



JOBURG | SOWETO | ROODEPOORT

Joburg Theatre (SOC) Ltd

T/a

**Joburg City Theatres
City of Johannesburg**

**Business Plan
for the Financial Year
2020/21**



**Approved by Board on 25 June 2020
Approved for Midyear Deviations on Jan 2021**



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TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS	4
OFFICIAL SIGN-OFF	6
1. EXECUTIVE SUMMARY AND STRATEGIC OVERVIEW OF JCT	7
1.1. Mandate and Core Business.....	10
1.2. Vision	11
1.3. Mission	11
1.4. Values	12
1.5. Strategy and Policy Imperatives Providing Context to the Work of JCT	13
1.6. JCT Operating and Business Model	16
1.7. JCT Strategic Objectives to 2021	21
2. SITUATIONAL ANALYSIS INFORMING JCT'S BUSINESS PLAN FOR 2020/21	25
2.1. Analysis of the Macro Socio-Economic Environment.....	25
2.2. PESTEL Analysis.....	28
2.3. JCT'S "TOWS" Analysis	33
2.4. Strategic Response – Priorities and Focus Areas Informing the 2020/21 Annual Business Plan	42
3. COMMUNICATION AND STAKEHOLDER MANAGEMENT	46
3.1. Stakeholder Management Analysis.....	47
3.2. COMMUNICATION PLAN	52
4. IMPLEMENTATION AND PERFORMANCE REVIEW	54
4.1. Past Performance Highlights	54
4.2. Key Performance Areas	57
4.3. JOBURG CITY THEATRES 2020/21 – 2020/21 LEGACY PROJECTS.....	58
4.4. JOBURG CITY THEATRES 2020/21 PERFORMANCE INFORMATION.....	58
4.5. Joburg City Theatres - 2020/21 "game changer" Commitments.....	59
4.6. Joburg City Theatres - 2020/21 Corporate Scorecard	60
4.7. key performance area definition.....	64
4.8. Joburg City Theatres - 2020/21 Day to Day Operational Programmes	66
5. FINANCIAL IMPACT	67
5.1. Operational Expenditure - OPEX	67
5.2. Capital Expenditure - CAPEX.....	68
5.3. BUDGET SUMMARY OVERVIEW	68
6. MANAGEMENT AND ORGANISATIONAL STRUCTURE	68
6.1. JOBURG CITY THEATRES GOVERNANCE ARRANGEMENTS.....	68
6.2. governance and oversight	70
6.3. Organisation Structure	71
6.4. Capacity Analysis	74
6.5. Employment Equity	74
7. RISK MANAGEMENT	76

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
COVID-19	A 2019 disease caused by a new strain of coronavirus. 'CO' stands for corona, 'VI' for virus, and 'D' for disease.
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
GLU	Government of Local Unity
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 2020/21 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 2020/21 financial year, given the resources made available in the budget.

Recommended by:

Mr. Solomon Mphakathi

Chief Financial Officer

Signature:

Date:



12-02-2021

Ms. Bridget Mashika

Chief Operating Officer

Signature:

Date:



12/02/2021

Ms. Xoliswa Nduneni-Ngema

Chief Executive Officer (Accounting Officer)

Signature:

Date:



12/02/2021

Approved by:

Mr. Desmond Ndzipho

Chairperson of the Board

Signature:

Date:



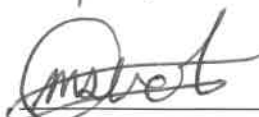
12/02/2021

Cllr. Margaret Arnolds

MMC: Community Development

Signature:

Date:



12/02/2021

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.

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

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

throughout the year to children between the ages of 3 and 13 – and one of the country’s most respected community development projects in the arts, the tiny ‘black-box’ theatre known as space.com.

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 “Joburg City Theatres” (JCT) is the Accounting Authority in terms of the Municipal Finance Management Act (MFMA). The Board provides strategic direction, leadership and oversight, so as to enhance shareholder value and ensure Joburg City Theatres’ long-term sustainability, development and growth. In fulfilling its responsibilities, the Board is supported by the Chief Executive Officer and the executive team in implementing the approved Strategic Plan 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 2020/21 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 2020/21) – 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”.

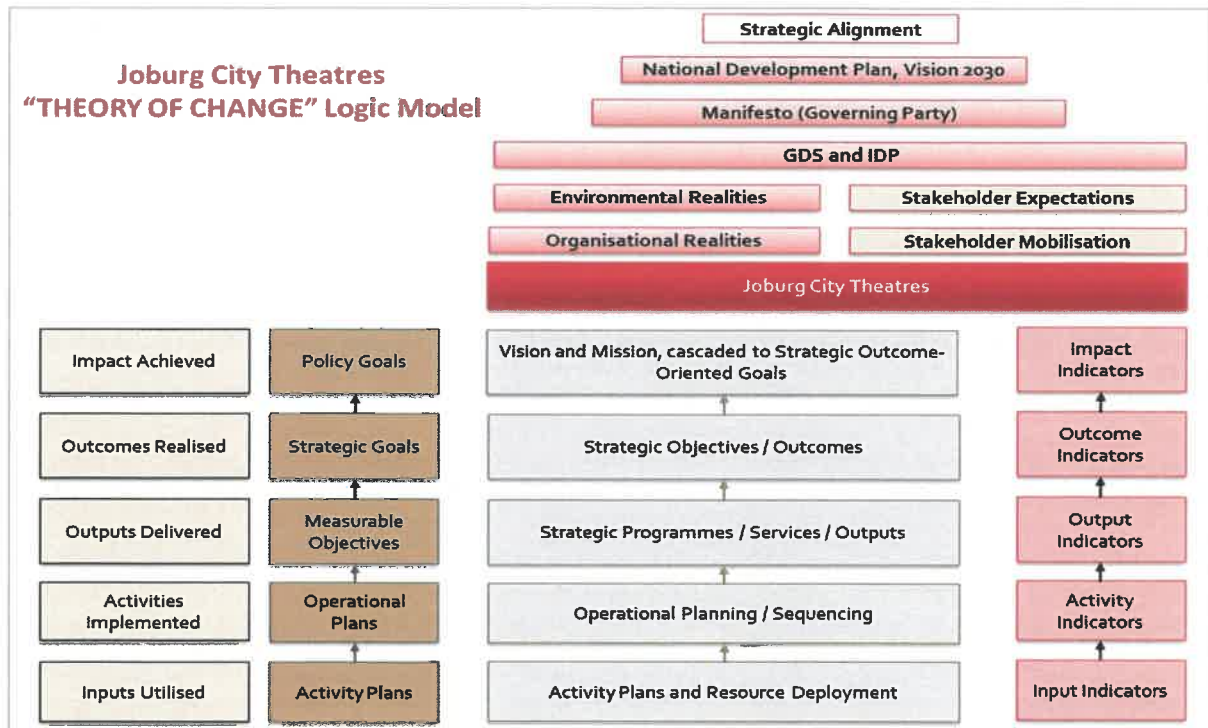
During November to December 2019, Joburg City Theatres thus embarked on an iterative process to critically examine its strategic posture and direction in line with its mandate, and in light of shifts in the environment, which have an impact on its planning and programme delivery. There was a need to 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 2020/21. 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, CORE AND SECONDARY 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) To enable Joburg residents to access and benefit from quality arts and culture facilities and experiences;
- 3) The hosting and showcasing of revenue generating local and international productions that have a positive impact on the financial sustainability of Joburg City Theatres, whilst also exposing Joburg citizens to globally recognised professional entertainment;
- 4) The hosting of quality performing arts and entertainment productions that are attractive to both traditional and regular theatre goers, but also to new and diverse audiences;
- 5) The promotion and development of local content and local markets through programmes that advance social cohesion and support the transformation of society;
- 6) The in-house and/or co-production and staging of arts and entertainment productions in collaboration with local and international arts practitioners, entrepreneurs and enterprises;
- 7) The acceleration of youth development through enhancing the teaching and learning experience of learners, programmes that stimulate an interest in the arts as a viable career path and the provision of opportunities for future arts practitioners and entrepreneurs;
- 8) To conceptualise, create, produce, market and disseminate content, both through own facilities and by taking shows to communities;
- 9) Provision of supportive hospitality infrastructure and services;

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

The primary mandate of Joburg City Theatres is:

To provide a high quality and innovative live entertainment and educational programmes, which serves the diverse communities of the City of Joburg and supports social cohesion, 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 relevant productions and experiences; and support youth development, including the development of future arts practitioners and entrepreneurs; and***
- ***To offer quality support and services that enable the acquisition and hosting of local and international professional productions and experiences that are relevant to diverse audiences.***

1.2. VISION

Joburg City Theatres sets for itself the following vision:

A leading World Class home of live entertainment, providing sustainable, development-oriented and diverse programming.

