design considerations to give effect to the strategy.

This Business Plan, as approved by the Board, then serves as input to the management team towards the development of an aligned Annual Performance Plan for 2019/20. Management will then actively pursue implementation of the approved Business Plan as the aligned to the Five Year Strategic Plan of 2019/20-2023/24, under the oversight and guidance of the Board.

1.1. MANDATE AND CORE BUSINESS

In response to the National and City policy framework outlined above, Joburg City Theatres is governed in terms of its Memorandum of Incorporation and the amended Shareholder Agreement, that 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) Provision of supportive hospitality infrastructure and services;
- 3) To enable Joburg residents to access and benefit from quality arts and culture facilities and experiences;
- 4) 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 Joburger's to globally recognised professional entertainment;
- 5) 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;
- 6) The promotion and development of local content and local markets through programmes that advance social cohesion and support the transformation of society;
- 7) The in-house and/or co-production and staging of arts and entertainment productions in collaboration with local arts practitioners, entrepreneurs and enterprises;
- 8) 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;
- 9) To conceptualise, create, produce, market and disseminate content, both through own facilities and by taking shows to communities;

- 10) To generate revenue over and above the subsidy received from the City through the effective delivery of the above services.

The primary mandate of Joburg City Theatres is:

To provide a high quality live entertainment and artistic platform through the integrated management of the theatre venues and an innovative and inclusive programme, which serves the diverse communities of the City of Joburg and supports social cohesion and an urban culture based on inclusivity and tolerance.

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

- ***To provide high quality, well-managed and accessible theatre and live entertainment venues, and proactively work to develop new audiences and markets;***
- ***To identify, commission and produce locally 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 professional productions and experiences that are relevant to diverse audiences.***

1.2. VISION

- Joburg City Theatres sets for itself the following vision:
 - ***A leading African artistic platform providing sustainable, development-oriented and diverse programming.***
- In support of the City of Joburg's Vision:
 - ***"A Joburg that works is a South Africa that works"***

1.3. MISSION

In achieving the above vision, Joburg City Theatres' mission is:

To produce and present innovative and relevant indigenous and international entertainment programmes that promote multiculturalism, diversity and social cohesion.

In so doing, Joburg City Theatres' commits to:

- ***Conceptualise, manage, host and promote high 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 practitioners and entrepreneurs;***

- **Grow shareholder value by ensuring sound financial management and governance and growth in revenue; and**
- **Work in partnership with others to maximise the impact of our programmes.**

1.4. 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 improvement priorities of the CoJ, as follows:

Value	What it means in practice
Service with Pride and Dignity	<ul style="list-style-type: none"> ▪ We will display a results orientation and a commitment to perform and deliver on the priorities of the organisation; ▪ We will place customer service excellence at the centre of everything we do; ▪ We will do so in a competent, timely, cost effective and efficient manner; ▪ We will take ownership of our work at all times and take responsibility for our actions; ▪ We will seek to ensure that the hospitality, arts and creative industries contribute substantially to small business development, job creation, urban development and renewal in the City of Joburg.
UBUNTU (Care and concern for people)	<ul style="list-style-type: none"> ▪ We will do our work with care, empathy and concern for the wellbeing of vulnerable communities, customers and stakeholders; ▪ We will at all times display tolerance, respect and consideration of cultural diversity; ▪ We will implement Batho Pele Principles.
Professionalism	<ul style="list-style-type: none"> ▪ We will display punctuality, reliability, dependability and a commitment to meet deadlines; ▪ We will act in a transparent manner and display ethical and consistent behaviour; ▪ We will behave with integrity in all our actions, always acting in the best interest of the citizen and organisation.
Agility	<ul style="list-style-type: none"> ▪ We will seek to be flexible, adaptable and responsive to our highly competitive environment, and to shifts in the COJ environment; ▪ We will value and promote innovative ideas and solutions in order to deliver exceptional results; ▪ We will strive to identify opportunities to delivery services more economically and efficiently, and to respond to revenue opportunities, given the constrained fiscal environment;

Value	What it means in practice
	<ul style="list-style-type: none"> ▪ 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.

1.5. STRATEGY AND POLICY IMPERATIVES PROVIDING CONTEXT TO THE WORK OF JCT

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.”

In support of the NDP, the CoJ **Growth and Development Strategy 2030 (GDS)** presents five systemic outcomes that serve to guide and orientate all planning in the City and shape the priorities of the City to 2030, namely:

- Outcome 1:** A growing, diverse and competitive economy that creates jobs.
- Outcome 2:** Enhanced, quality services and sustainable environmental practices.
- Outcome 3:** An inclusive society with enhanced quality of life that provides meaningful redress through pro-poor development.
- Outcome 4:** Caring, safe and secure communities.
- Outcome 5:** An honest, transparent and responsive local government that prides itself on service excellence.

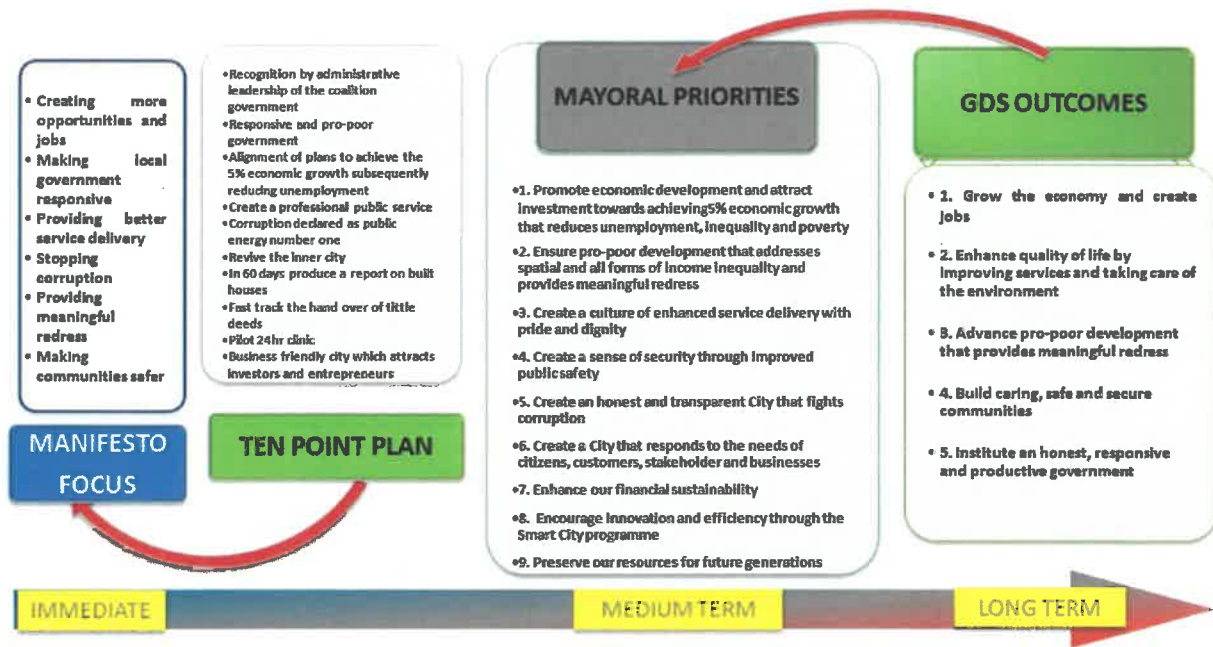
The above strategy and policy imperatives inform this business plan of Joburg City Theatres for the financial year 2019/20. In this regard, Joburg City Theatres is a progressive, complementary and supportive intergovernmental partner of the Department of Arts Culture.

As part of the Social and Human Development Cluster and located under the Department of Community Development with the MMC as Executive Authority, Joburg City Theatres is primarily tasked to support **GDS Outcome 3**, aimed at a future that presents significantly improved human and social development realities in the City; and to ensure an integrated approach to providing a comprehensive and effective service to all citizens of the City.

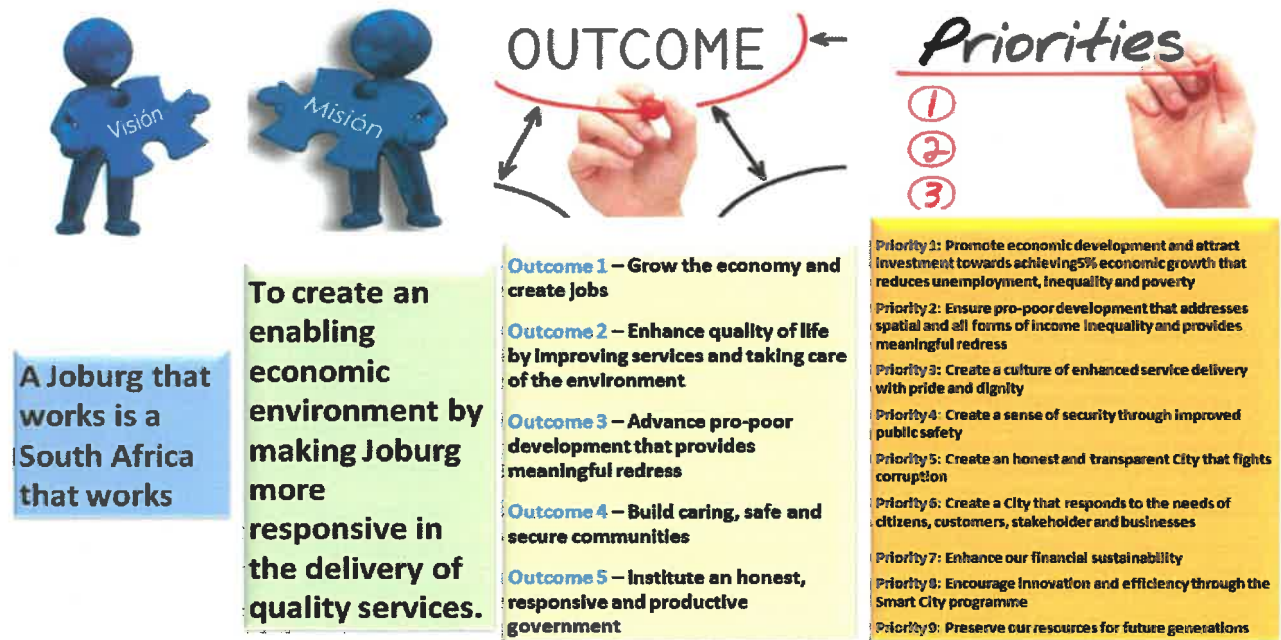
It is noted that JCT also contributes significantly to **GDS Outcome 1**, in terms of ensuring the role of the arts and creative industries in supporting a growing, diverse and competitive economy that creates jobs.

In turn, the following diagrams reflect the alignment of the GDS to the 2016 electoral mandate, the new strategic agenda and the 2016–2021 IDP priorities.

Alignment to the New Strategic Agenda:



The Aligned CoJ Priorities:



The above priorities are further unpacked specific to the Theatres, as follows:

Specific priorities focus areas for JCT to 2021:

The following table presents the Joburg City Theatres alignment to the above priorities, and outlines the specific focus areas to 2021 for each:

COJ PRIORITIES AND IDP PROGRAMMES	JOBURG CITY THEATRES STRATEGIC FOCUS AREAS (Informing JCT Strategic Objectives and Key Result Areas)
<p>COJ Priority 6: Create a City that responds to the needs of citizens, customers, stakeholders and businesses</p> <p>➤ IDP Programme 5: Institute an honest, responsive and productive government</p> <p>COJ Priority 2: Ensure pro-poor development that addresses spatial and all forms of income inequality and provides meaningful redress</p> <p>➤ IDP Programme 6: Advance Pro-Poor Development that provides meaningful redress</p>	<ul style="list-style-type: none"> ▪ THEMATIC FOCUS OF PRODUCTIONS: (Edu-tainment and productions that address issues). ▪ Relevant programming; ▪ Host, develop and stage productions that tell the story – and promote civic pride / cohesion; ▪ Culture, heritage and arts appreciation and education. ▪ Audience and content development; ▪ Arts education and arts talent development. ▪ Promote accessibility to JCT venues and improve the utilisation of facilities; ▪ Promote the visibility of facilities and JCT brand; ▪ Take arts to communities.
<p>COJ Priority 3: Create a culture of enhanced service delivery with pride and dignity</p> <p>➤ IDP Programme 5: Institute an honest, responsive and productive government</p> <p>COJ Priority 7: Enhance our financial sustainability</p> <p>➤ IDP Programme 1: Grow the economy and create jobs</p>	<ul style="list-style-type: none"> ▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue; ▪ Cost efficiency across value-chain; ▪ Customer care improvement; ▪ Integrate the programming of the theatres and integrate the value chain of the theatres; ▪ Ensure efficient and effective internal business processes and systems.
<p>COJ Priority 5: Create an honest and transparent City that fights corruption</p> <p>➤ IDP Programme 5: Institute an honest, responsive and productive government</p>	<ul style="list-style-type: none"> ▪ Put mechanisms in place to verify observance of code of conduct and ethics and make it known within JCT; ▪ Perform a comprehensive fraud risk assessment as part of the operational risk assessment; ▪ Develop and deploy preventative and detective fraud control activities; ▪ Formulate and collate a fraud response plan to ensure a coordinated approach to investigation and corrective action.
<p>COJ Priority 9: Preserve our resources for future generations</p> <p>➤ IDP Programme 2: Enhance quality of life by improving services and taking of the environment</p>	<ul style="list-style-type: none"> ▪ Promote accessibility to JCT venues in support of quality liveable spaces / urban revitalisation around the precincts; ▪ Increase asset utilisation and leveraging investment; ▪ Well planned and implemented CAPEX and maintenance programme.

COJ PRIORITIES AND IDP PROGRAMMES	JOBURG CITY THEATRES STRATEGIC FOCUS AREAS (Informing JCT Strategic Objectives and Key Result Areas)
<p>COJ Priority 1: Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment, inequality and poverty</p> <p>➤ IDP Programme 1: Grow the economy and create jobs</p>	<ul style="list-style-type: none"> ▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue; ▪ SMME support; ▪ Ensure sound and consistent supply chain management processes that support preferential procurement, and enhance the contribution of JCT to enterprise development; ▪ Cultivate local entrepreneurs / suppliers; ▪ Encourage urban regeneration in Braamfontein / Newtown and Jabulani Cultural Precinct nodes, in order to stimulate economic growth in contribution to the 5% target.