In support of the City of Joburg's Vision:

"Johannesburg – a World Class African City of the Future – a vibrant, equitable African city, strengthened through its diversity; a city that provides real quality of life; a city that provides sustainability for all its citizens; a resilient and adaptive society. Joburg. My City – Our Future!"

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 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 sustainability, good governance 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 Excellence	<ul style="list-style-type: none"> ▪ We will at all times render the quickest, responsive and best service to our customers. We will do so in a competent, timely, cost effective, efficient and professional manner. ▪ We will strive for enhanced levels of customer satisfaction and responsiveness, and diligently strive to meet and exceed our service standards.
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.
Accountability	<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; ▪ 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; ▪ 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 2040 (GDS)** presents five systemic outcomes that serve to guide and orientate all planning in the City and shape the priorities of the City to 2040, namely:

Outcomes	What it means in practice
Outcome 1	<p>Improved quality of life and development-driven resilience for all</p> <ul style="list-style-type: none"> ▪ <i>The City envisages a future that presents significantly improved human and social development realities, through targeted focus on poverty reduction, food security, development initiatives that enable self-sustainability, improved health and life expectancy, and real social inclusivity. By 2040, the City aims to achieve substantially enhanced quality of life for all, with this outcome supported by the establishment of development-driven resilience</i>
Outcome 2	<p>Provide a resilient, liveable, sustainable urban environment – underpinned by infrastructure supportive of a low-carbon economy</p> <ul style="list-style-type: none"> ▪ <i>The City plans to lead in the establishment of sustainable and eco-efficient infrastructure solutions (e.g. housing, eco-mobility, energy, water, waste, sanitation and information and communications technology), to create a landscape that is liveable, environmentally resilient, sustainable, and supportive of low-carbon economy initiatives.</i>
Outcome 3	<p>An inclusive, job-intensive, resilient and competitive economy that harnesses the potential of citizens</p> <ul style="list-style-type: none"> ▪ <i>The City of Johannesburg will focus on supporting the creation an even more competitive, ‘smart’ and resilient city economy, when measured in relation to national, continent and global performance. The City will promote economic growth and sustainability through the meaningful mobilisation of all who work and live here, and through collaborating with others to build job-intensive long-term growth and prosperity, from which all can benefit</i>
Outcome 4	<p>A high performing metropolitan government that pro-actively contributes to and builds a sustainable, socially inclusive, locally integrated and globally competitive Gauteng City Region.</p> <ul style="list-style-type: none"> ▪ <i>The City envisages a future where it will focus on driving a caring, responsive, efficient and progressive service delivery and developmental approach within the GCR and within its own metropolitan space, to enable both to reach their full potential as integrated and vibrant spaces.</i>

The above strategy and policy imperatives inform this business plan of Joburg City Theatres for the financial year 2020/21. 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 1**, 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 the new strategic agenda and the Government of Local Unity (GLU) 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:

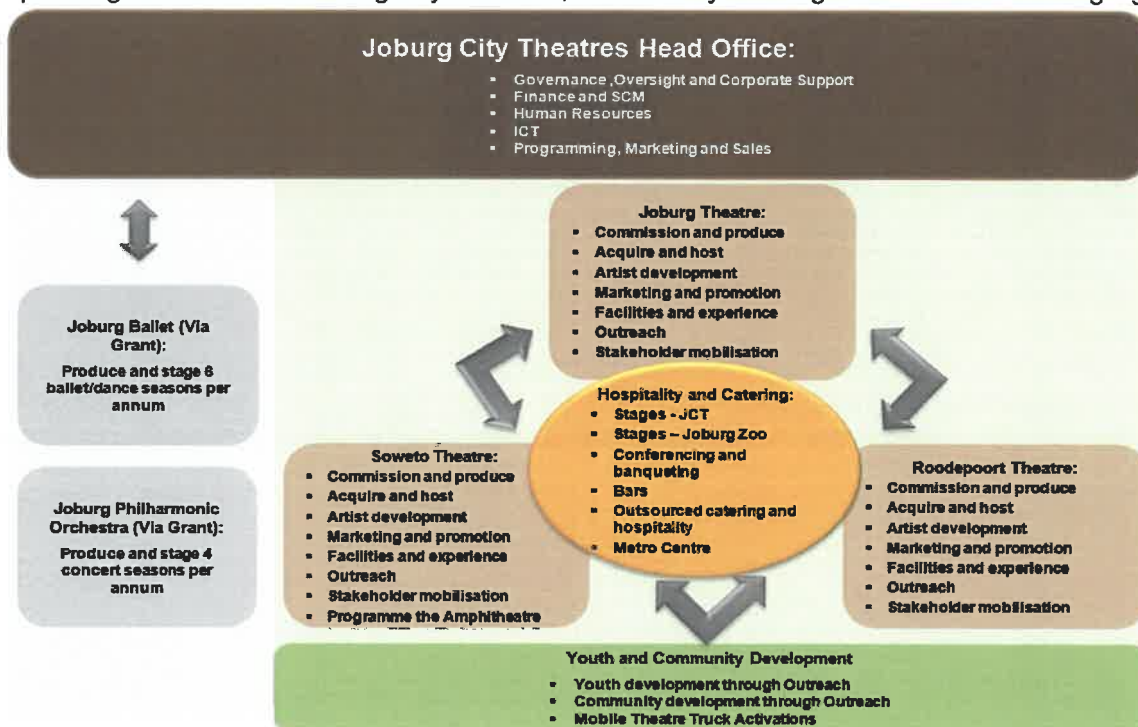
COJ PRIORITIES AND IDP PROGRAMMES	JOBURG CITY THEATRES STRATEGIC FOCUS AREAS (Informing JCT Strategic Objectives and Key Result Areas)
<ul style="list-style-type: none"> ➤ COJ Priority 7: Active and Engaged Citizenry IDP Programme 7, 9 & 10: ➤ Community Based Planning and enhanced community engagement, including Mayoral Imbizos ➤ Combat drug and substance abuse ➤ Combat Gender based violence 	<ul style="list-style-type: none"> ▪ Audience development; ▪ Arts education and arts talent development. ▪ Theatre open days ▪ Mobile theatre truck – take theatre to communities;
<p>COJ Priority 5: Job opportunity and creation</p> <ul style="list-style-type: none"> ➤ IDP Programmes 5: Job opportunities and creation 	<ul style="list-style-type: none"> ▪ Expanded Public Works programmes (EPWP) opportunities ▪ Provide opportunities for the youth, including development of future arts practitioners ▪ Work opportunities created at JCT
<p>COJ Priority 4: Sustainable Service Delivery</p> <ul style="list-style-type: none"> ➤ IDP Programme 1: Accelerated and visible service delivery and reintroduction of coproduction in the delivery of basic services 	<ul style="list-style-type: none"> ▪ Thematic productions; ▪ Host, develop and stage productions that tell the story – and promote civic pride / cohesion; ▪ Customer care improvement; ▪ Integrated programming of the theatres ▪ Ensure efficient and effective internal business processes and systems.
<p>COJ Priority 1: Good Governance</p> <p>IDP Programme 11:</p> <ul style="list-style-type: none"> ➤ Combat corruption, fraud and maladministration 	<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 2: Financial sustainability</p> <ul style="list-style-type: none"> ➤ IDP Programme 2: Improve and strengthen financial position 	<ul style="list-style-type: none"> ▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue; ▪ Increase asset utilisation and leveraging investment; ▪ Well planned and implemented CAPEX and maintenance programme. ▪ Cost efficiency across value-chain;

COJ PRIORITIES AND IDP PROGRAMMES	JOBURG CITY THEATRES STRATEGIC FOCUS AREAS (Informing JCT Strategic Objectives and Key Result Areas)
<p>COJ Priority 8: Sustainable Economic Development</p> <p>➤ IDP Programme 6 Development and support of SMME</p>	<ul style="list-style-type: none"> ▪ 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.
<p>COJ Priority 10: Smart city</p> <p>➤ IDP Programme 1: Accelerated and visible service delivery and reintroduction of coproduction in the delivery of basic services</p>	<ul style="list-style-type: none"> ▪ Theatre production streaming ▪ Offering free wifi in theatre venues ▪

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 six 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
Head Office Operations:	
Governance, Oversight and Corporate Support	<p><u>Aim:</u> supporting the delivery of JCT services to the right quality and standard; promoting good governance, transparency and accountability; ensuring sound financial management and accounting; and building institutional resilience and administrative capability.</p> <p><u>Focus areas:</u></p> <ol style="list-style-type: none"> 1) To provide an enabling environment in support of all five strategic objectives, through the provision of effective leadership, strategic management and corporate support within Joburg City Theatres, in fulfilment of its mandate and mission; 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 and Brand Awareness	<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. <p>To assist in increased ticket sales:</p> <ol style="list-style-type: none"> 2) 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.
Joburg Theatre	
	<p><u>Aim:</u> To be seen as an industry leader in Africa providing high-quality and diverse live performances, the preferred venue for artists, producers and directors to partner and co-produce with, and a leading partner for the export of local and international production content.</p> <p><u>Focus areas:</u></p>

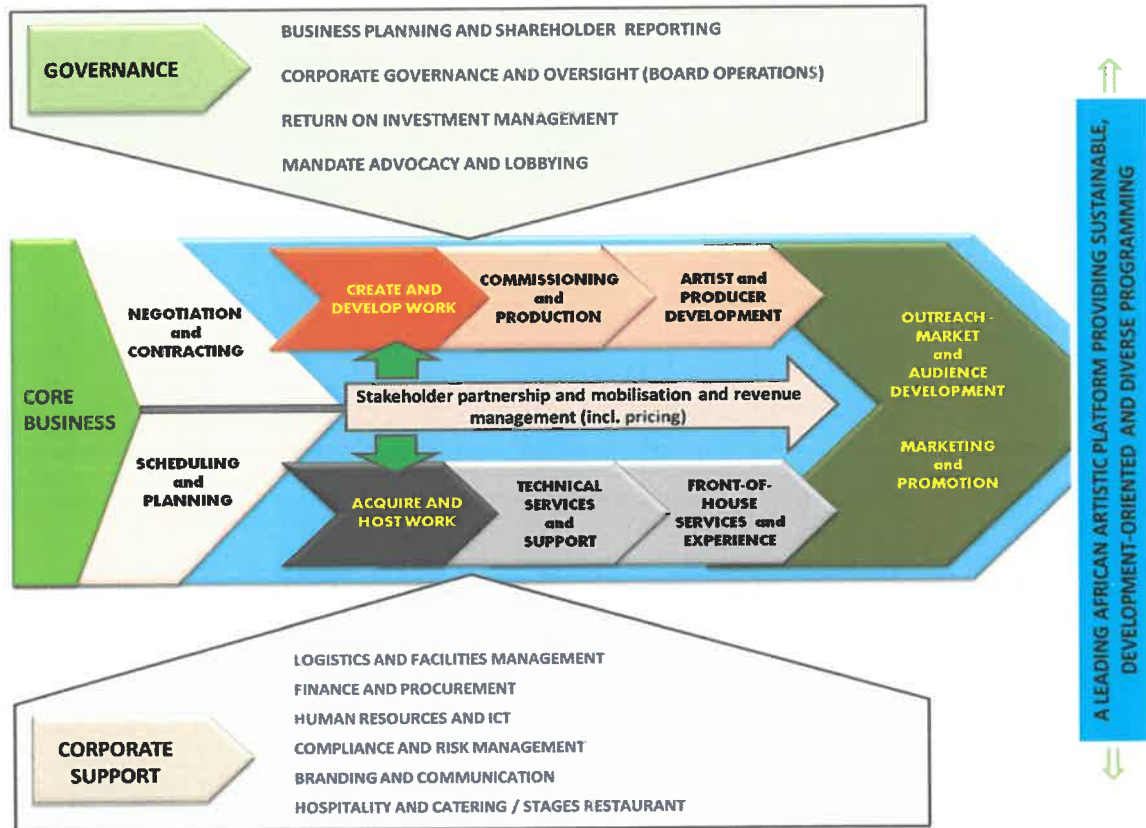
Operating Division	Aim and Focus Areas
	<ol style="list-style-type: none"> 1) Maintain traditional JT strengths (panto, ballet, opera, musicals), but to infuse cutting edge and contemporary art forms (dance, drama and concerts); 2) Develop exceptional curatorship and client relationship management discipline; 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. 5) Audience development
Roodepoort Theatre	
	<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 the youth and communities through music, theatre, poetry, dance and festivals.</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).
Soweto Theatre	
	<p><u>Aim:</u> To be a first township theatre experience, that is relevant and meaningful to society. A place of gathering in lifestyle entertainment.</p> <p><u>Focus:</u></p> <ol style="list-style-type: none"> 1) Be a destination for national and international tourists visiting Soweto; 2) Provide a teaching and learning experience, which adds value to the educational experience of young people in Gauteng;

Operating Division	Aim and Focus Areas
	3) Maintain a sustainable and socially impactful in-house to rental ratio; and 4) Be a national and international festival venue including the other venues in the Jabulani precinct.
Hospitality and Catering + Events	
	<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"> ▪ Stages restaurants and bars within all three theatres; ▪ Stages restaurant, canteen and bar in the metro centre; ▪ Two restaurants in the Joburg Zoo. 2) The provision of hospitality venues: <ul style="list-style-type: none"> ▪ Six hospitality venues in the Joburg Theatre; ▪ One hospitality venues in the Roodepoort Theatre; ▪ Two flexible hospitality venues in the Soweto Theatre. 3) The provision of external catering: <ul style="list-style-type: none"> ▪ Strong relationships within the Metro Centre, CoJ Departments and entities who procure bulk catering services.
Youth and Community Development	
	<p><u>Aim:</u> To develop artists through education and support programmes; to excel in the various art forms. This will allow artists to be part of socio-economic development; and to provide opportunities for future arts practitioners and entrepreneurs for revenue generation in the practice.</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 programmes focused in education, education support and community participation; 2) Track growth of current programmes, introduce new developmental programmes and capacitate exchange programmes through partnerships; and

Operating Division	Aim and Focus Areas
	3) Increase utilisation of the Mobile Theatre Truck as part of outreach programmes. 4) Providing Space.com at Joburg Theatre and Basement at Roodepoort Theatre as venues for development programmes.
Via Grant:	
Joburg Ballet	<p><u>Aim:</u> To present professional productions of a consistently high standard, accessible to all South Africans and audiences internationally, and to provide dancers with an artistic education of excellence.</p> <p><u>Focus:</u></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 creativity with audiences, dance teachers and arts practitioners in Johannesburg, South Africa and abroad. 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.
Joburg Philharmonic Orchestra	<p><u>Aim:</u> To be an orchestra, which is internationally recognised for its artistic excellence, innovation, education initiatives and community engagement programmes.</p> <p><u>Focus:</u></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 identified relate to and are 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 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 model, and are aligned to both the GDS 2040 and CoJ strategic priorities and outcomes of the Government of Local Unity.

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) 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 mandate, vision and mission; ▪ Supporting the development and creation of work; ▪ Strengthening the acquiring and hosting of local and international work; ▪ Facilitate production partnerships with theatres in South Africa and the African Diaspora for the development of productions from African stories; ▪ Ensuring facilities and infrastructure are in excellent condition; and ▪ Monitor and enhance customer satisfaction and the achievement of service standards. 	<ul style="list-style-type: none"> ▪ Sustainable service delivery ▪ Financial sustainability ▪ Job opportunity and creation ▪ Smart City
<p>2) 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; and ▪ Fundraising and donations. 	<ul style="list-style-type: none"> ▪ Sustainable Service Delivery ▪ Financial sustainability

Joburg City Theatres Strategic Objective (Towards achieving the mandate, mission and Strategic Priorities)	Objective Description and Focus Areas	CoJ Priority Alignment
<p>3) Provision of opportunities for the youth, including future arts practitioners and entrepreneurs.</p>	<ul style="list-style-type: none"> ▪ Support local content development; ▪ Support for youth development programmes; ▪ Facilitate partnerships and co-productions that widen the participation of local producing partners engaged with JCT; ▪ Implement structured opportunities for the development of the talents and skills of young people in the arts; and ▪ 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"> ▪ Active and engaged citizenry ▪ Job opportunity and creation ▪ Sustainable Economic Growth
<p>4) Affordable access to and use of theatres by communities.</p>	<ul style="list-style-type: none"> ▪ Thematic 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 access to JCT venues; ▪ Accessibility to theatres venues for people living with disabilities; and ▪ Mechanisms and approaches that assist to make theatre going practical for various communities; 	<ul style="list-style-type: none"> ▪ Job opportunity and creation ▪ Active and Engaged Citizenry ▪ Sustainable service delivery