1.6. JCT OPERATING AND BUSINESS MODEL

A business delivery model is then a simplified representation of an organisation's business logic. It describes what a company offers its customers, how it reaches and relates to them, through which resources, activities and partners it achieves this and, finally, how it earns its money. An operational model, on the other hand, is an abstract representation of how an organisation operates across its operating functions in order to accomplish its goals and deliver its business model.

Aligned to its diversified product and services offering, the following figure outlines the integrated operating model for The Joburg City Theatres, informed by and to give effect to the strategic goals.



A business / delivery model is a simplified representation of an organisation's business logic. It describes what a company offers its customers, how it reaches them and relates to them, through which resources, activities and partners it achieves this and finally, how it earns its money.

In line with the above integrated operating model, the eight key operating divisions of Joburg City Theatres define their unique aim and focus as follows:

Table 2: Joburg City Theatres Six Operating Divisions Aim and Focus

Operating Division	Aim and Focus Areas
<p>Joburg Theatre</p>	<p><u>Aim:</u> To be seen as an industry leader in Johannesburg for diverse high-quality live performances, the preferred venue for industry producers and directors to partner and co-produce with, and a leading partner for the export of local and international production content.</p> <p><u>Focus:</u></p> <ol style="list-style-type: none"> 1) Maintain traditional JT strengths (panto, ballet, opera, musicals), but to infuse cutting edge and contemporary art forms (dance, drama and concerts); 2) Develop exceptional curatorship and client relationship management discipline; 3) Establish solid partnerships with production and funding institutions; and 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.
<p>Roodepoort Theatre</p>	<p><u>Aim:</u> To be a world class arts centre that seeks new ways of being relevant, by producing and presenting diverse programmes that address all communities through music, theatre, poetry, dance and carnival arts.</p> <p><u>Focus:</u></p> <ol style="list-style-type: none"> 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; and 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).
<p>Soweto Theatre</p>	<p><u>Aim:</u> To be a first theatre experience, that is relevant and meaningful to society. A place of gathering in lifestyle entertainment.</p> <p><u>Focus:</u></p>

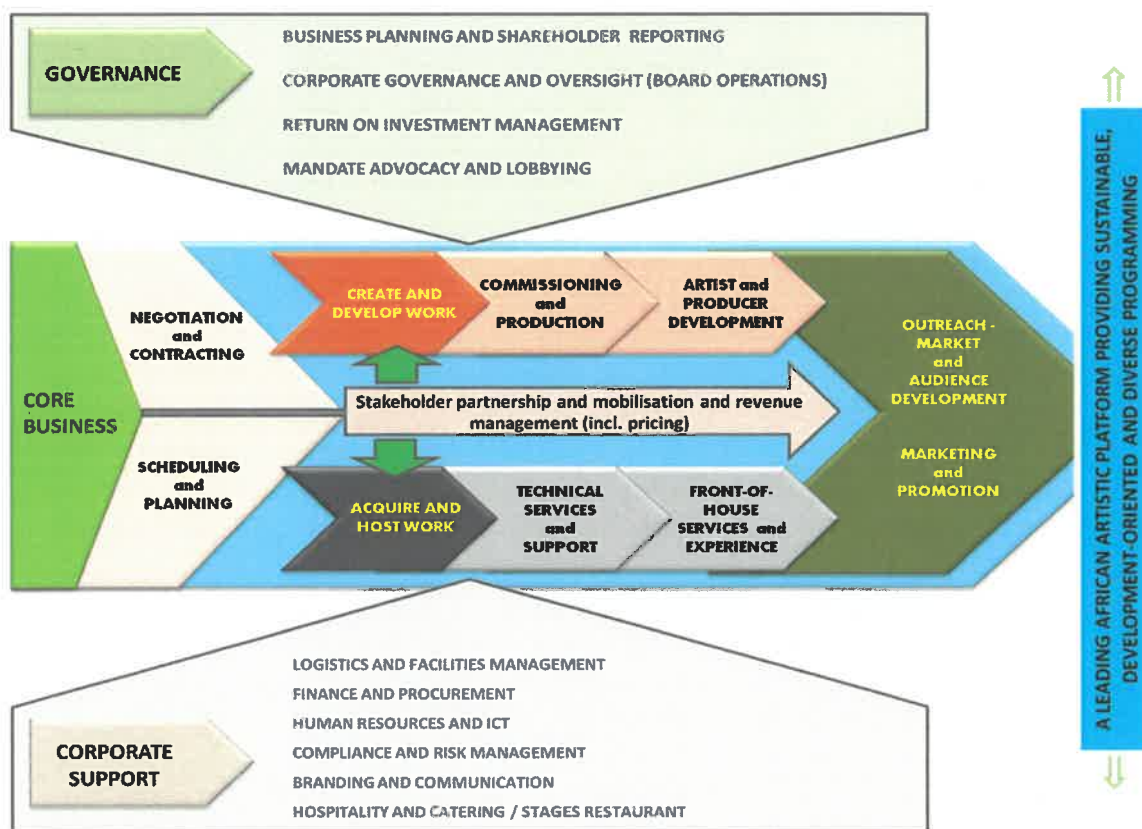
Operating Division	Aim and Focus Areas
	<ol style="list-style-type: none"> 1) Provide a teaching and learning experience, which adds value to the educational experience of young people in Gauteng; 2) Be a destination for international tourists visiting Soweto; 3) Maintain a profitable and socially impactful in-house to rental ratio; and 4) Be an international festival venue (through a precinct that includes Soweto Theatre and the Amphitheatre combined).
Hospitality, Events and Catering	<p><u>Aim:</u> To be acknowledged within the City of Joburg as the #1 Hospitality and Catering solution.</p> <p><u>Focus:</u></p> <ol style="list-style-type: none"> 1) The provision of food and beverage services: <ul style="list-style-type: none"> ▪ One Stages restaurant within all three theatres; ▪ Stages restaurant, canteen and bar in the metro centre; ▪ Two restaurants in the JHB Zoo. 2) The provision of hospitality venues: <ul style="list-style-type: none"> ▪ Five official hospitality venues in the Joburg Theatre; ▪ One official hospitality venues in the Roodepoort Theatre; ▪ Two unofficial hospitality venues in the Soweto Theatre. 3) The provision of external catering: <ul style="list-style-type: none"> ▪ Strong relationships within the Metro Centre, who procure the bulk of our outside catering services.
Youth and Community Development	<p><u>Aim:</u> To develop artists through education and education support programmes; to 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.</p> <p><u>Focus:</u></p> <ol style="list-style-type: none"> 1) Providing opportunities for the youth, including the development of future arts practitioners and entrepreneurs through structured opportunities focused in education, education support and community participation; 2) Track growth of current programmes, introduce new developmental programmes and capacitate exchange programmes through partnerships; and

Operating Division	Aim and Focus Areas
	3) Increase utilisation of the Mobile Theatre Truck as part of outreach programmes.
Head Office Operations:	
Governance, Oversight and Corporate Support	<ol style="list-style-type: none"> 1) To provide an enabling environment in support of all five strategic goals, through the provision of effective leadership, strategic management and corporate support within Joburg City Theatres, in fulfilment of its mandate and mission; 2) To ensure effective systems of governance and compliance to relevant regulations, standards and guidelines; 3) To ensure effective and consistent human resources management and development across Joburg City Theatres.
Marketing	<p>To assist in increased ticket sales:</p> <ol style="list-style-type: none"> 1) 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. <p>To create Brand Awareness campaigns:</p> <ol style="list-style-type: none"> 1) Present a big brand feel by appearing to be everywhere all the time, increasing brand recognition.
Via Grant:	
Joburg Ballet	<p>Aim: 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>Focus:</p> <ol style="list-style-type: none"> 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; 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; 3) Share its energy and creativity with audiences, dance teachers and arts practitioners in Johannesburg, South Africa and abroad.
Joburg Philharmonic Orchestra	<p>Aim: To be an orchestra, which is internationally recognised for its artistic excellence, innovation, education initiatives and community engagement programmes?</p>

Operating Division	Aim and Focus Areas
	<p>Focus:</p> <ol style="list-style-type: none"> 1) Creating platforms within communities for the advancement of the experience of orchestral music; 2) Inspiring young people to discover their full potential through creativity and performances; 3) Identifying highly talented young musicians and nurturing their skills with the view to enhancing the pool of professional South African orchestral musicians; 4) Ensuring the Orchestra's artistic growth and financial stability; and 5) Contributing significantly to economic development and tourism in Johannesburg, Gauteng and in South Africa.

The Strategic Objectives that have been identified are related to and discussed within the context of the approved budget programme structure of Joburg City Theatres. The following sections then discuss each of the three Budget Programmes and their Strategic Objectives individually.

The business / delivery model of JCT, informing its operations and the packaging of its strategic objectives, is reflected below:



1.7. JCT STRATEGIC OBJECTIVES TO 2021

As the organisation pursues its Vision and Mission, the Strategic Objectives are derived from the above strategic intent and business / delivery model, and are aligned to both the GDS and CoJ strategic priorities and outcomes.

Five Strategic Objectives have been developed in order to enable Joburg City Theatres to effectively focus and prioritise its options in delivering on its mandate and to respond to the above strategic focus areas.

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: Joburg City Theatres Strategic Objectives

Joburg City Theatres Strategic Objective (Towards achieving the mandate, mission and Strategic Priorities)	Objective Description and Focus Areas	CoJ Priority Alignment
<p>1) Provision of opportunities for the youth, including future arts practitioners and entrepreneurs.</p>	<ul style="list-style-type: none"> ▪ Support local content development and support for development in the Arts. ▪ Facilitate relationships and co-productions that widen the participation of local producing partners engaged with JCT. ▪ Facilitate production partnerships with theatres in South Africa and the African Diaspora for the development of productions from African stories. ▪ Implement structured opportunities for the development of the talents and skills of young people in the arts. ▪ Sound and consistent supply chain management processes that support preferential procurement, and enhance the contribution of JCT to enterprise development. 	<ul style="list-style-type: none"> ▪ Promote economic development and investment activity.
<p>2) High quality performing arts and entertainment experiences and facilities.</p>	<ul style="list-style-type: none"> ▪ Excellence in delivery of the JCT core business, in support of the mission and mandate. ▪ Strengthening the acquiring and hosting of work. 	<ul style="list-style-type: none"> ▪ Improve service delivery performance and service delivery culture (SD defined as core business).

Joburg City Theatres Strategic Objective (Towards achieving the mandate, mission and Strategic Priorities)	Objective Description and Focus Areas	CoJ Priority Alignment
	<ul style="list-style-type: none"> ▪ Supporting the development and creation of work. ▪ Ensuring facilities and infrastructure that is excellent. ▪ Encourage urban regeneration in Braamfontein / Newtown and Jabulani Cultural Precinct nodes, in order to stimulate economic growth in contribution to the 5%. ▪ Monitor and enhance customer satisfaction and the achievement of service standards. 	<ul style="list-style-type: none"> ▪ Enhance security in all open public spaces – parks, cemeteries, cities facilities, museums, etc. ▪ Encourage urban regeneration in key urban nodes.
3) Affordable access to and use of theatres by communities.	<ul style="list-style-type: none"> ▪ THEMATIC FOCUS OF PRODUCTIONS: Edu-tainment and productions that address issues. ▪ Engagement with arts practitioners, private sector and communities in bringing new audiences into contact with JCT programmes. ▪ Develop future audiences by providing discounted tickets to learners. ▪ Provide opportunities for development of local content and maximise accessibility. ▪ Mechanisms and approaches that assist to make theatre going practical for disadvantaged communities. ▪ Optimal use of allotments and related opportunities in the theatre precincts. 	<ul style="list-style-type: none"> ▪ Create opportunities for affordable access and use of theatres by all communities. ▪ Implement social awareness programmes in these recreational sites. ▪ Encourage urban regeneration in key urban nodes.
4) Good governance, financial sustainability and sound management.	<ul style="list-style-type: none"> ▪ Balance the imperative for revenue generation with socio-economic development. ▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue. 	<ul style="list-style-type: none"> ▪ Making local government responsive. ▪ Fiscal responsibility and resolve billing system problems.

Joburg City Theatres Strategic Objective (Towards achieving the mandate, mission and Strategic Priorities)	Objective Description and Focus Areas	CoJ Priority Alignment
	<ul style="list-style-type: none"> ▪ Increase asset utilisation and leveraging investment. ▪ Cost efficiency across value-chain. ▪ Customer care improvement. ▪ Integrate the programming of the theatres and integrate the value chain of the theatres. ▪ Ensure efficient and effective internal business processes and systems. 	<ul style="list-style-type: none"> ▪ Improve service delivery performance and service delivery culture (Governance).
<p>5) Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT.</p>	<ul style="list-style-type: none"> ▪ Build JCT brand awareness and grow market share of JCT as a leading brand. ▪ Build JCT visibility through enhanced marketing, communication and stakeholder management. ▪ Leveraging of mutually beneficial partnering agreements and joint programmes. ▪ Sponsorships and donations. 	<ul style="list-style-type: none"> ▪ Making local government responsive. ▪ Fiscal responsibility and resolve billing system problems. ▪ Improve service delivery performance and service delivery culture (Governance).

2. SITUATIONAL ANALYSIS INFORMING JCT'S BUSINESS PLAN FOR 2019/20

2.1. ANALYSIS OF THE MACRO SOCIO-ECONOMIC ENVIRONMENT

Analysis of the Macro Socio-Economic Environment

In South Africa with its divisive past, and while social cohesion and nation building have been on the agenda for some time, events such as the regular incidences of racism and xenophobia, and the heightened levels of social and political contestation have had an impact on intergovernmental relations, nation building and social cohesion², 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:

² DPME, Report on Progress against 2014–2019 MTSF, November 2016

- 1) **The privilege attached to race, class, space and gender has not yet been fully reversed.** In fact, over the 2014-2018 period the exponential rise in social media has brought more prominence and rapid exposure (with incidences going viral) to issues of racism, gender violence and inequality.
- 2) **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.
- 3) 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.
- 4) **Apartheid spatial patterns mean limited opportunity for sharing of space across race and class,** and thus there is still limited interaction across race. The social, psychological and geographic elements of apartheid continue to shape the lives and outlook of many South Africans. It is this inherited psyche of racial, gender, and sexual orientation prejudices and stereotypes, breakdown in values, inequality of opportunity and massive poverty, as well as competition for scarce resources, which help fuel racism, xenophobia and gender-based violence.
- 5) **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.
- 6) **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.
- 7) **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.
- 8) **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.