Joburg City Theatres Strategic Objective (Towards achieving the mandate, mission and Strategic Priorities)	Objective Description and Focus Areas	CoJ Priority Alignment
<p>5) Good governance, financial sustainability and sound management.</p>	<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; ▪ 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; and ▪ Ensure efficient and effective internal business processes and systems. 	<ul style="list-style-type: none"> ▪ Good Governance ▪ Financial Sustainability

2. SITUATIONAL ANALYSIS INFORMING JCT'S BUSINESS PLAN FOR 2020/21

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. 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:

- 1) **School-going children are particularly vulnerable to social, economic, health, racial and discriminatory challenges.** Racial integration in schools remains limited, mostly to Quintile 5 schools. There is also a lack of care and support provided by schools, parents and communities. Therefore, vulnerable children continue to grow into vulnerable youth and adults.
- 2) Although South Africa has 11 official languages, **multilingualism is not adequately promoted and/or enforced through legislation.** This is particularly true for the minority African languages. Beyond the 11 official languages and cultures there is a lack of inclusivity of certain indigenous peoples and cultures, for example, the First Nations Nama, Khoi and San languages.
- 3) **The slow progress in land reform** continues to deny citizens the economic empowerment that comes with land ownership. Moreover, beneficiaries of land redistribution often opt for money in lieu of owning the land, not appreciating the long-term benefit of land ownership.
- 4) **The increasing perception of corruption in government,** moral decay and wastage of resources, particularly over the recent period, is a considerable stumbling block to nation building and social cohesion – indications are that people increasingly do not trust government. Public apathy fuels the problem, while political opportunism spurs public sentiment. Where communities display their dissatisfaction, it often manifests in violent protests.
- 5) **Opportunity continues to be largely defined by race, gender, ability, geographic location, class and linguistic background.** Under-employment and unemployment in the labour market is particularly high among black youth. The economy has not yet generated new opportunities in the form of employment and openings for new enterprises on the desired scale. Those in far-flung, remote areas are often neglected and lack adequate access to services and economic opportunities, creating a sense of neglect and marginalisation.

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

- 6) **South Africa is among the countries with the highest rate of violence against women and children**, despite the unprecedented body of laws and world best practice model institutions to address violence against women and children. Societal attitudes and mind-sets cemented over generations and reinforced every day by culture, tradition, religion, popular culture and the media, still pose a challenge to the empowerment of women, removal of patriarchy and building on social cohesion across class, race and gender divides.
- 7) **Women still suffer from discrimination** in both the education system and in the labour market. African graduates find it harder to be absorbed into the labour market and attitudinal, physical and communication barriers continue to exclude and marginalise persons with disabilities.
- 8) Part of the apartheid inheritance psyche is a **tendency for the populace to abdicate responsibility for their wellbeing to government**. Therefore, the key challenge is how to inculcate a spirit of active citizenry, ownership and responsibility, and to expand on the concept and definition of active citizenry to the holistic involvement of citizens in their communities and self-development, beyond politically driven public participation structures.
- 9) The unintended consequence of national days turning into political events is the **exclusion of minorities**. There is a need to significantly change the structure of national day's celebrations and other commemorations to be more inclusive and an enabler of building a common national identity.

While the NDP targets an improvement in the Gini Coefficient to 0.60% by 2030, the Gini remains stubbornly in the 0.68–0.69 range (2016)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,

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*

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.

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 2020/21 planning priorities, as follows:

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

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

2.2. PESTEL ANALYSIS

Table 4: JCT “PESTEL” analysis to inform its 2020/21 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 2040.
	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; ▪ Audience development; ▪ Youth development and mainstreaming; ▪ SMME development; ▪ Development and hosting of programmatic content themed on the GDS 2040 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 2040 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	Emerging Issue	Implications for Joburg City Theatres
	Covid-19 National Pandemic	<ul style="list-style-type: none"> ▪ Cancellation and postponement of productions ▪ Negative financial implication (revenue reduction or losses and new costs emanating from Covid-19) ▪ Health and safety issues ▪ Post Covid-19, attract audiences to the theatres
	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.
	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.

	Emerging Issue	Implications for Joburg City 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.
	Culture and transformation.	<ul style="list-style-type: none"> ▪ Communication of successes in light of the dual mandate of revenue generation and transformation agenda;

	Emerging Issue	Implications for Joburg City Theatres
		<ul style="list-style-type: none"> ▪ 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.
		<p><i>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.</i></p>
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; ▪ Continue engagements with Rea-Vaya regarding available public transport to and around the theatres;

Implications for Joburg City Theatres		
Emerging Issue		
Catering for people living with disabilities.	<ul style="list-style-type: none"> Make facilities 100% compliant and accessible. 	
<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>		
Environmental	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.
	<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>	
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.
<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>		

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.	Covid-19	<ul style="list-style-type: none"> ▪ Implementation of the works place plan ▪ Covid-19 risk identification and mitigation plan ▪ Funding of Covid-19 related initiatives
2.	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 including streaming of content
3.	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. ▪ Streaming of content
4.	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 theatres and producers, such as The Market Theatre Foundation in Johannesburg, State Theatre in Pretoria; and nationally, such as The Fugard Theatre, Artscape in Cape Town, The Playhouse Company in Durban and PACOFS in Bloemfontein.
5.	<p>Failure at box office of programme initiatives.</p> <p>Loss of core audience before new audience is built.</p>	<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.
6.	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;

External Threats		
N ^o .	Threat Identified	Actions to Mitigate the Threat
		<ul style="list-style-type: none"> ▪ 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;
7.	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.
8.	Load shedding	<ul style="list-style-type: none"> ▪ Procurement of generators to provide alternative energy

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. combat corruption, fraud and maladministration, 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.

External Opportunities		
N ^o .	Opportunities Identified	Actions to Exploit the Opportunity
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.
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 and events at all three theatres; (e.g African Groove, Soweto Countdown and Heritage Month Celebrations) ▪ Implement set works programme for schools.
5.	Production partnerships with other national, international production and presenting houses.	<ul style="list-style-type: none"> ▪ Facilitate the development of inter-theatre partnerships; ▪ Exploring the 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 Human and Social Development Cluster departments/MOE's, e.g. coordinated outreach that involves mobile theatre, mobile library, mobile clinic, mobile zoo, mobile museum, JMPD, etc.
7.	Corporate partnerships for production funding.	<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 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, German, Asian Bloc and BRICS countries;

External Opportunities

N ^o .	Opportunities Identified	Actions to Exploit the Opportunity
		<ul style="list-style-type: none"> ▪ 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 rental and co-productions.	<ul style="list-style-type: none"> ▪ Assess the quality of the productions if it will succeed and do not put JCT into disrepute; ▪ Work with tenant productions on marketing to help develop audiences.
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 billboard, print, social media, radio and TV media partners; ▪ Programming team to ensure content of productions are appealing to the typical audience of 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 scale ballet and musicals, set works, etc.
5.	Isolated 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.

Internal Weaknesses		
N ^o .	Weakness Identified	Actions to Address the Weakness
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; ▪ Draft a plan to implement “last minute” discounted ticket pricing approach to reach more people; ▪ Undertake Living Standards Measure (LSM) based research into spending patterns of LSM groups in catchment areas for the three venues; ▪ A pricing and sales 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; ▪ Continue to investigate why ticket sales are low for in-house productions at Soweto Theatres; ▪ Monitor ticket sales; ▪ Focus on building a generational culture of theatregoers.
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, and BRICS theatres for co-productions and tour opportunities; ▪ Use brand recognition as basis for international fundraising; ▪ Build visual presence for Soweto Theatre at Roodepoort and Joburg Theatre to promote quality and security of venues and vice versa.

Internal Strengths		
N ^o .	Strength Identified	Actions to Leverage and Build the Strength
		<ul style="list-style-type: none"> ▪ Develop virtual tour for website; ▪ Continue usage 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. ▪ 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 theatres; ▪ 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, Joburg Zoo and metro centre canteen.	<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 CoJ entities, thereby generating additional revenue; ▪ Strengthen catering opportunities for the COJ.

Internal Strengths		
N ^o .	Strength Identified	Actions to Leverage and Build the Strength
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 Theatre gardens and areas surrounding Joburg Theatre for special events, to gain wider community appeal, with due consideration for the noise impact on Stages turnover; ▪ Explore possibilities of partnership with the new owners of the Hollard building.
7.	High quality stage facilities supported by the necessary skills to use and maintain the facilities and equipment.	<ul style="list-style-type: none"> ▪ Share expertise within the group and ensure skills transfer; ▪ 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; ▪ Joburg Ballet and Peoples Theatre to 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. Combat corruption, fraud and maladministration, service delivery, change management; etc; and ▪ Continue information dissemination through JoziNet and other City communication platforms.
11.	Programme for young people – past experience of	<ul style="list-style-type: none"> ▪ Continuation of set works programmes in all three theatres;

Internal Strengths		
Nº.	Strength Identified	Actions to Leverage and Build the Strength
	presenting set works performances for school audiences at Roodepoort Theatre.	<ul style="list-style-type: none"> ▪ Development and 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.

2.1. COVID 19 ENVIRONMENTAL SCAN

The COVID-19 spread was declared as a pandemic by the World Health Organisation, and therefore necessitated urgent and aggressive responses worldwide forcing among others, governments all over the world to direct public resources towards this cause. On more than three occasions, the President of the Republic of South Africa has announced some of the key initiatives that will be followed by South Africa, and on the speech of Thursday, 23 April 2020, South Africa has adopted the level 4 risk adjusted approach to manage the COVID19 spread. Level 4 risk-adjusted approach means going forward, all economic and social activities be opened under strict measures to minimise out of control infections.

The National COVID-19 Response Team chaired by the President, remains the key statutory body directing, and coordinating efforts directed to the reduction of the spread of coronavirus. While some of functions in fighting the virus may not necessarily be purely local government functions, the City’s contribution should be aligned as much as possible to the mandate and the regulatory framework governing local government. The City of Johannesburg sits on the Provincial Command Centre, which feeds into the National Command Centre.

Among key emerging themes for which public resources should respond to the pandemic and relevant to local government, include:

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

- Aggressively complementing the capacity of the health sector to deal with the peak of the infection rate to the general population anticipated to be in the period August/September 2020; and
- Bracing for a peak, communities must accept this reality – possible upsurge in fatalities
- Supporting the national and provincial efforts to ensure that the social security net is resilient to responding to the demands of the measures designed to reduce the spread and infections of the COVID-19.

There will therefore be a need to amend programmes for 2020/21 and over the MTEF period, to incorporate COVID-19 response programmes already implemented since the declaration of a National Disaster, and repurpose successive budgets towards entrenching such efforts permanently going forward.

STRENGTHS	WEAKNESSES
<p>S1 - Coordinated response efforts at a central level, enabling harmonisation of surveillance and rapid response in the provision of essential services;</p> <p>S2 - Use of evidence-based information that is trusted by the leadership of the city e.g. strategy development, data and statistical analysis;</p> <p>S3 – JCT venues used by production houses for recording shows/productions, which are later live-streamed in different platforms;</p> <p>S4 – Ability to procure Personal Protective Equipment for JCT staff.</p>	<p>W1 – Cancellation and postponement of shows resulting in loss of income;</p> <p>W2 – Constraints in adhering to social distancing within JCT venues will result in;</p> <ul style="list-style-type: none"> ▪ reduced audience figures that impacts in SDBIP; ▪ revenue losses may potentially threaten financial sustainability. <p>W3 The ratio of CoJ subsidy and self-generated income is not balanced compared to other theatres funded by the Department of Sports, Arts and Culture;</p> <p>W4 – Limited budget for additional human resources related to prevention and control when theatres open at alert level 1;</p> <p>W5 – Not adequately equipped with tools of trade during Covid-19 period;</p> <p>W6 – Lack of skill in managing distributed teams (offsite-teams) to be productive.</p>
OPPORTUNITIES	THREATS
<p>O1 – Exploring alternative ways of doing business:</p> <ul style="list-style-type: none"> ▪ Use of JCT venues for recording of productions; ▪ Creating content to be sold to media houses; ▪ Creating productions to raise awareness in partnership with CoJ, provincial and national departments; ▪ Live streaming of productions; 	<p>T1 - JCT not allocated funding by national Department of Sports, Arts and Culture's Covid-19 Relief Fund;</p> <p>T2 – The placing of theatres on alert level 1 results in extended period of dark days (non-operations);</p> <p>T3 – Uncertainty around planning resulting from changes in regulations by National or</p>

<ul style="list-style-type: none"> ▪ Hospitality and Catering Delivery services. <p>O2 - National Guidelines and Circulars allowing for the reprioritisation of municipal budgets to assist in addressing COVID-19 needs,</p> <p>O3 – Funding opportunities from funding organisations, e.g:</p> <ul style="list-style-type: none"> ▪ Gauteng Sports, Recreation, Arts and Culture; ▪ Department of Sports, Arts and Culture; ▪ National Arts Council; ▪ Embassies; ▪ Business Arts South Africa; ▪ Private Sector; ▪ International funding organisations. <p>O4 - Lessons learnt on prevention and containment efforts that have limited transmission across the world being implemented in South Africa;</p> <p>O5 - Improving the ICT infrastructure to address future operations of JCT using virtual offices and working from home.</p>	<p>Province and the extension of national state of disaster;</p> <p>T4 – Competition from the already established streaming paying platforms e.g: Netflix, Showmax;</p> <p>T5 – Content differentiation and attractiveness;</p> <p>T6 - Competition for paying and non-paying live streaming content.</p>
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2.2. STRATEGIC RESPONSE – PRIORITIES AND FOCUS AREAS INFORMING THE 2020/21 ANNUAL BUSINESS PLAN

Based on the detailed environmental, situational analysis and Covid-19 environmental scan 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 grow Joburg City Theatres profile - by showcasing the transformed content nationally and internationally;***

The following key considerations require management intervention in the period 2023/24, and inform the strategic focus of the 2020/21 Annual Business Plan as the second year of the Strategy:

KEY 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;▪ Improve the curation of Joburg Festival of Lights with City Power and Joburg Zoo as existing partners and source additional partners▪ Strengthen engagement with embassies and other countries that have budget for cultural events, e.g. twinning agreements.
<p>Joburg City Theatres part of the touring circuit - Joburg City Theatres produced shows that tour nationally and internationally.</p>	<ul style="list-style-type: none">▪ An annual showcase – taking at least one show nationally or internationally (as a RSA showcase) per annum.
<p>Joburg City Theatres Precinct revitalisation – partnering with Braamfontein neighbours.</p>	<ul style="list-style-type: none">▪ Reconfiguration of Joburg Theatre Gardens – to suite multiple live experiences and art forms.
<p>Establishment of a Joburg City Theatres Gift Shop.</p>	<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. Color Purple, Memphis, Joseph Shabalala Musical).
<p>Establish Joburg City Theatres as a knowledge hub – an archive of the legacy and history of Joburg and the theatres.</p>	<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 2020/21 are:*

SHORT TO MEDIUM-TERM PRIORITIES:

Informing the 2020/21 Business Plan as the Second Year of the Strategy

<p>Strengthen governance and compliance.</p>	<ul style="list-style-type: none">▪ Reconstitute the Board Artistic/Service Delivery Committee;▪ Once approved, revisit the TOR and define what is meant by 'service delivery' in Joburg City Theatres context;▪ 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;▪ Develop operational plans to strengthen reporting in Joburg City Theatres macro reports;▪ Ensure compliance with relevant legislation and policy prescripts▪ Integrate National Treasury 88 Indicators, City Manager Indicators and Service Standards into Annual Business Plan scorecard.
<p>Strengthen the operations and commercial viability of the theatres.</p>	<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;▪ 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;

SHORT TO MEDIUM-TERM PRIORITIES:**Informing the 2020/21 Business Plan as the Second Year of the Strategy**

	<ul style="list-style-type: none">▪ 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 Theatre 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 conventional classroom in a way that adds value to the educational experience;▪ 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 Johannesburg" site;- Ensure the website is easy to navigate to enable online bookings;- Link with City sightseeing bus and other tour operators;

SHORT TO MEDIUM-TERM PRIORITIES:

Informing the 2020/21 Business Plan as the Second Year of the Strategy

	<ul style="list-style-type: none">- Offering access to more than one visual art form, e.g. exhibitions, installations, multi-disciplinary art spaces – daytime programme.
Strengthen stakeholder management and collaborations.	<ul style="list-style-type: none">▪ Revisiting and engaging with private and public sector to explore CSI opportunities (consider a formal breakfast/dinner 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.▪ Establish partnership with Braamfontein Improvement District
Enhance human capital management and performance management.	<ul style="list-style-type: none">▪ Review programming and marketing structure<ul style="list-style-type: none">- Prioritise content management, fundraising, marketing and sales;- Ensure a focus to both import and export Joburg City Theatres productions;▪ Leverage and exploit the capabilities and strengths of the creative team among Joburg City Theatres staff;▪ Continue with EAP/Employee Wellness Program;▪ 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 key projects and short to medium-term priorities then inform the objectives and interventions, and the milestones and targets outlined in the Corporate Scorecard for 2020/21.