- 9) **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.
- 10) 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.
- 11) 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)³.

- 1) “The global inequality crisis is reaching new extremes. The richest 1% now have more wealth than the rest of the world combined”, states Oxfam in their latest briefing paper⁴.
- 2) In South Africa, Oxfam SA adds that the wealth of the top three billionaires is equal to that of the bottom 50% of the population. “Growing economic inequality is bad for all of us – it undermines growth and social cohesion ... the consequences for the world’s poorest people are particularly severe”⁵.

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.

Further exacerbating the situation is that **there remains a sub-optimal global and national economic outlook**, occasioned by various internal and external factors. The 2014-2019 period has fallen far short of the trajectory required by the National Development Plan to reduce unemployment to 6%, eliminate poverty and sharply reduce inequality by 2030, and has been characterised by a lower than expected growth rate, high structural unemployment, among the highest inequality levels in the world and unsustainable poverty levels⁶. The figure below reflects that six of the eighteen quarters since the beginning of 2014 have reflected negative economic growth, with quarter-on-quarter growth peaking at 4.4% in the 4th quarter of 2014. As at the end of Q2 2018, the economy had slipped into a technical recession following two consecutive quarters of negative growth, at -2.6% and -0.7% in Q1 and Q2 2018, respectively.

³ *Statistics South Africa, Community Survey, June 2016*

⁴ *Oxfam, 210 Oxfam briefing paper, 18 January 2017*

⁵ *Oxfam, 210 Oxfam briefing paper, 18 January 2017*

⁶ *Medium-term Budget Policy Statement, October 2018*

The International Monetary Fund (IMF) downgraded South Africa's GDP expansion forecast for 2018, joining the World Bank and the South African Reserve Bank in lowering growth projections. In its April 2019 World Economic Outlook Report⁷, the IMF estimated that the economy would grow by 0.8% in 2018, to 1.2 percent in 2019 and 1.5 percent in 2020, a 0.2 percentage point downward revision for both years relative to the October projections. Noting that while measures to tackle corruption, to strengthen procurement and eliminate wasteful expenditure were welcomed, further reforms are needed to increase policy certainty, improve the efficiency of state-owned enterprises, enhance flexibility in the labour market, improve basic education, and align skills development with business needs.

Low economic growth has also meant a strain on the fiscus. Over the period since 2014, **government has had to follow a path of measured fiscal consolidation by reducing spending.** By 2017 and continuing into 2018, a sharp deterioration in revenue collection and further downward revisions to economic growth projections severely eroded government's fiscal position. With few options, the VAT rate was increased from 14% to 15% as from April 2018.

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.

Aligned to the above Strategic Objectives and strategic intent, the JCT conducted a comprehensive situational analysis to inform 2019/20 planning priorities, as follows:

2.2. PESTEL ANALYSIS

Table 4: JCT "PESTEL" analysis to inform its 2019/20 planning priorities

	Emerging Issue	Implications for Joburg City Theatres
Political	Ongoing strategy and policy alignment.	<ul style="list-style-type: none"> ▪ Strategic and programmatic alignment to National policy priorities; ▪ Programmatic alignment to citywide policy priorities, particularly the GDS.
	The need to accelerate service delivery in the COJ and to generate a culture of community activism.	<ul style="list-style-type: none"> ▪ Balance transformation and increased local content against the need for financial sustainability and revenue generation; ▪ Improved communication of the programmes of the theatres, particularly showcasing productions with high levels of local content;

⁷ International Monetary Fund, World Economic Outlook Report, April 2019

	Emerging Issue	Implications for Joburg City Theatres
		<ul style="list-style-type: none"> ▪ Audience development; ▪ Youth development and mainstreaming; ▪ SMME development; ▪ Development and hosting of programmatic content themed on the GDS outcomes and priorities.
	Other socio-economic priorities taking precedence over arts, culture and entertainment.	<ul style="list-style-type: none"> ▪ Limited budgets shared among City departments and entities; ▪ Need to pursue external funding/revenue streams; ▪ Need to “champion” the arts and culture agenda in the COJ in collaboration with governmental and non-governmental partners.
<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 GDS and IDP. 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>		
Economic	Low growth economy and reduced personal disposal income.	<ul style="list-style-type: none"> ▪ The need to remain relevant and attractive to audiences; ▪ Careful management of ticket prices to retain levels of affordability; ▪ Utilisation of innovative, mobile platforms to take productions to communities that are unable to afford to attend the formal theatres.
	Increased unemployment.	<ul style="list-style-type: none"> ▪ Job creation opportunities for the youth and historically disadvantaged; ▪ Mzansi Golden Economy Strategy incentives and sourcing of grants through jobs funds.
	Globalisation and the impact of exchange rate fluctuations.	<ul style="list-style-type: none"> ▪ Attract global talent and international components. However, at an ever increasing cost due to the depreciation of the rand; ▪ 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.

	Emerging Issue	Implications for Joburg City Theatres
	Increased competition for 'event' audiences from casino's, festivals, football stadiums and other large-scale entertainment facilities.	<ul style="list-style-type: none"> ▪ To develop offerings able to compete with the 'hidden' subsidies that casinos are able to provide; ▪ To maintain professional theatre facilities and associated hospitality infrastructure and amenities. ▪ Marketing, communication and promotion of well-conceived value propositions of the venues of the three theatres.
	Enterprise/SMME development.	<ul style="list-style-type: none"> ▪ Development of local content; ▪ Procurement spend from SMME's.
<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 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"> ▪ The development of content in line with the needs of a diverse and changing population demographic.
	High youth unemployment.	<ul style="list-style-type: none"> ▪ Job creation opportunities, learnerships and contracting opportunities; ▪ Mobilising youth structures at community level – to partner Joburg City Theatres in programmes.
	Social exclusion.	<ul style="list-style-type: none"> ▪ An understanding of the LSM groups attending the various theatres and catering for their needs; ▪ Be creative in balancing commercially driven programming against the developmental and transformative mandate; ▪ Optimal utilisation of theatre spaces, particularly during the day; ▪ Limited after hours availability of transport to theatre venues – dependence on vehicles for transport, a constraint for many communities; ▪ Mobile theatre – take theatre to communities; ▪ Increased skills development and training.

	Emerging Issue	Implications for Joburg City Theatres
	Culture and transformation.	<ul style="list-style-type: none"> ▪ Communication of successes in light of the dual mandate of revenue generation and transformation agenda; ▪ Deal with the perceptions that audiences at Joburg Theatre are predominantly white, due to programme choice and high seat prices – the financial viability mandate; ▪ 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; ▪ Development of more African stories, as a source for drama and entertainment productions.
	More active Citizenry.	<ul style="list-style-type: none"> ▪ Implement programmes focussed on promoting active community participation and appreciation for the arts; ▪ Strengthen education and community awareness for the arts through local content and local market development.

The activities of Joburg City Theatres should be aimed at developing socially inclusive and cohesive communities, and improving the lives of all members of the Joburg community through relevant and high-quality programming.

Technological	New technologies for market analysis and targeted planning.	<ul style="list-style-type: none"> ▪ Adoption of new methods of market analysis for decision making and to target commercially viable productions, using mass data analysis.
	Global network revolution and growth in social media platforms.	<ul style="list-style-type: none"> ▪ Use of websites and social media for marketing, communications, promotions and selling; ▪ Competition from streaming and cinema based performing arts exhibitions; ▪ Home cinema, DVD's and online TV providing competition for family and individual entertainment budgets; ▪ Need to strengthen Joburg City Theatres' social media presence and content.
	Transportation.	<ul style="list-style-type: none"> ▪ Opportunities to collaborate with modern taxi operators, such as Uber, and other local taxi operators to address the night time transportation needs of communities;

	Emerging Issue	Implications for Joburg City Theatres
		<ul style="list-style-type: none"> Continue engagements with Rea-Vaya regarding available public transport to and around the theatres;
	Catering for people with disabilities.	<ul style="list-style-type: none"> Consideration for accessibility in the design of facilities.
<p><i>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.</i></p>		
Environmenta I	Climate change mitigation measures - green technology rollout at facilities.	<ul style="list-style-type: none"> Strengthen conservation and environmental management practices at all theatres; Implementation of green building retrofits at theatres – lights, solar, green materials, waste separation, etc.
	Environmental education programming.	<ul style="list-style-type: none"> Conceptualisation, creation and development of urban greening and environmental themed productions using local talent – at theatres, at schools and mobile theatres to communities.
<p><i>Joburg City Theatres has a duty to pursue climate change mitigation measures at its facilities and to contribute to the education of the citizens of Joburg in respect of greening and environmental conservation.</i></p>		
Legislative	Compliance to applicable legislation.	<ul style="list-style-type: none"> 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.
<p><i>Joburg City Theatres 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 underpin Joburg City Theatres' aspiration to contribute positively to the professional image of the COJ.</i></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

2.3. JCT'S "TOWS" ANALYSIS

The "TOWS" analysis considers the revised mission and the strategic theme of Joburg City Theatres for the period to 2023/24, to identify the emerging external and organisational issues which inform the planning period, as summarised in the table below:

Table 5: Joburg City Theatres “TOWS” Analysis

External Threats		
N ^o .	Threat Identified	Actions to Mitigate the Threat
1.	Competition from casino based theatres.	<ul style="list-style-type: none"> ▪ Maintain high standards of production and customer service delivery at all Joburg City Theatres venues; ▪ Strengthen Joburg City Theatres’ social media presence and content.
2.	Competition from other entertainment and arts venues, festivals, special events, and broadcast and online versions.	<ul style="list-style-type: none"> ▪ Maintain high standards of production and customer service delivery at all Joburg City Theatres venues; ▪ Maintain the marketing of the special appeal of the live theatre and entertainment experience.
3.	Sectoral challenges in developing collaboration with others, as a result of the competitive nature of the industry.	<ul style="list-style-type: none"> ▪ Maintain and develop relationships with local producers, such as The Market Theatre, State Theatre; and nationally, such as The Fugard Theatre, Artscape and Durban Playhouse.
4.	Failure at box office of programme initiatives. Loss of core audience before new audience is built.	<ul style="list-style-type: none"> ▪ Develop programme changes incrementally, so that existing audiences are maintained, whilst new programme strands and audiences are added; ▪ 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; ▪ Maintain and develop the highest standards of customer care at all venues; ▪ Strengthen Joburg City Theatres’ social media presence and content.
5.	Public perception of poor safety in the areas around each of the theatres.	<ul style="list-style-type: none"> ▪ Continue good relationships with police in precincts surrounding each of the theatres; ▪ Stress the presence of nearby police stations at Joburg and Soweto Theatres on website and public communications about the theatres; ▪ Publicise safe and signposted routes to Soweto Theatre in marketing material; ▪ Engage Braamfontein Improvement District, JMPD, Pikitup and City Power to ensure that Braamfontein is safe, illuminated at night and clean at all times; ▪ Insourced security from JMPD.

External Threats

N ^o .	Threat Identified	Actions to Mitigate the Threat
6.	Poor public transport to venues at night.	<ul style="list-style-type: none"> ▪ 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. ▪ Engage with taxi industry; ▪ Explore options with modern taxi service operations, such as Uber; ▪ Continue engagements with Rea Vaya regarding public transport to and around the theatres.

External Opportunities

N ^o .	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"> ▪ Development of a Joburg City Theatres resourcing and capacity plan to cater for the maximum utilisation of the ten theatre spaces; ▪ Implement an “industrial theatre” offering to showcase, profile and support City messaging, e.g. anti-corruption, service delivery, change management, etc.; ▪ Implement daytime programme strategy; ▪ Improve access through discounted tickets/ “last minute” tickets; ▪ Engage with Joburg “Red Busses” to visit theatres – consider advance planning for “mini-productions” to showcase Joburg for tourists (traditional dance, language, culture, etc.).
2.	Restored amphitheatre at Jabulani, suitable for mass events and productions with local appeal.	<ul style="list-style-type: none"> ▪ Extend the contract to cover the management of the amphitheatre; ▪ Develop a programming plan to limit programming clashes with the Soweto Theatre, including operational costs and marketing plan.
3.	Maintaining contacts in global entertainment industry.	<ul style="list-style-type: none"> ▪ Take strategic view of international connections – link with international networking events, such as ISPA Congresses (January and June), IETM, UK ITC and TMA Conferences. ▪ Explore partnerships with international festivals, such as Afro Vibes, BRICS and Africa Seasons.

External Opportunities

No.	Opportunities Identified	Actions to Exploit the Opportunity
4.	Transformation and arts awareness through innovative education and community participation programmes at all theatres.	<ul style="list-style-type: none"> ▪ Build on existing programmes at all three theatres; ▪ Implement the programme around set works for schools.
5.	Production partnerships with other Gauteng and national production and presenting houses.	<ul style="list-style-type: none"> ▪ Facilitate the development of inter-theatre partnerships; ▪ Exploring African diaspora for stories and partnerships; ▪ Attend appropriate theatre conferences and other networking events, such as ISPA, IETM, African and American theatre and cultural conferences; ▪ Develop network through Black Theatre Network and other web-based organisations; ▪ Consider running conference on co-production and cooperation across the African Diaspora.
6.	Social Cluster integration.	<ul style="list-style-type: none"> ▪ Joburg City Theatres to coordinate outreach programmes that involve Social Cluster departments/MOE's, e.g. coordinated outreach that involves mobile theatre, mobile library, mobile clinic, mobile zoo, etc.
7.	Corporate partnerships for production sponsorship.	<ul style="list-style-type: none"> ▪ Develop structured fundraising strategy with analysis of likely targets in the corporate sector; ▪ Target Corporate Social Responsibility budgets for pilot education, audience development and training programmes.
8.	Explore government funded international exchange programmes.	<ul style="list-style-type: none"> ▪ 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; ▪ Develop local partnerships with international cultural agencies, such as British Council, Goethe Institute, Swiss, French, Swedish, USA, Asian Bloc and BRICS countries; ▪ Register with Proudly South African, and partner with Brand South Africa.

Internal Weaknesses

N ^o .	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"> ▪ Careful management of programming across the theatre spaces in consideration of available technical support capacity – lighting, sound, etc.; ▪ Explore opportunities to engage the services of contractors to provide support when in-house resources are stretched to capacity; ▪ Resource and capacity plans to be developed and budgeted for.
2.	Vulnerability to the failure of tenant productions.	<ul style="list-style-type: none"> ▪ Work with tenant productions on marketing to help develop audiences; ▪ Set budget aside to cover the overhead costs – as a protection against underperforming tenants and/or failure to settle bills.
3.	Limited established regular audience for theatre productions at the Soweto Theatre.	<ul style="list-style-type: none"> ▪ A multi-pronged audience development plan to be implemented, incorporating promotions in conjunction with appropriate print, radio and TV media partners; ▪ Programming team to ensure content of productions are appealing to the typical audience of the Soweto Theatre.
4.	Audience capacity (320) at Roodepoort Theatre, providing limitation on the scale of event that is viable.	<ul style="list-style-type: none"> ▪ Programme appropriate work for scale of Theatre focusing on community, children's and education performances, e.g. Opera Aria, small ballet, musicals, set works, etc.
5.	Isolated local location of Roodepoort Theatre, with very limited passing footfall.	<ul style="list-style-type: none"> ▪ Market Stages restaurant as a destination; ▪ Negotiate with City and local volunteers to ensure museum is more regularly open to the public; ▪ Promote joint museum and theatre performance visits to schools; ▪ Establish open air market at Roodepoort Theatre.
6.	Price of commercial productions out of reach of the majority of the population.	<ul style="list-style-type: none"> ▪ Implement an audience development strategy for smaller venues at Joburg Theatre, with lower seat prices for targeted groups or communities; ▪ Consider implementing a “last minute” discounted ticket pricing approach to reach more people; ▪ Undertake LSM based research into spending patterns of LSM groups in catchment areas for the three venues;

Internal Weaknesses		
N ^o .	Weakness Identified	Actions to Address the Weakness
		<ul style="list-style-type: none"> ▪ Profile capacity to pay of local communities; ▪ A pricing strategy needs to be formulated to explore cheaper tickets during weekdays.
7.	Strategy of telling local stories is sound, but ticket sale numbers are low.	<ul style="list-style-type: none"> ▪ Attract the community of Soweto through more targeted productions, and assess the timing of the staging of productions through the year; ▪ Investigate why ticket sales are low for in-house productions at Soweto Theatres; ▪ Monitor ticket sales; ▪ Focus on building a generational culture of theatre goers.
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"> ▪ The development of a comprehensive fundraising strategy for the Joburg City Theatres; ▪ Using existing financial resources to maintain a balance between commercially driven and transformation driven programming; ▪ Emphasise the “Public Good” created by the theatres, as part of fundraising and PR campaigns; ▪ Prepare proposals for youth development initiatives and for in-house productions.
Internal Strengths		
N ^o .	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"> ▪ Build international partnerships for productions at Soweto Theatre, in light of the interest by US, EU, China and Iran theatres for co-productions and tour opportunities. ▪ Use brand recognition as basis for international fundraising. ▪ Build visual presence at Roodepoort and Joburg Theatre to promote quality and security of venues. ▪ Develop virtual tour for website. ▪ Develop the use of Soweto Theatre as a conference and meeting venue.
2.	Recognised high standards of commercial theatre production and presentation at Joburg Theatre.	<ul style="list-style-type: none"> ▪ Maintain the strong network of international connections in commercial entertainment and theatre business.

Internal Weaknesses

N ^o .	Weakness Identified	Actions to Address the Weakness
		<ul style="list-style-type: none"> ▪ 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. ▪ Develop partnerships for touring opportunities for productions in SA and beyond. ▪ Keep the brand alive – top of mind awareness by audiences and consumers.
3.	Strong leadership and extensive creative industries experience, knowledge and skills within the management team.	<ul style="list-style-type: none"> ▪ Maintain benefits of integration of Joburg City Theatres group. ▪ 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. ▪ Through sharing of expertise, to ensure that competency levels at all three theatres are developed to a similar standard.
4.	Annual subsidy from the Shareholder, the City of Joburg, for both Capex and Opex.	<ul style="list-style-type: none"> ▪ 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 theatre locations; ▪ Ensure an optimal balance between commercially driven 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 and Joburg Zoo.	<ul style="list-style-type: none"> ▪ Maintain and further develop corporate entertainment and conference use of facilities; ▪ Consider the rollout of ‘Stages’ as a franchise at non-theatre spaces across the country, thereby generating additional revenue; ▪ Strengthen catering opportunities for the COJ.
6.	Location of Joburg Theatre in regenerated centre of business and leisure area of the City.	<ul style="list-style-type: none"> ▪ Investigate the use of the Joburg City Theatres park and areas surrounding Joburg Theatre for special events, to gain wider community appeal, with due consideration for the noise impact on café turnover.
7.	High quality stage facilities supported by	<ul style="list-style-type: none"> ▪ Share expertise within the group and ensure skills transfer;

Internal Weaknesses		
N ^o .	Weakness Identified	Actions to Address the Weakness
	the necessary skills to use and maintain the facilities and equipment.	<ul style="list-style-type: none"> ▪ Establish monthly technical coordination meetings across the three theatres to deal with health and safety and technical support issues; ▪ Explore further opportunities for internship/learnership training programmes for youth from historically disadvantaged backgrounds.
8.	Presence of Joburg Ballet and Peoples Theatre (Theatre for Children) as long-term tenants at Joburg Theatre.	<ul style="list-style-type: none"> ▪ Maintain and enhance the partnerships for mutual benefit; ▪ Investigate fundraising to facilitate wider access to school performances.; ▪ Develop schools performances at the Soweto and Roodepoort Theatres; ▪ 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.
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"> ▪ 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.
10.	Strong support from City structures.	<ul style="list-style-type: none"> ▪ Implement an “industrial theatre” offering to showcase, profile and support City messaging, e.g. anti-corruption, service delivery, change management. etc.; ▪ Continue information dissemination through The Loop, JoziNet and other City communication platforms.
11.	Programme for young people – past experience of presenting set works performances for school audiences at Roodepoort theatre.	<ul style="list-style-type: none"> ▪ Continuation of set works programmes in all three theatres; ▪ Implementation of integrated youth development and training strategy across the three theatres.

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

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

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

2.4. STRATEGIC RESPONSE – PRIORITIES AND FOCUS AREAS INFORMING THE 2019/20 ANNUAL BUSINESS PLAN

Based on the detailed environmental and situational analysis outlined above, and guided by its balanced scorecard pillars and considerations, and under the five year theme “*to continue to procure and/or produce transformed content in transformed spaces*”; and:

- *To commercialise the transformed content – to ensure the shows are profitable; and*
- *To internationalise the Joburg City Theatres profile - by showcasing the transformed content;*

The following key considerations require management intervention in the period 2023/24, and inform the strategic focus of the 2019/20 Annual Business Plan as the first year of the Strategy:

KEY LEGACY PROJECTS:	
Over the Medium to Longer-Term (2022 to 2024+)	
<p>A “Joburg Festival” – working together with Joburg City Theatres’ “cultural arch” neighbours.</p>	<ul style="list-style-type: none"> ▪ Along the lines of the “Edinburgh Festival”, relevant to South Africa and Johannesburg; ▪ Link to Joburg City Theatres’ role to curate the Joburg Carnival and drive it moving forwards; ▪ Strengthen engagement with embassies and other countries that have budget for cultural events, e.g. twinning agreements.
<p>Joburg City Theatres part of the international touring circuit - Joburg City Theatres produced shows that tour internationally.</p>	<ul style="list-style-type: none"> ▪ An annual showcase – taking at least one show overseas from Nelson Mandela Theatre (as a RSA showcase) per annum.

KEY LEGACY PROJECTS:

Over the Medium to Longer-Term (2022 to 2024+)

Joburg City Theatres Precinct revitalisation – partnering with Braamfontein neighbours.	<ul style="list-style-type: none">▪ Joburg City Theatres park – needs to open up as a craft market;▪ Reconfiguration of space – to suite multiple live experiences and art forms.
Establishment of a Joburg City Theatres Gift Shop – linked with the Zoo.	<ul style="list-style-type: none">▪ Revenue generation from Joburg City Theatres branded items;▪ Investigate the extending of licencing to include merchandising opportunities (e.g. Colour Purple).
Establish Joburg City Theatres as a knowledge hub – an archive of the legacy and history of Joburg and the theatres.	<ul style="list-style-type: none">▪ Establish a Joburg City Theatres Archive/Resource Centre to preserve and tell the story of the history of theatre:<ul style="list-style-type: none">– Digital and/or visual archive of footage and a record of the rich history of events for the public to visit and experience;– Develop a virtual tour of the three theatres, retrievable from all three theatres, to advertise all facilities from any one of the sites.

In summary, key planning priorities for 2019/20 are:

SHORT TO MEDIUM-TERM PRIORITIES:

Informing the 2019/20 Business Plan as the First Year of the Strategy

Strengthen governance and compliance.	<ul style="list-style-type: none">▪ Reconstitute the Board Artistic/Service Delivery Committee;▪ Revisit the TOR and define what is meant by 'service delivery' in Joburg City Theatres context;▪ Undertake an organisational structure review that will inter alia, clarify the strategic location and fit of the Johannesburg Philharmonic and Joburg Ballet Company. Investigate whether oversight through the SLA agreement is sufficient;▪ Identify the model and KPI's to be tracked from a Social and Ethics perspective - conduct an annual assessment on Ethics, similar to assessment done on risk environment;▪ Integrate and strengthen operational division reporting in Joburg City Theatres macro reports;
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SHORT TO MEDIUM-TERM PRIORITIES:**Informing the 2019/20 Business Plan as the First Year of the Strategy**

	<ul style="list-style-type: none">▪ Integrate Diphetogo, 88 Indicators, City Manager Indicators and Service Standards into Annual Business Plan scorecard.
Strengthen the operations and commercial viability of the theatres.	<ul style="list-style-type: none">▪ Balance commissioning/hosting ratio across all three theatres;▪ Stage fewer yet high-profile productions, which will result in greater tickets sales (balance tickets sold/complimentary ticket ratio);▪ Commercialise the transformed content – ensure all shows staged have the ability to be profitable;▪ Optimise theatre planning and scheduling – by adopting a multi-year planning and scheduling approach;▪ Ensuring that the gap is bridged between the creative team and the marketing teams to avoid the “us and them” scenario;▪ Find partners for Soweto Dance Festival;▪ Set up hospitality and catering operations within other City entities that will yield necessary financial results, once the Metro Centre operations are consolidated and running as hassle-free as possible;▪ Learning from international trends, musicals, operas, ballets, drama and various festivals, and theming the offering according to significant events and days, such as the Women’s Arts Festival, Africa Day, Heritage Festival, Diwali Festival, Festive Lights at the Zoo;▪ Package content for various other platforms (TV, DVD’s, streaming, etc.) and/or sell TV rights to in-house productions;▪ Licence and merchandise successful productions and music.
Strengthen community outreach and developing talent and youth.	<ul style="list-style-type: none">▪ More utilisation of the Mobile Truck to access or reach audiences that are not traditional theatre goers;▪ Conduct a regular tracer study on youth development beneficiaries;▪ Servicing learners in the Gauteng region by providing a teaching and learning experience outside of the

SHORT TO MEDIUM-TERM PRIORITIES:**Informing the 2019/20 Business Plan as the First Year of the Strategy**

	<p>conventional classroom in a way that adds value to the educational experience;</p> <ul style="list-style-type: none"> ▪ Position arts alongside sport in schools for development of future audiences.
Strengthen Joburg City Theatres ticketing and promotion.	<ul style="list-style-type: none"> ▪ Make “combo tickets” available, e.g. theatre and a meal at stages (Mother’s Day, Valentine’s Day, etc.); ▪ Implement a loyalty programme (e.g. attend two shows and get one show free, season tickets, etc.); ▪ Last minute ticketing options – linked to audience development; ▪ Showcase Joburg City Theatres hospitality offering and as a conference venue at conferencing exhibitions; ▪ Consolidate other initiatives, such as the Festive Lights project to attract more patrons.
Strengthen Joburg City Theatres’ destination marketing.	<ul style="list-style-type: none"> ▪ Strengthen Tourist focused marketing and promotion: <ul style="list-style-type: none"> – Presence in in-flight magazines; – “WHATS ON IN JHB” site; – Enable online booking before landing; – Link with City sightseeing bus tours; – Offering access to more than one visual art form, e.g. exhibitions, installations, multi-disciplinary art spaces – even during the day.
Strengthen stakeholder management and collaboration.	<ul style="list-style-type: none"> ▪ Revisiting and engaging with service providers who do business with COJ to market Joburg City Theatres and CSI opportunities to them (consider a formal breakfast event?); ▪ Monitor the value of equivalent/reciprocal benefit realised from partnerships; ▪ Partner with COJ entities for greater security around the Joburg City Theatres venues, better maintenance of the precinct parks, better lighting around venues, and generally better support for Joburg City Theatres operations.
Enhance human capital management	<ul style="list-style-type: none"> ▪ Prioritise the recruitment of a suitable candidate to fill the Executive Producer vacancy:

SHORT TO MEDIUM-TERM PRIORITIES:

Informing the 2019/20 Business Plan as the First Year of the Strategy

and performance management.

- Re-scope the role to include fundraising and marketing as a core competence;
- Ensure a focus to both import and export Joburg City Theatres productions;
- Investigate the recruitment of a marketing and media analyst function – need to make Joburg City Theatres publically visible everywhere;
- Leverage and exploit the capability and strengths of producers among Joburg City Theatres staff;
- Introduction of EAP/Employee Wellness Program;
- Review of PMDS policy completed – but resubmit to Board, with view to link performance to remuneration;
- Strengthen operating model and workflow processes, so everyone knows who is responsible for what and when supported by improved internal communication.

The above long-term legacy projects and short to medium-term priorities then inform the objectives and interventions, and the milestones and targets outlined in the Corporate Scorecard for 2019/20.

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3. COMMUNICATION AND STAKEHOLDER MANAGEMENT

A comprehensive competitor and stakeholder analysis have been conducted and are presented in detail in the Business Plan.

3.1. STAKEHOLDER MANAGEMENT ANALYSIS

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.

In line with the City's vision of being "A Joburg that works is a South Africa that works", JCT supports inter alia, improved accessibility, education and facilitates partnerships, as well as co-production opportunities; interventions which alleviate unemployment and further transformation.