3. COMMUNICATION AND STAKEHOLDER MANAGEMENT

A 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 “*Johannesburg – a World Class African City of the Future – a vibrant, equitable African city, strengthened through its diversity; a city that provides real quality of life; a city that provides sustainability for all its citizens; a resilient and adaptive society. Joburg. My City – Our Future!*”, JCT supports inter alia, improved accessibility, education and facilitates partnerships, as well as co-production opportunities; interventions which alleviate unemployment and further transformation.

Key stakeholder considerations informing 2020/21 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 live performance experience – market and audience development. ▪ Opportunities to perform, record and live stream; ▪ Assist with production funding. 	<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: <ul style="list-style-type: none"> - unemployment - development programmes
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 for people living with disabilities and other targeted groups. ▪ Diversify our productions by staging a variety of programmes; e.g. Musicals, Drama, Comedy, School

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
		Setworks, Arts & Crafts, Ballet/Dance, Pantomimes Festivals, Concerts; Opera, Poetry and etc.
Communities	<ul style="list-style-type: none"> ▪ Accessibility to JCT facilities; ▪ Contribute to improve livelihoods and job opportunities – youth and community development, enterprise development etc. 	<ul style="list-style-type: none"> ▪ Taking theatre to communities using the mobile theatre truck. ▪ Identify and implement community participation programmes – markets, open and national days, festivals etc.
Schools	<ul style="list-style-type: none"> ▪ School packages and special discounts. ▪ Safety and security around the theatre. ▪ Introducing the youth to theatre that is child friendly and that provides education. 	<ul style="list-style-type: none"> ▪ Most of JCT productions offer special school packages. ▪ Schools set-works such as Woza Albert; the Caucasian Chalk Circle; Shakespeare schools festival, Sophiatown, Ubhuku lwamanqe, My Children! My Africa!.
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. ▪ Staff and security assistance by JCT personnel.
Media	<ul style="list-style-type: none"> ▪ Media packages with appealing content; ▪ Payment for media space and adverts. 	<ul style="list-style-type: none"> ▪ Theatre programme booklet followed by regular media statements; ▪ Creation of part cost and part commercial partnerships with barter deals created in exchange for media; ▪ Budget for marketing purposes on various different media platforms;

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
National and Provincial Departments of Arts and Culture	<ul style="list-style-type: none"> ▪ Alignment to National and Provincial priorities; ▪ Preservation of arts, culture and heritage; ▪ Programming that contributes to National days and festivals. 	<ul style="list-style-type: none"> ▪ To produce programmes that speak to and address sustainable economic activity, social issues, societal transformation and social cohesion. ▪ Community development and in-house programmes. ▪ Leverage off national days of commemoration and align our production calendar.
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"> ▪ Programmes that add value to their social corporate investments and contribute to their marketing activities. ▪ Well defined and articulated opportunities. ▪ Responsive and well managed internal systems and processes.
Events Companies	<ul style="list-style-type: none"> ▪ Quality service, facilities, space and quality 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"> ▪ Formalise partnerships with the surrounding business community; ▪ 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.

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
		<ul style="list-style-type: none"> ▪ Improve contract negotiation, management and reporting. ▪ Consistency in application of norms and standards. ▪ Timely payment.
Internal (CoJ) Stakeholders:		
CoJ Human and Social Development 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 key programmes of other department / entities through themed productions. ▪ Play a meaningful role in the planning and processes of the human and social development cluster
Other City Departments and MOEs	<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 "Government of Local Unity programmes"; ▪ Enhance shareholder value through financial 	<ul style="list-style-type: none"> ▪ Ensure well aligned priorities and plans; ▪ Programmes that address social cohesion and inclusivity; and social ills e.g. substance abuse, gender based violence etc;

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
	sustainability and good governance	<ul style="list-style-type: none"> ▪ Ensure cost efficiency and revenue generation. ▪ Ensure sound governance principles and performance reporting.
Board and its committees	<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; ▪ Fair opportunities including employee personal growth, training and development, etc; ▪ 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 employee relations 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 exposure for all JCT shows/events and to attract an audience through the activations (below-the-line) and media exposure (above-the-line) opportunities.
- Linkages with strategic partners, media and relevant organisations are a value add in the delivery of marketing and communications strategy. Collaborations in the form of relationships with “influencers”, 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;
 - 2) Be consistently visible to the Joburg City Theatres consumer’s and living as a part of their surroundings within their radar. Working towards having a brand image and brand identity that is recognisable by many;
 - 3) Show off what our brand assets are (infrastructure, people, venues, etc.) and the quality of our brand so that we create “brand loyalty”, whereby consumers continue to visit Joburg City Theatres even during price hikes and recessions;
 - 4) Increase the number of people who make a purchase by attracting them to the theatre, expose customers to who we are, what we have and what we do.

Tactics:

- 1) Create Top Of Mind (TOM) and big brand feel by driving quarterly campaigns, activations or buying advertising space on radio, television, online, print, outdoor etc;

- 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 the target markets respond to the overall brand promise - "*where everyone plays a part*".
- 4) Engagement with communities bringing new audiences into contact with JCT venues.

KPI's:

- 1) Present research on brand equity;
- 2) Report on brand visibility - seen to be everywhere and visible on all communication platforms – (media monitoring);
- 3) Repeat visits to the theatre - collect information from Webticket.

Sponsorships and Partnerships:

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

Sponsorships:

- 1) **Financial and In-Kind Sponsors** – JCT will draft proposals setting the requirements in exchange for benefits outlined.

Partnerships:

- 1) **City of Joburg Partnership** - Create strategic partnerships with **CoJ** and its entities to leverage on the existing resources specifically regarding media and advertising:
 - Billboards, newspapers, rate bills, JoziNet, brochures and mall containers - the city owns many resources that we can leverage on;
- 2) **Media Partners** – JCT maintains relationships with various media houses on a trade exchange basis and continues to build relationships to secure media coverage for programmes, productions or events.
- 3) **Distribution Point Partners** - JCT aims to publicise and notify as many customers about productions, shows, events, hospitality and catering offerings.
- 4) **Special Projects Partnerships** - JCT create specific relationships with identified partners, who will only be relevant and add value for that specific project / show / event or production.

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. ***A leading World Class home of live entertainment, providing sustainable, development-oriented and diverse programming.***

From the targets set for the 2020/21 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. Past performance on audits by the Auditor General

	2014/15	2015/16	2016/17	2017/18	2018/19
Financial Audit Opinion	Clean Audit	Clean Audit	Clean Audit	Clean Audit	Clean Audit
Performance	no findings	Material adjustment to the annual report	Material adjustment to the annual report	No findings	No findings

Past performance of predetermined objectives:

Financial Year	2014/15	2015/16	2016/17	2017/18	2018/19
Percentage achieved	80%	100%	92%	90%	94%

Past performance of Capital Expenditure:

Financial Year	2014/15	2015/16	2016/17	2017/18	2018/19
Percentage achieved	100%	100%	99%	100%	94%

Table 6: Joburg City Theatres past Performance Highlights

Strategic Objective	Objective Description	Achievement
1. Provision of opportunities for the youth, including future	<ul style="list-style-type: none"> ▪ Support local content development and support for development in the Arts. 	Over 293 Expanded Public Works programmes (EPWP) work opportunities created at JCT

Strategic Objective	Objective Description	Achievement				
arts practitioners and entrepreneurs.	<ul style="list-style-type: none"> ▪ Facilitate relationships and co-productions that widen the participation of local producing partners engaged with JCT. ▪ 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. 	Over 627 youth attending arts attended programme during the year				
2. High quality performing arts and entertainment experiences and facilities.	<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. ▪ 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. ▪ Monitor and enhance customer satisfaction and the achievement of service standards. 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td data-bbox="1043 801 1426 898">99.3% achievement of Service Level Standards</td> </tr> <tr> <td data-bbox="1043 898 1426 1032">34 Arts and Culture Festivals held / in-house productions held</td> </tr> <tr> <td data-bbox="1043 1032 1426 1111">6 Ballet seasons were held</td> </tr> <tr> <td data-bbox="1043 1111 1426 1547">11 Philharmonic Orchestra were held</td> </tr> </table>	99.3% achievement of Service Level Standards	34 Arts and Culture Festivals held / in-house productions held	6 Ballet seasons were held	11 Philharmonic Orchestra were held
99.3% achievement of Service Level Standards						
34 Arts and Culture Festivals held / in-house productions held						
6 Ballet seasons were held						
11 Philharmonic Orchestra were held						
3. Affordable access to and use of theatres by communities.	<ul style="list-style-type: none"> ▪ Thematic productions that address issues. ▪ Engagement with arts practitioners, private sector and communities in bringing new audiences into contact with JCT programmes. 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td data-bbox="1043 1547 1426 1644">271 299 attendees to theatres</td> </tr> <tr> <td data-bbox="1043 1644 1426 1740">44 423 discounted tickets issued to school learners</td> </tr> <tr> <td data-bbox="1043 1740 1426 1863">16 038 free tickets issued to disadvantaged communities</td> </tr> </table>	271 299 attendees to theatres	44 423 discounted tickets issued to school learners	16 038 free tickets issued to disadvantaged communities	
271 299 attendees to theatres						
44 423 discounted tickets issued to school learners						
16 038 free tickets issued to disadvantaged communities						