The Joburg City Theatres Board is dedicated in ensuring that Joburg City Theatres remains a responsible corporate citizen through providing strategic direction in a manner that balances the interests of all stakeholders.

In line with the City’s vision of being “A Joburg that works is a South Africa that works”, Joburg City Theatres supports, inter alia, improved accessibility, education and the facilitating of collaborations and partnerships, as well as co-production opportunities and interventions which alleviate unemployment and further the object of development and transformation.

It is not intended to present comprehensive stakeholder identification or segmentation, or a stakeholder management, strategy here, as this will be developed in parallel to this Business Plan. Rather, a summary of the most salient reflections arising from the planning process is presented below.

Key stakeholder considerations informing 2019/20 planning are as follows:

Table 6: Joburg City Theatres Stakeholder Management

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
External Stakeholders:		
Artists, Practitioners and organised Performing Arts bodies	<ul style="list-style-type: none"> ▪ Opportunities to create work and/or perform. ▪ Increasing access to the live performance experience – market and audience development. ▪ Assist with funding the full production. 	<ul style="list-style-type: none"> ▪ Increase accessibility to facilities and infrastructure. ▪ Facilitate partnerships and co-production opportunities. ▪ Assist with marketing and publicity to attract a better deal which brings more income. ▪ Incubate youth projects - addressing youth unemployment.
Patrons / Audiences	<ul style="list-style-type: none"> ▪ Value for money. ▪ Provide programming that appeals to diverse Joburg audiences - different from the “usual”. ▪ A holistic and quality “evening out” experience. ▪ Safety and security while watching productions 	<ul style="list-style-type: none"> ▪ Ensure clean, attractive and safe facilities. ▪ Ensure accessibility and ensuring our programmes benefit people with disabilities and other targeted groups. ▪ Diversify our productions by staging a variety of programmes; e.g.

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
		Comedy, Ballet, Pantomimes and Music, Festivals, Live Jukebox; Opera etc.
Beneficiaries and Communities	<ul style="list-style-type: none"> ▪ Taking theatre to communities using the mobile theatre stage. ▪ Enhance contribution of JCT to job creation and improved livelihoods – youth development, enterprise development etc. 	<ul style="list-style-type: none"> ▪ Identify and implement community participation programs – markets, open days, festivals etc.
Schools	<ul style="list-style-type: none"> ▪ Favourable packages and special discounts. ▪ Safety and security around the theatre. ▪ Introducing the youth to theatre that is child friendly and edu-tainment. 	<ul style="list-style-type: none"> ▪ Schools set-works such as Woza Albert; the Caucasian Chalk Circle; Shakespeare schools festival. ▪ Most of our productions offer special school packages.
Pensioners	<ul style="list-style-type: none"> ▪ Special packages and discounts. ▪ Safety and security around the theatre. ▪ Compassionate environment. 	<ul style="list-style-type: none"> ▪ Pensioner prices. ▪ Wheelchair friendly environment. ▪ Security assistance by our security personnel.
Media and Marketing	<ul style="list-style-type: none"> ▪ Assumption that the theatre, as a state owned entity, has more money therefore they will get more business (the assumption that government has money to spend). ▪ Refusal to partner on barter arrangements. 	<ul style="list-style-type: none"> ▪ Creation of part cost and part commercial partnerships with very few barter deals created in exchange for media. ▪ Budget for marketing purposes on various different media platforms.
National and Provincial Departments of Arts and Culture	<ul style="list-style-type: none"> ▪ Alignment to National and Provincial priorities. ▪ To produce programmes that speak to and address sustainable economic activity, societal transformation and social cohesion. 	<ul style="list-style-type: none"> ▪ Demonstrated alignment to National and Provincial priorities. ▪ Leverage off national days of commemoration and align our production calendar.

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
	<ul style="list-style-type: none"> ▪ Preservation of culture and heritage. 	<ul style="list-style-type: none"> ▪ Community development and in-house programmes. ▪ Programming that contributes to National days and festivals.
Donors and Sponsors / Funders	<ul style="list-style-type: none"> ▪ Brand value and mileage. ▪ Sound governance and internal controls. ▪ 	<ul style="list-style-type: none"> ▪ Well defined and articulated opportunities. ▪ Responsive and well managed internal systems and processes. ▪ Programmes that add value to their social corporate investments and contribute to their marketing activities.
Events Companies	<ul style="list-style-type: none"> ▪ Provision of quality service, facilities, space and quality hospitality and catering. ▪ To provide them with good service, the space or facilities and hospitality and catering. 	<ul style="list-style-type: none"> ▪ To provide them with good service, the space or facilities and hospitality and catering.
Business Community	<ul style="list-style-type: none"> ▪ Joint activations to enhance their brand value. 	<ul style="list-style-type: none"> ▪ Partnerships for joint activations. ▪ Develop activations as long term programmes/ Create industrial theatre programmes specific to their environment.
Professional service providers, contractors and suppliers	<ul style="list-style-type: none"> ▪ Improve contract negotiation, management and reporting. ▪ Fair and transparent processes. 	<ul style="list-style-type: none"> ▪ Strengthen enterprise development focus and support. ▪ Improve contract negotiation, management and reporting. ▪ Consistency in application of norms and standards. ▪ Timely payment.

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
Internal (CoJ) Stakeholders:		
CoJ Social Cluster	Programmes that support mutual priorities.	<ul style="list-style-type: none"> ▪ Engagement and coordination on joint community outreach projects. ▪ Opportunities to leverage joint funding. ▪ Enhancement of Diphetogo programmes of other department / entities through productions. ▪ Meaningful participation in relevant fora.
Other City MOEs and Departments	<ul style="list-style-type: none"> ▪ Education and communication of key messages ▪ Conferencing / Hospitality opportunities 	<ul style="list-style-type: none"> ▪ Implementation of other department / entities programmes / events because of the JCT's expertise and agility. ▪ Programmes targeting City and Entity employees.
Shareholder/Executive Authority/Council	<ul style="list-style-type: none"> ▪ Execute the political mandate and priorities. ▪ Focus on high-visibility "flagship programmes" and "game changers". 	<ul style="list-style-type: none"> ▪ Ensure well aligned priorities and plans. ▪ Play a central role in the planning and processes of the social cluster. ▪ Programmes that address social cohesion and inclusivity; and social ills such as drug addiction. ▪ Ensure cost efficiency and revenue generation. ▪ Implement sound governance principles. ▪ Ensure sound and defensible performance reporting.

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
Board	<ul style="list-style-type: none"> ▪ Execute the JCT mandate. ▪ Sound corporate governance. 	<ul style="list-style-type: none"> ▪ Ensure sound and defensible performance reporting. ▪ Ensure strong and considered operational leadership. ▪ Enhance collaboration with partners in delivery of the mandate.
Employees and employee representatives	<ul style="list-style-type: none"> ▪ Good conditions of employment. ▪ Employee personal growth. ▪ A challenging and dynamic working environment. 	<ul style="list-style-type: none"> ▪ Continuous employee development and Employee Wellness programmes. ▪ Implement and monitor the “living” of the values. ▪ Ensure appreciation and reward systems in place, mentorship programme, training, etc. ▪ Good communication – especially around IR and change management processes. ▪ Ensure compliance with health and safety regulations.

3.2. COMMUNICATION PLAN

The Marketing and Communications functions are used to achieve objectives stipulated in the Marketing and Communications Strategy which include 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 expose for all JCT

shows/events and hopefully attract an audience through the activations (below-the-line – face to face) and media exposure (above-the-line) opportunities.

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

- **Objectives:**

- 1) Brand positioning;
- 2) Creating brand awareness;
- 3) Brand loyalty and relevance;
- 4) Increase ticket sales.

- **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 and the independent theatres;
- 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 a likelihood of “stickiness”, 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.

Tactics:

- 1) Create TOM and big brand feel by driving quarterly campaigns by going to the people or buying advertising space on radio, television, online, print or outdoor;
- 2) Brand activities and engagements all year long through exhibitions, publicity stunts during productions and constant advertising;
- 3) Highlight the brand attributes in order for our target market's response to our overall brand promise - “where everyone plays a part” and make sure they come back and that they are responding well to us, saying good things about us, the people are selling the brand and they believe in us as a brand;
- 4) Engagement with communities bringing new audiences into contact with JCT venues.

KPI's:

- 1) Present research on brand equity;

- 2) Pictorial report on brand visibility - seen to be everywhere and visible on all communication platforms – people are talking about us (media monitoring);
- 3) Repeat visits to the theatre – seeing the same people come back, collect information from Webticket.

Sponsorships and Partnerships:

Sponsorships require a long term investment in order to realise the maximum benefits of the association. JOBURG CITY THEATRES plans to get involved with sponsors and partners by being present at their events and exhibitions, in order to expose our brand(s) to a larger and shared audience with a continuous growth of our database, leading to possibilities of increasing attendance numbers within the theatres and in turn generating revenue.

Here we aim to create shared benefits in order for both parties to benefit from each other.

The stakeholders we are looking at are divided into two parts; sponsorships and partnerships.

Sponsorships:

- 1) **Financial Sponsors** - We approach several companies for financial sponsorship. These companies will be requested to pay a set amount of money in exchange for benefits outlined in a **sponsorship agreement**. Benefits are included as an opportunity to promote the financial sponsor to Joburg City Theatres' audience (we offer an advertisement or mention in official programs, newsletters or press releases; or signage or logos on promotional materials). This is dependent on the signed agreement.
- 2) **Media Sponsors** - Due to our limited media budget, we have approached companies to finance or secure media coverage for one of our programmes, productions or events. We have requested the company to be a media sponsor - pay for an advertisement in a local paper, or for JCT to put up a billboard for selected shows / events / productions where we offer the company a platform to do good and simultaneously promote their company by tagging ads with their business logo and verbiage such as, "brought to you by" or "sponsored by" the name of the company.
- 3) **In-Kind Sponsors** - We have approached different FMCG companies to donate goods or services rather than cash as their sponsorship offering. For example, Tiger Brands has been approached for chocolates to be distributed to school children attending Robin Hood. Benefits will also include an opportunity to promote the in-kind sponsor to Joburg City Theatres' audience. We also include branding in our programmes and a set amount of tickets agreed upon in the sponsorship agreement.

Partnerships:

- 1) **City Of Joburg Partnership** - Create strategic partnerships with **CoJ** and its entities through the Friday network sessions and meet with key stakeholders at the City (Joburg Water, JRA, JOSHCO, Joburg Market, JPCZ, MTC, JDA, City Power, Pikitup, JPC and Metrobus).
 - i) Attend network sessions in order to align with projects of similar interests, objectives and deliverables;

- ii) Spot opportunities for the need of our services – with a specific focus on the truck outdoor stage to take other entities' messages to communities;
 - iii) Leverage on the City's existing resources specifically regarding media and advertising:
 - Billboards, newspapers, rate bills, brochures and mail containers - the city owns many resources that we can leverage on;
 - Abide to the brand City's brand rules through our branding at all times.
- 2) **Media Partners** - Partner with the media on a trade exchange basis where a radio station, television station, out of home agency, print media has been approached to partner on a part cost and part barter deal; we pay a certain discounted fee and are able to receive airtime for selected shows / events / productions. The partner benefits by being announced as a sponsor of the show / event / production on all the marketing collateral.
- 3) **Distribution Point Partners** - We aim to publicise and notify as many customers about our productions, shows, events, hospitality and catering offerings. Partners have been created specifically for placing our leaflets and posters. Schools, heritage sites, hotels and shopping centres have been identified for all three theatres in the surrounding areas of each theatre.
- 4) **Special Projects Partnerships** - In as much as all our partnerships are strategic, we create specific relationships with identified partners, who will only be relevant and add value for that specific project / show / event or production.

4. IMPLEMENTATION AND PERFORMANCE REVIEW

4.1. PAST PERFORMANCE HIGHLIGHTS

JCT continues to reflect efforts to meet and exceed the expectations of City of Johannesburg Metropolitan Municipality (CoJ) as the sole shareholder which is determined by the service delivery objectives in the company scorecard. City Theatres is Africa's leading home of live entertainment, presenting professional international and home-grown theatre. It is further responsible for providing venues where performing arts professionals and amateurs alike can showcase their work.

From the targets set for the 2017/18 financial year, below is an analysis of the entities performance against its KPIs for the financial year as set out in the City's IDP scorecard.