Strategic Objective	Objective Description	Achievement
	<ul style="list-style-type: none"> ▪ 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. 	7 208 discounted tickets issued to senior citizens
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. ▪ 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. 	35%/65% Earned Revenue – R63,842m Total Revenue - R180,289m
		59% of procurement spend on SMMEs quarterly against total procurement expenditure - target of 30%
		98% of procurement spend on BBEE quarterly against total procurement expenditure - target of 75%
		100% CAPEX budget spent
		Clean audit report
5. Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT.	<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. 	12 Media Monitoring Reports 20 Strategic partnerships created

Strategic Objective	Objective Description	Achievement
	<ul style="list-style-type: none"> ▪ Leveraging of mutually beneficial partnering agreements and joint programmes. ▪ Sponsorships and donations. 	

4.2. KEY PERFORMANCE AREAS

Informed by the Joburg City Theatres integrated operating model, each of the five strategic goals defined in the strategic 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 30 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 strategic 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, continuing with the 2020/21 Annual Business Plan.

4.3. JOBURG CITY THEATRES 2020/21 – 2020/21 KEY PROJECTS

Towards 2021, JCT has identified Key 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 Key Projects

KEY 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: R10 590m p/a for 2020 - 2022</p>
A revived JPO, with a commitment to continue with Youth Development Programme.	<ul style="list-style-type: none"> ▪ Ongoing funding commitment; ▪ Commitment to continue with JPO Youth Development Programme. 	<p>Commitment: R11 273m p/a for 2020 - 2022</p>
JCT 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 2020 - 2022</p>

4.4. JOBURG CITY THEATRES 2020/21 PERFORMANCE INFORMATION

In achieving the key projects, and in realising its strategic objectives, the 2020/21 Government of Local Unity commitments and the performance scorecard of JCT is reflected in the sections below:

4.5. JOBURG CITY THEATRES - 2020/21 GOVERNMENT OF LOCAL UNITY COMMITMENTS

The Executive Mayor has stated his commitment to Government of Local Unity (GLU) priorities that will make a significant contribution to enhanced service delivery. In response, JCT's 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 GLU commitments for the period 2020/21 and beyond:

Table 8: Joburg City Theatres Government of Local Unity

Moral Imperative	Impact	JCT Focus Areas	2020/21	
			Delivery Target	R (000).
Social - <i>Greater quality of life and dignity for previously marginalised sections of our society</i>	Contribute to rebuilding the Inner City as an apex project. (Ballet)	Outreach programmes to champion and harness a multi-cultural public space. To develop and attract new audiences to the theatre	1 Per annum	Current allocation
Social - <i>Greater quality of life and dignity for previously marginalised sections of our society</i>	Contribute to rebuilding the Inner City as an apex project. (Orchestra)	To champion and harness a multi-cultural public space. To develop and attract new audiences to the theatre	1 Per annum	Current allocation
Social - <i>Greater quality of life and dignity for previously marginalised sections of our society</i>	Maximised collaboration with other stakeholders	To champion social cohesion and contribute to building a better society through the arts. To be accessible to communities. To promote diversity in content creation and curatorship.	2 programmes per annum	(2 000)
			4 Activations	Current allocation

4.6. JOBURG CITY THEATRES - 2020/21 CORPORATE SCORECARD

Joburg City Theatres has been closely monitoring the rapidly evolving situation regarding **Coronavirus (COVID-19)** following the announcement by President Cyril Ramaphosa that gatherings of more than 100 people are prohibited. The City has undertaken various actions in line with national and provincial requirements to play its part in ensuring that the virus does not spread out of control in its communities.

Joburg City Theatres was directed to postpone all shows and activities until further notice, affecting Joburg Theatre, Soweto Theatre and Roodepoort Theatre. In terms of the risk adjusted strategy theatres are prohibited from operating until **Alert Level 1**. This will therefore have a negative impact on JCT's first six month's performance. The targets below are adjusted to take into account the **COVID-19** impact and are not aligned to the set baseline.

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

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				2020/21 Performance Targets					2020/21 Budget	
					Baseline 2019/20 Estimate	2020/21 Target	2021/22 Target	2022/23 Target	Means of Verification	Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2020	Q2 Oct - Dec 2020	Q3 Jan - Mar 2021	Q4 Apr - Jun 2021
Sustainable Service Delivery	Improved service delivery	4	Percentage achievement on service level standards	Service standards turnaround time improvement*	90%	90%	90%	90%	COO	Quarterly	90%	90%	90%	N/A	N/A
	Improved audience development and accessibility to venues	5	Number of Arts and Culture festivals and themed productions held / in-house production (Annual Targets not cumulative)	To make venues more accessible Promotion of positive social local content	18	19	20	21	COO	Quarterly	3	8	13	18	R16.6m
	Promote positive social local content														
Promote economic development		6	Number of Ballet seasons	Image building of the CoJ by Joburg Ballet	4	4	4	4	COO	Quarterly	1	2	3	4	R10.590m
		7	Number of Philharmonic Orchestra seasons	Improved access to professional concerts of classical and choral music	4	4	4	4	COO	Quarterly	1	2	3	4	R11.273m
Strategic Objective 3: Affordable access to and use of theatres by communities															
Active and Engaged Citizenry	Improved audience development and accessibility	8	Number of attendees	Public access	255,000 attendees	23,500 attendees	110,000 attendees	150,000 attendees	COO	Quarterly	0	20,000	22,500	23,000	R1m

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

IDP Programme	Result Area	KPI #	Key Performance Indicator	Key Intervention	Strategic Objective Annual Targets				2020/21 Performance Targets					2020/21 Budget				
					Baseline 2019/20 Estimate	2020/21 Target	2021/22 Target	2022/23 Target	Means of Verification	Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2020	Q2 Oct - Dec 2020	Q3 Jan - Mar 2021	Q4 Apr - Jun 2021	Capex	Opex	
Strategic Objective 4: Good governance, financial sustainability and sound management																		
Financial Sustainability	Improved financial planning and project management	9	Percentage spent on operating budget against approved operating budget	Operating project programme	97%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	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	R209 836m		
					95%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	95%	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	CFO	Quarterly	10%	30%	70%	95%	R36,108m	
					97%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	97%	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	CFO	Quarterly	10%	30%	70%	97%	R3,5m	
Financial Sustainability	Improved financial planning and project management	10	Percentage of CAPEX budget spent	Capital project programme	95% of total R34,751m CAPEX budget spent	95%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	95%	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	CFO	Quarterly	10%	30%	70%	R209 836m	
					97%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	97%	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	CFO	Quarterly	10%	30%	70%	100%	R109 602m	
					36% / 64% Earn Revenue R70 914m Total revenue R199 363m	24% / 76% Earn Revenue R49 382m Total revenue R209 836m	23% / 77% Earn Revenue R51 552m Total revenue R220 930m	24% / 76% Earn Revenue R54 835m Total revenue R232,727m	23% / 77% Earn Revenue R12 345m Total revenue R54 740m	23% / 77% Earn Revenue R24 691m Total revenue R109 481m	23% / 77% Earn Revenue R37 036m Total revenue R168 584m	24% / 76% Earn Revenue R49 382m Total revenue R209 836m	100%	100%	100%	100%		
Financial Sustainability	Improved financial planning and project management	11	Percentage spent on repairs and maintenance to budget allocated	Operating project programme	97%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	97%	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	CFO	Quarterly	10%	30%	70%	R1,5m	
					100%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	100%	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	CFO	Quarterly	100%	100%	100%	100%		
					Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings
Financial Sustainability	Improved financial planning and project management	12	Proportion of earned income against total revenue including subsidy	Financial sustainability Improved and sound financial management	36% / 64% Earn Revenue R70 914m Total revenue R199 363m	24% / 76% Earn Revenue R49 382m Total revenue R209 836m	23% / 77% Earn Revenue R51 552m Total revenue R220 930m	24% / 76% Earn Revenue R54 835m Total revenue R232,727m	23% / 77% Earn Revenue R12 345m Total revenue R54 740m	23% / 77% Earn Revenue R24 691m Total revenue R109 481m	23% / 77% Earn Revenue R37 036m Total revenue R168 584m	24% / 76% Earn Revenue R49 382m Total revenue R209 836m	100%	100%	100%			
					100%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	100%	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	CFO	Quarterly	100%	100%	100%	100%		
					Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings
Financial Sustainability	Improved financial planning and project management	13	Percentage of valid invoices paid in 30 days after receipt of invoice or statement ⁹	Financial sustainability Improved and sound financial management	100%	≥ 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	100%	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	CFO	Quarterly	100%	100%	100%		
					100%	≥ 90% spend and not exceeding 2% of approved operating budget	≥ 90% spend and not exceeding 2% of approved operating budget	100%	≥ 90% spend and not exceeding 2% of approved operating budget	Quarterly	CFO	Quarterly	100%	100%	100%	100%		
					Clean audit outcome	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	
Financial Sustainability	Improved financial planning and project management	14	Unqualified without material findings	Clean audit outcome	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings		
					Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings		
					Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings	Unqualified without material findings		