Table 6: Joburg City Theatres past Performance Highlights

Strategic Objective	Objective Description	Achievement
<p>1. Provision of opportunities for the youth, including future arts practitioners and entrepreneurs.</p>	<ul style="list-style-type: none"> ▪ Support local content development and support for development in the Arts. 	<p>Over 220 Youths attended music tuition programme during the year</p>
	<ul style="list-style-type: none"> ▪ Facilitate relationships and co-productions that widen the participation of local producing partners engaged with JCT. 	<p>Over 280 attended drama tuition programme during the year</p>
	<ul style="list-style-type: none"> ▪ Facilitate production partnerships with theatres in South Africa and the African Diaspora for the development of productions from African stories. 	<p>Procurement spend on youth owned against total procurement target of 30% was not met</p>
	<ul style="list-style-type: none"> ▪ Implement structured opportunities for the development of the talents and skills of young people in the arts. ▪ Sound and consistent supply chain management processes that support preferential procurement, and enhance the contribution of JCT to enterprise development. 	<p>Procurement spend on women owned against total procurement target of 30% was not met</p>
<p>2. High quality performing arts and entertainment experiences and facilities.</p>	<ul style="list-style-type: none"> ▪ Excellence in delivery of the JCT core business, in support of the mission and mandate. 	<p>96.56% achievement of Service Level Standards</p>
	<ul style="list-style-type: none"> ▪ Strengthening the acquiring and hosting of work. 	<p>34 466 discounted tickets issued to school learners</p>
	<ul style="list-style-type: none"> ▪ Supporting the development and creation of work. 	<p>13 106 free tickets issued to disadvantaged communities</p>
	<ul style="list-style-type: none"> ▪ Ensuring facilities and infrastructure that is excellent. 	<p>4 577 discounted tickets issued to senior citizens</p>
	<ul style="list-style-type: none"> ▪ Encourage urban regeneration in Braamfontein / Newtown and Jabulani Cultural Precinct nodes, in order to stimulate economic growth in contribution to the 5%. 	<p>6 Ballet seasons were held</p>
	<ul style="list-style-type: none"> ▪ Monitor and enhance customer satisfaction and the achievement of service standards. 	<p>5 Philharmonic Orchestra were held</p>

Strategic Objective	Objective Description	Achievement
3. Affordable access to and use of theatres by communities.	<ul style="list-style-type: none"> ▪ THEMATIC FOCUS OF PRODUCTIONS: Edu-tainment and productions that address issues. 	241 567 attendees to theatres
	<ul style="list-style-type: none"> ▪ Engagement with arts practitioners, private sector and communities in bringing new audiences into contact with JCT programmes. 	34 466 discounted tickets issued to school learners
	<ul style="list-style-type: none"> ▪ Develop future audiences by providing discounted tickets to learners. 	13 106 free tickets issued to disadvantaged communities
	<ul style="list-style-type: none"> ▪ Provide opportunities for development of local content and maximise accessibility. 	4 577 discounted tickets issued to senior citizens
	<ul style="list-style-type: none"> ▪ Mechanisms and approaches that assist to make theatre going practical for disadvantaged communities. 	
	<ul style="list-style-type: none"> ▪ Optimal use of allotments and related opportunities in the theatre precincts. 	
4. Good governance, financial sustainability and sound management.	<ul style="list-style-type: none"> ▪ Balance the imperative for revenue generation with socio-economic development. 	41%/59% Earned Revenue – R73,586m
	<ul style="list-style-type: none"> ▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue. 	Total Revenue - R174,937m
	<ul style="list-style-type: none"> ▪ Increase asset utilisation and leveraging investment. 	52.28% of procurement spend on SMMEs quarterly against total procurement expenditure - target of 30%
	<ul style="list-style-type: none"> ▪ Cost efficiency across value-chain. ▪ Customer care improvement. ▪ Integrate the programming of the theatres and integrate the value chain of the theatres. 	85.45% of procurement spend on BBBEE quarterly against total procurement expenditure - target of 75%
	<ul style="list-style-type: none"> ▪ Ensure efficient and effective internal business processes and systems. 	100% CAPEX budget spent
		Clean audit report

Strategic Objective	Objective Description	Achievement
<p>5. Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT.</p>	<ul style="list-style-type: none"> ▪ Build JCT brand awareness and grow market share of JCT as a leading brand. ▪ Build JCT visibility through enhanced marketing, communication and stakeholder management. ▪ Leveraging of mutually beneficial partnering agreements and joint programmes. ▪ Sponsorships and donations. 	<p>12 Media Monitoring Reports</p> <p>18 Strategic partnerships created</p>

4.2. KEY PERFORMANCE AREAS

Informed by the Joburg City Theatres integrated operating model, each of the five strategic goals defined in the Strategy Plan, is then unpacked into strategic objectives. Where the goals describe the result (impact) that Joburg City Theatres seeks to achieve, the strategic objectives describe the “outcomes” to be achieved by 31 June 2024 for each goal – otherwise described as Key Performance Areas (KPA’s).

The strategic objectives then allow Joburg City Theatres to break down the strategic goals into constituent elements or performance areas, which will allow the rolling annual performance data to be logically clustered and reported against over the period.

The table below, extracted from the 2019-2024 Strategy Plan, reflects the strategic objectives of Joburg City Theatres per strategic goal, which in turn will inform the Annual Corporate Scorecard(s) over the period, commencing with this first 2019/20 Annual Business Plan.

4.3. JOBURG CITY THEATRES 2019/20 – 2020/21 LEGACY PROJECTS

Towards 2021, JCT has identified key Legacy Projects which will showcase the City's support and commitment to arts and culture as a vehicle for socio-economic development and for social transformation; as reflected below:

Table 7: Joburg City Theatres Legacy Projects

LEGACY PROJECT	INPUTS / REQUIREMENTS	RESOURCE IMPLICATIONS
A transformed Joburg Ballet.	<ul style="list-style-type: none"> ▪ Ongoing funding commitment; ▪ Enforcing partnerships with other dance forms. 	<p>Commitment: R8m p/a for 2016 - 2020</p>
A revived JPO, partnering to support the establishment of a Soweto Youth Orchestra (Music Tuition Programme).	<ul style="list-style-type: none"> ▪ Ongoing funding commitment; ▪ Secure JPO partnership agreement with Soweto Music Tuition Programme. 	<p>Commitment: R10m p/a for 2018 - 2020</p>
Soweto Theatre Annual Legend Tribute Programme.	<ul style="list-style-type: none"> ▪ Ongoing funding commitment; ▪ Secure touring opportunities for the annual productions. 	<p>Commitment: R700k – R1m p/a for 2016 - 2020</p>

4.4. JOBURG CITY THEATRES 2019/20 PERFORMANCE INFORMATION

In achieving the legacy projects, and in realising its strategic objectives, the 2019/20 “Diphetogo” / “Game Changer” commitments and the performance scorecard of JCT is reflected in the sections below:

4.5. JOBURG CITY THEATRES - 2019/20 “DIPHETOGO” COMMITMENTS

The Mayor has stated his commitment to “business unusual” game changer priorities that will make a significant contribution to enhanced service delivery. In response, the JCT “Dipheto” commitments are informed by, and build upon, the foundation laid by the 2015 JCT “transformation charter” which was aimed at transforming the organisation to be commercially viable and relevant within a changing society. While Joburg City Theatres has traditional audiences, it must be an environment which is accessible to all members of society; and transformation and relevance must be integral to the organisation’s focus.

JCT has identified the following “Dipheto” commitments for the period 2019/20 and beyond:

Table 8: Joburg City Theatres Dipheto

Moral Imperative	Impact	JCT Focus Areas	2021 Target	2019/20		2020/21
				Delivery Target	R (000).	Delivery Target
Social - <i>Greater quality of life and dignity for previously marginalised sections of our society</i>	Inner City Revitalisation Programmes: (Ballet)	Outreach programmes to champion and harness a multi-cultural public space. To develop and attract new audiences to the theatre	2 Programmes	1 Per annum	Current allocation	1 Per annum (submitted) R2 000 (required)
Social - <i>Greater quality of life and dignity for previously marginalised sections of our society</i>	Inner City Revitalisation Programmes: (Orchestra)	To champion and harness a multi-cultural public space. To develop and attract new audiences to the theatre	2 Programmes	1 Per annum	Current allocation	1 Per annum (submitted) R2 000 (required)
Social - <i>Greater quality of life and dignity for previously marginalised sections of our society</i>	Cluster Activations Tribute to Legends	To champion social cohesion and contribute to building a better society through the arts. To be accessible to previously disadvantaged communities. To promote diversity in content creation and curatorship.	4 programmes (productions and concerts) 8 activations (Quarterly)	2 programmes per annum	(2 000)	2 programmes per annum (2 000)
				4 Activations	Current allocation	4 Activations Current allocation

4.6. JOBURG CITY THEATRES - 2019/20 CORPORATE SCORECARD

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				2019/20 Performance Targets				2019/20 Budget				
					Baseline 2017/18 Estimate	2019/20 Target	2020/21 Target	2021/22 Target	Means of Verification	Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2019	Q2 Oct - Dec 2019	Q3 Jan - Mar 2020	Q4 Apr - Jun 2020	Capex	Opex
Strategic Objective 1: Provision of opportunities for the youth, including future arts practitioners and entrepreneurs																	
Promote economic development and attract investment towards achieving 5% economic growth that reduces unemployment, inequality and poverty	Increase work opportunities at JCT	1	Number of Expanded Public Works programmes (EPWP) work opportunities created at JCT	Job opportunities	250	270	300	320	Employment contracts / HR/ Payroll Information	COO	Quarterly	50	170	220	270	-	R1m
					400	500	600	700	Attendance registers	Executive Producer, Artistic Manager	Quarterly	500	500	500	500	-	R2m
	Increase youth development	2	Number of youths attending arts programmes (Non-Cumulative)	Youth development in the art sphere	400 (Non-Cumulative)	500 (Non-Cumulative)	600 (Non-Cumulative)	700 (Non-Cumulative)	Tutor reports on programme content	Executive Producer, Artistic Manager	Quarterly	500 (Non-Cumulative)	500 (Non-Cumulative)	500 (Non-Cumulative)	500 (Non-Cumulative)	-	R2m
Strategic Objective 2: High quality performing arts and entertainment experiences and facilities																	
Create a culture of enhanced service delivery with pride and dignity	Improved service delivery	3	Percentage achievement on service level standards	Service standards turnaround time improvement ⁸	90%	90%	90%	90%	Service Level Standards Report	COO	Quarterly	90%	90%	90%	90%	N/A	N/A
					20	22	24	26	Contracts Marketing material	Executive Producer	Quarterly	9	14	18	22	-	R25.5m
	Improved audience development and accessibility to venues	4	Number of Arts and Culture festivals and themed productions held / in-house production (Annual Targets not cumulative)	To make venues more accessible	20	22	24	26	Promotion of positive social local content	Executive Producer	Quarterly	9	14	18	22	-	R25.5m

SERVICE LEVEL STANDARD	
⁸ CORE BUSINESS	100% accessibility
1. Theatres accessible to people with disabilities	100% of all shows commence within 15 minutes as per schedule
2. Production start times	100% compliance to health and safety legislation
3. Safety of patrons	

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				2019/20 Performance Targets					2019/20 Budget			
					Baseline 2017/18 Estimate	2019/20 Target	2020/21 Target	2021/22 Target	Means of Verification	Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2019	Q2 Oct - Dec 2019	Q3 Jan - Mar 2020	Q4 Apr - Jun 2020	Capex	Opex
Promote economic development		5	Number of Ballet seasons	Image building of the CoJ by Joburg Ballet	6	4	4	4	Quarterly report Contracts and marketing material	Executive Producer	Quarterly	1	2	3	4	-	R8,48m
					4	4	4	4	Quarterly report Contracts and marketing material	Executive Producer	Quarterly	1	2	3	4	-	R10,6m
Strategic Objective 3: Affordable access to and use of theatres by communities																	
Create a City that responds to the needs of the citizens, customers, stakeholders and businesses	Improved audience development and accessibility	7	Number of attendees	Public access	255,000 attendees	260,000 attendees	272,684 attendees	282,000 attendees	Ticket reports	COO	Quarterly	70,000	170,000	210,000	260,000	-	R1m
					NEW	97%	97%	97%	97%	Operating project programme	Operating project programme	Quarterly	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	R208,543
Enhance our financial sustainability	Improved financial planning and project management	8	Percentage spent on operating budget against approved operating budget	Operating project programme	NEW	97%	97%	97%	OPEX expenditure report Financial statements	CFO	Quarterly	10%	30%	70%	95%	R35,800m	
					100% of R25,294m CAPEX budget spent	95%	95%	95%	CAPEX expenditure report Financial statements	CFO	Quarterly	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	-	
Improved financial planning and project management	Percentage spent on repairs and maintenance to property, plant and equipment	9	Percentage of CAPEX budget spent	Capital project programme	NEW	97%	97%	97%	Expenditure report Financial statements	CFO	Quarterly	10%	30%	70%	97%	R3,5m	
					100% of R25,294m CAPEX budget spent	95%	95%	95%	Expenditure report Financial statements	CFO	Quarterly	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	-	
Improved financial planning and project management	Percentage spent on repairs and maintenance to property, plant and equipment	10	Percentage spent on repairs and maintenance to property, plant and equipment	Operating project programme	NEW	97%	97%	97%	Expenditure report Financial statements	CFO	Quarterly	10%	30%	70%	97%	R3,5m	
					100% of R25,294m CAPEX budget spent	95%	95%	95%	Expenditure report Financial statements	CFO	Quarterly	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	-	

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				2019/20 Performance Targets						2019/20 Budget		
					Baseline 2017/18 Estimate	2019/20 Target	2020/21 Target	2021/22 Target	Means of Verification	Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2019	Q2 Oct - Dec 2019	Q3 Jan - Mar 2020	Q4 Apr - Jun 2020	Capex	Opex
Enhance our financial sustainability	Proportion of earned income against total revenue including subsidy	11	Financial sustainability Improved and sound financial management	Financial sustainability Improved and sound financial management	42% / 58% Earn Revenue R84,462m Total revenue R200,909m	41% / 59% Earn Revenue R85,674m Total revenue R208,543m	41% / 59% Earn Revenue R75,922m Total revenue R200,391m	41% / 59% Earn Revenue R95,676m Total revenue R232,533m	Financial statements Income reports	CFO	Annually	42% / 58% Earn Revenue R22,452m Total revenue R553,169m	43% / 57% Earn Revenue R46,370m Total revenue R107,804m	43% / 57% Earn Revenue R68,270m Total revenue R160,421m	41% / 59% Earn Revenue R85,674m Total revenue R208,543m	-	R208,503m
					NEW	100%	100%	100%	Expenditure report Financial statements	CFO	Quarterly	100%	100%	100%	100%	100%	
	Unqualified without material findings	12	Clean audit outcome	Clean audit outcome	Unqualified audit opinion with zero audit report findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	External audit opinion and report Annual financial statement	CFO	Annually	-	Unqualified without material findings	-	-	-	R1.5m
												85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved
	Percentage of resolution of AG findings	13	Strategy improvement plans	Strategy improvement plans	Strategy improvement plans	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	85% of pre-determined objectives achieved	Quarter reports / evidence files	COO	Annually	-	85% of pre-determined objectives achieved	-	-	-	-
												NEW	100%	100%	100%	Quarter reports / evidence files	CFO
	Percentage of resolution of Internal Audit (IA) findings	14	Strategy improvement plans	Strategy improvement plans	Strategy improvement plans	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	70%	100%	100%	N/A
												NEW	100%	100%	100%	Quarter reports / evidence files	CFO
	Percentage compliance with relevant legislation and policy prescripts	15	Strategy improvement plans	Strategy improvement plans	Strategy improvement plans	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	100%	100%	100%	100%	100%	N/A
												NEW	100%	100%	100%	Quarter reports / evidence files	CFO
	Percentage of the strategic risk management action plans implemented	16	Strategy improvement plans	Strategy improvement plans	Strategy improvement plans	NEW	85%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	55%	85%	N/A	N/A
												NEW	100%	100%	100%	Quarter reports / evidence files	CFO

9 100% of valid invoices paid in 30 days from receipt of valid Invoices and Statements

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				2019/20 Performance Targets						2019/20 Budget		
					Baseline 2017/18 Estimate	2019/20 Target	2020/21 Target	2021/22 Target	Means of Verification	Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2019	Q2 Oct - Dec 2019	Q3 Jan - Mar 2020	Q4 Apr - Jun 2020	Capex	Opex
	Increased entrepreneurial support of small businesses	19	Percentage of procurement spend on SMME's against total procurement expenditure	Business Support to SMME's	30%	30%	30%	30%	Procurement reports	CFO	Quarterly	30% of	30% of	30% of	30% of	R7,997m	R53,729m
		20	Percentage of procurement spend on BBBEE against total procurement expenditure	Business support to BBBEE's	75%	75%	75%	75%	Procurement reports	CFO	Quarterly	(quarterly)	(quarterly)	(quarterly)	(quarterly)	(quarterly)	R19,994m
Strategic Objective 5: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT																	
Create a City that responds to the needs of the citizens, customers, stakeholders and businesses	Improved stakeholder mobilisation	21	Number of strategic partnerships created	Partnerships / Collaborations / productions / programmes / events	18	25	30	35	Signed MoA / MoU / contract	Executive Producer	Quarterly	10	15	20	25	-R1,5m	-R1,5m
Enhanced profile of JCT	Improved perception of JCT	22	Number of travelling productions per annum	Domestic / International travel of productions	NEW	1	2	3	Signed MoA / MoU / contract / Travel Report	Executive Producer	Quarterly	1	-	-	-	-R3m	-R3m

4.7. KEY PERFORMANCE AREA DEFINITION

KPI #	KEY PEROMANCE INDICATOR	DEFINITION
1.	Number of Expanded Public Works programmes (EPWP) work opportunities created at JCT	<ul style="list-style-type: none"> This indicator measures the number of work opportunities created under the Expanded Public Works Programme (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.
2.	Number of youths attending arts programmes (Non-Cumulative)	<ul style="list-style-type: none"> KPI measures the number of youth participating in arts programmes
3.	Percentage achievement on service level standards	<ul style="list-style-type: none"> This KPI measures JCT's performance against standards that are set by the City to enhance competitive service level standards
4.	Number of Arts and Culture festivals and themed productions held / in-house production	<ul style="list-style-type: none"> KPI measures the number of Arts and Culture festivals and themed productions held or in-house productions programmed for JCT
5.	Number of Ballet seasons	<ul style="list-style-type: none"> This indicator measures the number of ballet seasons staged by Joburg Ballet.
6.	Number of Philharmonic Orchestra seasons	<ul style="list-style-type: none"> This indicator measures the number of ballet seasons staged by Joburg Philharmonic Orchestra.
7.	Number of attendees	<ul style="list-style-type: none"> This indicator measures the total number of people that attend the JCT's programmes to promote audience development.
8.	Percentage spent on operating budget against approved operating budget	<ul style="list-style-type: none"> This indicator measures year-to-date spending of the operating budget as a percentage of total expenditure approved by Council.
9.	Percentage of CAPEX budget spent	<ul style="list-style-type: none"> The indicator tracks the year-to-date capital budget spent including commitments presented as a percentage of total capital budget approved.
10.	Percentage spent on repairs and maintenance to property, plant and equipment	<ul style="list-style-type: none"> This indicator measures year-to-date spending of the repairs and maintenance budget as a percentage of total expenditure approved by Council. This includes expenditure on repairs and maintenance for labour and materials paid to outside suppliers as well as labour provided inhouse/internally.
11.	Proportion of earned income against total revenue including subsidy	<ul style="list-style-type: none"> This indicator measures the revenue generated by JCT from arts/theatre and hospitality and catering operations income excluding subsidy against total revenue including subsidy

KPI #	KEY PEROMANCE INDICATOR	DEFINITION
12.	Percentage of valid invoices paid in 30 days after receipt of invoice or statement ¹⁰	<ul style="list-style-type: none"> ▪ This indicator measures total percentage of valid invoices that are paid by JCT in 30 days after receipt of invoices or statements
13.	Audit opinion	<ul style="list-style-type: none"> ▪ The indicator measures the audit opinion of the Auditor-General. The opinion can be one of: disclaimer, adverse, qualified and unqualified opinion. Clean audit refers to an unqualified opinion without matters of emphasis in which the audit report issued by the Auditor-General determines that each of the financial records provided by the City is free of any misrepresentations.
14.	Percentage of predetermined objectives achieved	<ul style="list-style-type: none"> ▪ The indicator measures the total percentage of predetermined objectives achieved as set out in the business plan to promote service deliver as indicated in the JCT's mandate.
15.	Percentage of resolution of AG findings	<ul style="list-style-type: none"> ▪ This indicator measures the JCT's performance against resolution of external audit findings
16.	Percentage of resolution of Internal Audit (IA) findings	<ul style="list-style-type: none"> ▪ This indicator measures the JCT's performance against resolution of internal audit findings
17.	Percentage compliance with relevant legislation and policy prescripts	<ul style="list-style-type: none"> ▪ The indicator measures percentage of compliance with legislation and policy prescripts that are relevant to JCT
18.	Percentage of the strategic risk management action plans implemented	<ul style="list-style-type: none"> ▪ The indicator measures percentage of action plans that are implemented by JCT on risk management
19.	Percentage of procurement spend on SMME's against total procurement expenditure	<ul style="list-style-type: none"> ▪ The KPI measures the total value of JCT procurement directed to SMMEs presented as a percentage of total JCT procurement spend.
20.	Percentage of procurement spend on BBBEE against total procurement expenditure	<ul style="list-style-type: none"> ▪ The KPI measures the total value of JCT procurement directed to BBBEE presented as a percentage of total JCT procurement spend
21.	Number of strategic partnerships created	<ul style="list-style-type: none"> ▪ The indicator measures the total number of partnerships that are strategically intended for the benefit of JCT.
22.	Number of travelling productions per annum	<ul style="list-style-type: none"> ▪ This indicator measures the number of productions that JCT is involved in that travels out to other spaces from JCT.

¹⁰ 100% of valid invoices paid in 30 days from receipt of valid Invoices and Statements

4.8. JOBURG CITY THEATRES - 2019/20 DAY TO DAY OPERATIONAL PROGRAMMES

IDP Programme	Result Area	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets			2019/20 Performance Targets					2019/20 Budget					
				Baseline 2018/19 Estimate	2019/20 Target	2020/21 Target	2021/22 Target	Means of Verification	Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2019	Q2 Oct - Dec 2019	Q3 Jan - Mar 2020	Q4 Apr - Jun 2020	Capex	Opex	
Enhance our financial sustainability	Improved financial planning	Rand value of operations budget of Joburg Theatre	Financial Development Plan, implementation and monitoring	R132,880m of operations budget of Theatre	R140,194m of operations budget of Theatre	TBC	TBC	Financial statements	CFO	Quarterly	TBC	TBC	TBC	R140,194m of operations budget of Theatre	-	R132,880m	
				R17,881m of operations budget of Theatre	R18,654m of operations budget of Theatre	TBC	TBC	Financial statements	CFO	Quarterly	TBC	TBC	TBC	TBC	R18,654m of operations budget of Theatre	-	R17,881m
				R28,536m of operations budget of Theatre	R30,106m of operations budget of Theatre	TBC	TBC	Financial statements	CFO	Quarterly	TBC	TBC	TBC	TBC	R30,106m of operations budget of Theatre	-	R28,536m

Strategic Objective 4: Good governance, financial sustainability and sound management

5. FINANCIAL IMPACT

5.1. OPERATIONAL EXPENDITURE - OPEX

Summary of the operational budget:

Joburg City Theatres - Table D2 Budgeted Financial Performance (revenue and expenditure)								
Description	2015/16	2016/17	2017/18	Current Year 2018/19		Medium Term Revenue and Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands								
Revenue by Source								
Rental of facilities and equipment	6,573	7,488	8,033	8,025	8,025	8,458	8,458	8,898
Interest earned - external investments	2,256	4,622	5,545	5,300	5,300	5,700	6,000	6,312
Other revenue	134,628	150,107	161,361	165,772	187,584	194,385	206,580	217,323
Total Revenue (excluding capital transfers and contributions)	143,457	162,217	174,939	179,097	200,909	208,543	221,038	232,533
Expenditure By Type								
Employee related costs	43,912	53,590	68,726	73,431	79,222	86,035	91,540	96,305
Remuneration of councillors	954	1,234	1,324	1,659	2,324	2,360	2,511	2,679
Depreciation & asset impairment	1,132	1,119	1,352	2,400	2,646	2,876	3,044	3,202
Finance charges	52	1		156	-	-	-	-
Contracted services	5,534	5,359	5,055	3,476	4,318	5,086	5,379	5,658
Transfers and subsidies	8,000	8,000	19,339	19,587	19,587	20,645	21,863	23,000
Other expenditure	83,463	83,172	78,371	78,388	92,812	91,541	96,701	101,689
Total Expenditure	143,047	152,475	174,167	179,097	200,909	208,543	221,038	232,533
Surplus/(Deficit)	410	9,742	772	-	-	-	-	-
contributions	410	9,742	772	-	-	-	-	-
Taxation	115	2,728	276					
Surplus/ (Deficit) for the year	295	7,014	496	-	-	-	-	-

5.2. CAPITAL EXPENDITURE - CAPEX

Capital expenditure as registered in the JSIP. It is highly recommended that the JSIP template is inserted into the business plan to demonstrate that department / entity capital expenditure is registered into the JSIP system.

JOBURG CITY THEATRES					
DRAFT MEDIUM TERM CAPITAL BUDGET FOR 2019/20 - 2021/22					
AND ADJUSTMENT BUDGET 2018/19					
Project Description	Insert JSIP No.	Adjusted Budget 2018/19	Draft Budget 2019/20	Draft Budget 2020/21	Draft Budget 2021/22
		R 000	R 000	R 000	R 000
Joburg Theatre - Technical Equipment	4049	1,224	850	901	955
Joburg Theatre - Upgrade of stage machinery	3109	16,680	30,000	31,800	33,708
Joburg Theatre - Building Renovations and upgrades	2806	1,914	850	901	955
Soweto Theatre - Building Renovations and upgrades	3840	528	1,122	1,190	1,261
Promusica Theatre - Building renovations and upgrades	3841	200	683	724	767
Promusica Theatre - Information Technology	3842	408		7	7
Soweto Theatre - Information technology	3843			901	955
Soweto Theatre - Upgrading of Technical Equipment	3710	500	1,156	1,225	1,299
Promusica Theatre - Upgrading of technical equipment	2281	840	939	500	530
Total: Council Approved MTB Capital Projects		22,294	35,800	38,149	40,437
Other and new capital projects					
Catering insourcing		3,000			
GRAND TOTAL		25,294	35,800	38,149	40,437

5.3. BUDGET SUMMARY OVERVIEW

Capital expenditure as registered in the JSIP. It is highly recommended that the JSIP template is inserted into the business plan to demonstrate that department / entity capital expenditure is registered into the JSIP system.

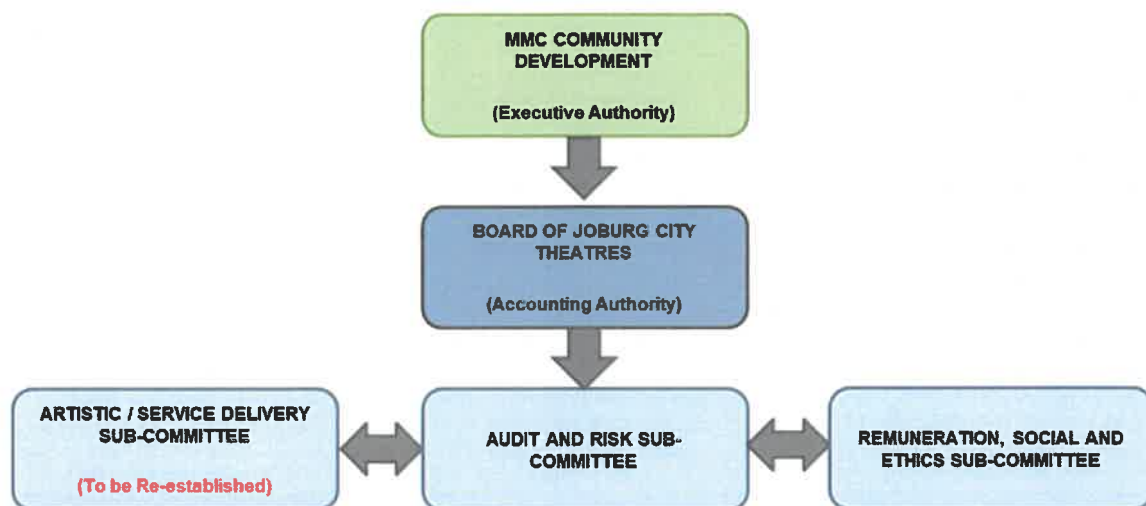
6. MANAGEMENT AND ORGANISATIONAL STRUCTURE

6.1. JOBURG CITY THEATRES GOVERNANCE ARRANGEMENTS

Joburg Theatre (SOC) Ltd has a unitary board, which consists of two executive and ten non-executive directors. The Board is chaired by a non-executive director. 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 following figure reflects the corporate governance structure of Joburg City Theatres.

Figure 7: The Joburg City Theatres Governance Structure



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, Bi-Annual and Annual Reports on its service delivery performance to the COJ, as prescribed in the SDA, the MFMA and the MSA.

Non-executive Directors contribute an independent view to matters under consideration and add to the depth of experience of the Board. The roles of Chairperson and Chief Executive Officer are separate, with responsibilities divided between them. The Chairperson has no executive functions.

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.

The Chief Executive Officer and Chief Financial Officer attend Board and sub-committee meetings on an invitation basis.

6.2. GOVERNANCE AND OVERSIGHT

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.

The Board consists of the following members:

- Mr Nkopane Maphiri – Non-executive Director / Chairperson
- Ms Ashley Hayden – Non-executive Director
- Ms Mpho Lecoge - Non-executive Director
- Ms Stella Baloyi - Non-executive Director
- Ms Amanda Forsythe – Non-executive Director
- Mr Junior Ramovha - Non-executive Director
- Mr Khwathelani Tshikovhi - Non-executive Director
- Ms Lihle Hazel Nyewula – Non-executive Director
- Mr Masixole Mrwebi – Non-executive Director

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 committee convened two ordinary meetings and one special meeting during the period under review.

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.

The Company Secretary for the company advises the committees. The Chief Executive Officer and Chief Financial Officer attend meetings on an invitation basis.

6.3. ORGANISATION STRUCTURE

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. 86% of the staff compliment is made up of historically disadvantaged individuals and 29% are female.

- As at 30 June 2018, JCT has **318** employees. The workforce profile is presented as follows: 142 of staff are permanent employees and 176 are temporary fixed term employees. Temporary employees are divided into ushers and Hospitality and Catering employees. As of 30 June 2018, the total number of ushers across the three theatres was 52 as reflected in the above table. Ushers are ad hocs who are not full time employees. They are contracted and required to work and/or called per show. They are paid an hourly rate.
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- The second largest group of temporary employees is found in the Hospitality and Catering department. The total number stands at 87 as of 30th June 2018. This group of employees consists of waitress, scullers, bartenders, Commie Chefs, kitchen staff, banqueting staff and general assistants, etc. The Department currently utilises Fixed Term Contract due to the business requirements for the following reasons –
- - 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.
 - The restaurant business is managed on a day to day basis based as per point 1, as well as the daily take up of the restaurant by the surrounding businesses.
 - Unfortunately, the department 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.
 - There are very few foreign nationals in the workforce but for the employees. Their fixed term contracts are based on their current valid work permits.

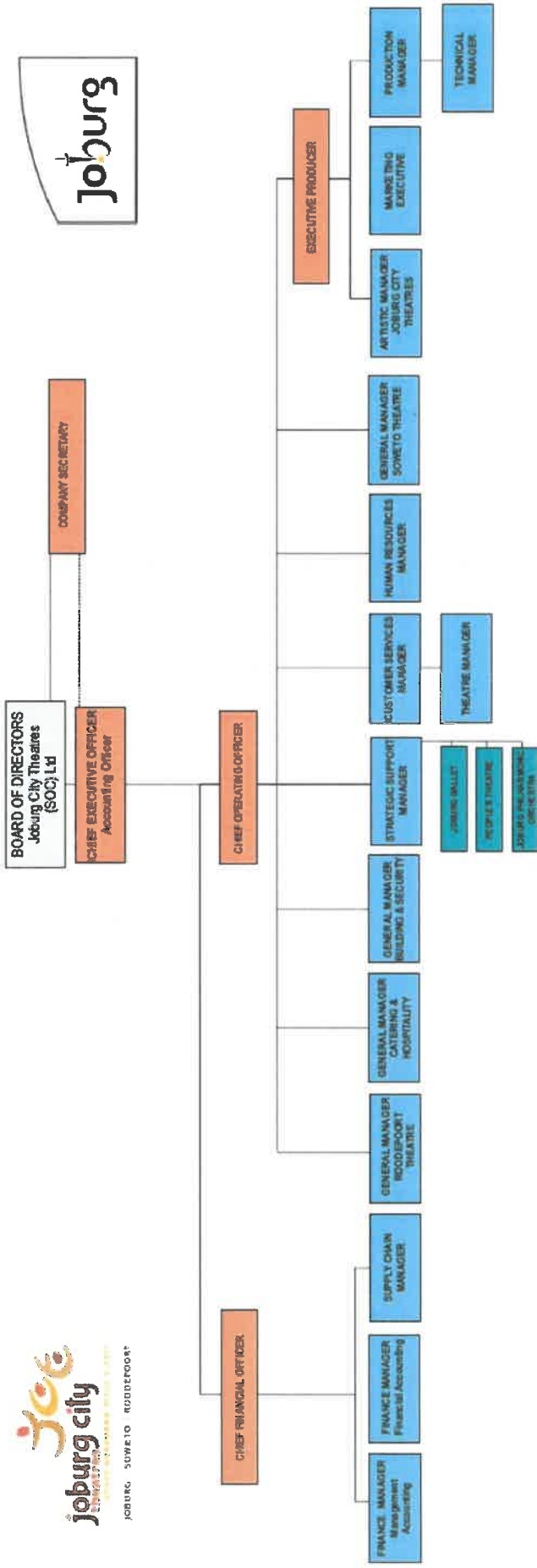
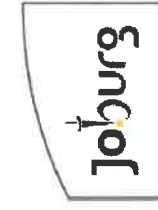
The organisational structure follows the business model that informs its operation:

- 1) The Governance Department works with the company's Chief Executive Officer in various governance, compliance, finance roles and youth development to effectively operate the three theatres.
 - i. 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.
 - ii. Strategic Support Services such as Joburg Ballet, Joburg Philharmonic Orchestra and Peoples Theatre Company and Festivals.
 - iii. Facilities Management, responsible for ongoing maintenance, cleaning, Safety and Security.
- 2) The Programming and Artistic Department is responsible for planning and programming, marketing and publicity, strategic relationships, production and technical services, customer services and ticket sales.

- i. 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. Every effort is made to identify and target employees suitable for promotion. Regular performance appraisal and development interviews are conducted, followed by a thorough training needs analysis.

The current approved JCT Organisational Structure:



JOBURG CITY THEATRES
(SOC) Ltd
Company Organogram

6.4. CAPACITY ANALYSIS

The entity is committed to the maintenance of standards by supporting and training staff through its professional skills development programme. This programme aims to develop both technical and people skills required for the company to conduct its business on an effective basis. Our skills development programmes are in line with the requirements of the Skills Development Act and our workplace plan (WSP) is aligned to our business plan and focus is placed on occupational specific programmes, management development and legally required training.

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.

The company's skills development programmes are in line with the requirements of the Skills Development Act and its workplace plan (WSP) is aligned to the 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.

6.5. 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.

All the relevant employment equity reports, have been submitted to the Department of Labour. The Chief Executive Officer is responsible for the monitoring of the implementation of the employment equity plan.

The implementation of JCT's employment equity plan is on track. The company is committed to the principles of equity, anti-discrimination and diversity as enshrined in the Constitution and the Employment Equity Act.

In this context, JCT seeks to create an institution that reflects the diversity of South African society, and which contributes to maximising the human resource potential of its entire people.

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 entity's employment equity programme was extremely progressive and we exceeded the targets set. Our conviction to ensure material participation of previously disadvantaged companies and individuals is demonstrated by the degree of procurement spent on the designated companies and individuals. The Chief Executive Officer, together with the Chief Operating Officer, is responsible for the monitoring of the implementation of the employment equity plan.

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 86% of the permanent staff compliment, 29% youth and 29% 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.

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

As we look to 2019-20 and beyond, the company's success will depend on the quality of the strategic objectives set. These decisions will need to be made in an organisational culture which is fully representative of our society in terms of race, gender, disability and other forms of diversity. Hence we promote ongoing transformation at all levels of the company in line with our objectives for employment equity.

Towards achieving this goal, we will continue to implement various policies and practices throughout JCT. These include:

- 1) Identifying and eliminating employment barriers;
- 2) Eliminating unfair discrimination on the grounds of race, religion, sexual preference, gender or any other basis;
- 3) Complying with regulations and legislation, including empowerment and transformation, within operational environments;

- 4) Subscribing to a Code of Ethics that will guide and promote sound governance and equal opportunity within our organisation.

Gender Equity:

With the recent integration of the three theatres, it was noticed that the Gender Equity was not balanced. The company plans to promoting equal opportunity and fair treatment in employment, through the elimination of unfair discrimination and implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups, to ensure their equitable representation in all occupational categories and levels in the workforce. To balance the Employment Equity within the company, JCT will give preference to females on middle, senior and executive management when opportunities arise.

7. RISK MANAGEMENT

- The management of risks is the responsibility of the Chief Executive Officer, who carries out this duty with the Theatres' management team. The Finance Manager is the company's Risk Champion. The company's Risks Register is reviewed monthly by EXCO and quarterly at each meeting of the Audit and Risk Committee and the Board of directors.
- The Joburg City Theatres has established and maintains a system of risk management in accordance with the provisions of the Municipal Finance Management Act, 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 (or as regularly as may be agreed between the Board and the Committee) 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 will, therefore, have to adopt the CoJ Group Risk Management Framework and Group Risk Management Policy as approved by Council.

JCT's Risk Management Framework and Policy and Compliance Framework, have been aligned to the CoJ Group Framework.

The tables on the following pages spell out the areas of both the strategic and operational risks identified by the company as at April 30 2019, including risk control measures.

ME Objectives	Risk Description	Root Causes/ Background to the risk	Impact	Likelihood	Inherent Risk	Current controls	Control Effectiveness	Residual risk	Risk Owner	Actions to improve management of the risk	Action Owner/s	Action Deadline
1 High quality performing arts and entertainment experience and facilities	Countrywide implementation of load shedding by the state power utility (Eskom)	1. Eskom is experiencing a shortage of capacity due to a number of generating units still out of service due to breakdowns. The situation remains light and volatile Eskom might implement further load shedding in the year should the situation deteriorate. 2. Consistent load shedding could lead to cancellation of shows resulting in financial loss and reputational damage. 3. Lack of alternate power generation in Joburg Theatre and Soweto Theatre leading to either cancellation of shows or no bookings	Catastrophic	Almost Certain 5	High	1. JI continuously engages and negotiates with City Power to conveniently schedule load shedding. 2. ST has an emergency generator for lighting 3. RT has a generator however does not provide sufficient power to run all the operations	Poor	High	CEO	Motivate for purchasing and upgrading of generators and other alternative sources of power for all three theatres	CFO	May-19
2 Affordable access to and use of theatres by communities	Inconsistent attendance at theatre show.	1. High cost of productions and the need to recover costs. 2. Effect of the country's economic status. 3. Lack of exposure of potential audiences to the theatre experience	Major	Almost Certain 5	Medium	1. Different pricing structures based on product and venue. 2. Offering a limited number of discounted and/or free tickets to the youth and senior citizens 3. Mobile theatre truck used to take the arts to targeted disease communities.	Fair	Moderate	CEO	1. Development of a guideline on issuing of discounted and/or free tickets 2. Develop funding strategy to target sponsorship 3. Conduct comprehensive survey to establish audience needs	1. Executive Producer / COO 2. CEO 3. EP	1.30 September 2019 2.30 September 2019 3.31 December 2019
3 Good governance, financial sustainability and sound management	Key positions vacant	Executive Producer (EP) & Community Development Manager(CDM) positions vacant	Major	Almost Certain 5	Medium	1. Acting EP in place 2. EP & CDM recruitment has commenced	Fair	Moderate	CEO	1. Appointment of the EP and CDM	CEO and EXCO	August 31, 2019
4 High quality performing arts and entertainment experience and facilities	Aged, obsolete and outdated stage machinery and equipment	1. Old stage machinery becomes no longer usable. Stage machinery has reached its end of life and needs urgent replacement. 2. The current machinery can affect staging of productions and attracting new ones.	Major	Almost Certain 5	High	1. Upgrades of the stage machinery are underway 2. Theatre calendars are aligned with the project plan 3. Project manager and steering committee is in place to oversee the implementation of the project 4. Phase 1: Automation and software upgrades is completed	Fair	Moderate	CEO	1. Monitor the implementation of the project plan. 2. Phase 2 upgrade on the stage lifts to be completed 3. Phase 3 for finalising and testing to be done	CFO	1. Quarterly 2. 30 June 2020 3.30 June 2021

No	M.E Objectives	Risk Description	Root Causes/ Background to the risk	Impact	Likelihood	Inherent Risk	Current controls	Control Effectiveness	Residual risk	Risk Owner	Actions to improve management of the risk	Action Owner/s	Action Deadline
5	Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	Lack of brand architecture (continuous and consistent message management)	1. Reputation of the IT and SI precincts 2. Inadequate marketing budget 3. Ineffective implementation of the marketing strategy	Major	Likely 4	High 4	1. Media partnerships 2. Media database management 3.1 Continuous productions awareness campaigns. 3.2. Marketing strategy in place	Fair	Moderate	CEO	1. Filing of the EP Position 2. Approval and implementation of the renewed marketing and communication strategy	1. CEO 2. Marketing Executive	1.31 August 2019 2. 31 December 2019
6	Good governance, financial sustainability and sound management	Theft, fraud and corruption	1. Conflict of interest 2. Inadequate segregation of duties / inadequate or no supervision 3. Weak internal control environment - cash handling / administrative procedures 4. Lack of accountability 5. Poor work ethics 6. Greed, collusion, bribery 7. Inadequate IT access controls 8. Inadequate physical security controls	Major	Likely 4	High 4	1. Anti fraud and anti corruption policy in place 2. Fraud prevention plan 3. Code of conduct 4. Segregation of duties 5. Declaration of interests 6. Gift register in place 7. Remuneration, Social and Ethics Committee 8. fraud risk assessment conducted annually 9. Anti-fraud and corruption awareness workshops conducted	Fair	Moderate	CEO	1.1. Continue to conduct anti-fraud and corruption awareness workshop, Fraud risk assessment 1.2. Continue to conduct Fraud risk assessment	Company Secretary	1.1. Bi-annually 1.2. Annually
7	Good governance, financial sustainability and sound management	Non-compliance with applicable legislation	1. Various and changing legislative requirements to be complied with. Non-compliance could be detrimental to the company. 2. There is a requirement to comply with MSCOA	Major	Possible 3	High 3	1. Regulatory compliance register/ assessment tool monitored by the Company Secretary. 2. Compliance policy and framework in place 3. Presented to the BOD the impact and progress on MSCOA compliance. 4. Quarterly reporting to oversight committees on compliance. 5. Entity is currently transacting on mSocsa	Fair	Moderate	CEO	1.1. Review of Regulatory compliance register 1.2. Continuous monitoring reporting on compliance. 2. Seamless integration of systems will be completed on implementation of SAP	1. Company Secretary 2. CFO	1.1.31 August 2019 1.2. Monthly & Quarterly 2. 31 December 2019
8	The provision of opportunities for the youth, including future arts practitioners and entrepreneurs	Limited programmes available for newly trained Arts Practitioners	1. Limited in-house production to absorb newly trained practitioners	Moderate	Possible 3	Moderate	1. Applied Performing Arts and Arts Management partnership with WITS. 2. Weekly drama workshops 3. Mentoring and upskilling of internal staff in key positions on in-house productions	Good	Low	CEO	1. Establish partnership with other role players in the industry	Executive Producer / COO	30 June 2020