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				2020/21 Performance Targets						2020/21 Budget		
					Baseline 2019/20 Estimate	2020/21 Target	2021/22 Target	2022/23 Target	Means of Verification	Unit Responsible for Reporting	Reporting Period	Q1 Jul - Sep 2020	Q2 Oct - Dec 2020	Q3 Jan - Mar 2021	Q4 Apr - Jun 2021	Capex	Opex
		15	Percentage of predetermined objectives achieved	Strategy improvement plans	85% of predetermined objectives achieved	85% of predetermined objectives achieved	85% of predetermined objectives achieved	85% of predetermined objectives achieved	Quarter reports / evidence files	COO	Annually	-	-	85% of predetermined objectives achieved	-	-N/A	-N/A
					100%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	70%	100%	N/A	N/A
		16	Percentage of resolution of AG findings	Strategy improvement plans	100%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	70%	100%	N/A	N/A
					100%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	70%	100%	N/A	N/A
		17	Percentage of resolution of Internal Audit (IA) findings	Strategy improvement plans	100%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	100%	100%	100%	100%	N/A	N/A
100%	100%				100%	100%	Quarter reports / evidence files	CFO	Quarterly	100%	100%	100%	100%	N/A	N/A		
18	Percentage compliance with relevant legislation and policy prescripts	Strategy improvement plans	100%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	55%	85%	N/A	N/A		
			100%	100%	100%	100%	Quarter reports / evidence files	CFO	Quarterly	10%	30%	55%	85%	N/A	N/A		
19	Percentage of the strategic risk management action plans implemented	Strategy improvement plans	85%	100%	100%	100%	Procurement reports	CFO	Quarterly	30%	30%	30%	30%	R10 832m	R32 881m		
			30%	30%	30%	30%	Procurement reports	CFO	Quarterly	30%	30%	30%	30%	R10 832m	R32 881m		
Economic Development	Increased entrepreneurial support of small businesses	20	Percentage of procurement spend on SMME's against total procurement expenditure	Business Support to SMME's	30%	30%	30%	30%	Procurement reports	CFO	Quarterly	(quarterly)	(quarterly)	(quarterly)	(quarterly)	(quarterly)	
					75%	75%	75%	75%	Procurement reports	CFO	Quarterly	75%	75%	75%	75%	R27 081m	R82 202m
21	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)	(quarterly)		
			75%	75%	75%	75%	Procurement reports	CFO	Quarterly	75%	75%	75%	75%	R27 081m	R82 202m		
Strategic Objective 5: Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT																	
Sustainable Service Delivery	Improved stakeholder mobilisation	22	Number of strategic partnerships created	Partnerships / Collaborations productions / programmes / events	18	10	15	20	Signed MoA / MoU / contract	COO	Quarterly	0	5	8	12	R1,5m	
					18	10	15	20	Signed MoA / MoU / contract	COO	Quarterly	0	5	8	12	R1,5m	
Enhanced profile of JCT	Improved perception of JCT	23	Number of travelling productions per annum	Domestic / International travel of productions	1	0	1	1	Signed MoA / MoU / contract / Travel Report	Executive Producer	Annually	-	-	-	-	R4,7m	
					1	0	1	1	Signed MoA / MoU / contract / Travel Report	Executive Producer	Annually	-	-	-	-	R4,7m	

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. Including live streaming.
5.	Number of Ballet seasons	<ul style="list-style-type: none"> This indicator measures the number of ballet seasons staged by Joburg Ballet. Including live streaming.
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. Including live streaming.
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

KPI #	KEY PEROMANCE INDICATOR	DEFINITION
		operations income excluding subsidy against total revenue including subsidy
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 - 2020/21 DAY TO DAY OPERATIONAL PROGRAMMES

IDP Programme	Result Area	Key Performance Indicator	Key intervention	Strategic Objective Annual Targets			Means of Verification	2020/21 Performance Targets					2020/21 Budget		
				Baseline 2019/20 Estimate	2020/21 Target	2021/22 Target		2022/23 Target	Reporting Period	Q1 Jul - Sep 2020	Q2 Oct - Dec 2020	Q3 Jan - Mar 2021	Q4 Apr - Jun 2021	Capex	Opex
Strategic Objective 4: Good governance, financial sustainability and sound management															
Enhance our financial sustainability	Improved financial planning	Rand value of operations budget of Joburg Theatres	Financial Development Plan, implementation and monitoring	R132,880m of operations budget of Theatre	TBC	TBC	TBC	CFO	Quarterly	R38 523	R77 046	115 569	R156 242m of operations budget of Theatre	-	R156 242m
		Rand value of operations budget of Roodepoort Theatre		R17,681m of operations budget of Theatre	TBC	TBC	CFO	Quarterly	R5 126	R10 252	R15 377	R20 503m of operations budget of Theatre	-	R20 503m	
		Rand value of operations budget of Soweto Theatre		R28,536m of operations budget of Theatre	TBC	TBC	CFO	Quarterly	R8 273	R16 546	R24 819	R33 091m of operations budget of Theatre	-	R33 091m	

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	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			Medium Term Revenue and Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands										
Revenue by Source	1									
Properly rates										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue										
Service charges - refuse revenue										
Service charges - other										
Rental of facilities and equipment		7 488	8 033	6 612	8 458	4 856	4 856	4 166	4 349	4 545
Interest earned - external investments		4 622	5 545	5 033	5 700	5 068	5 068	2 034	2 123	2 219
Interest earned - outstanding debtors										
Dividends received										
Fines, penalties and forfeits										
Licences and permits										
Agency services										
Transfers and subsidies		1 000	-	-						
Other revenue		149 107	161 360	168 645	188 841	189 459	189 459	203 636	214 458	225 963
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)		162 217	174 938	180 290	202 999	199 383	199 383	209 836	220 930	232 727
Expenditure By Type										
Employee related costs		54 840	70 131	77 525	92 696	92 696	92 696	98 490	104 646	111 186
Remuneration of councillors										
Debt impairment	4									
Depreciation & asset impairment		1 119	1 352	1 641	1 576	1 576	1 576	1 744	1 821	1 903
Finance charges		1	-	-	-	-	-	-	-	-
Bulk purchases	2									
Other materials	5									
Contracted services		5 369	5 075	3 323	2 033	2 033	2 033	2 118	2 211	2 310
Transfers and subsidies		8 000	19 339	19 587	20 645	20 645	20 645	21 512	22 459	23 470
Other expenditure	3	83 154	78 821	71 125	86 049	82 433	82 433	85 972	89 793	93 658
Loss on disposal of PPE										
Total Expenditure		152 473	174 718	173 201	202 999	199 383	199 383	209 836	220 930	232 727
Surplus/(Deficit)		9 744	220	7 089	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers and subsidies - capital (in-kind - all)										
Surplus/(Deficit) after capital transfers & contributions		9 744	220	7 089	-	-	-	-	-	-
Taxation		(2 728)	(275)	1 896						
Surplus/ (Deficit) for the year		12 472	495	5 193	-	-	-	-	-	-

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 2020/21 - 2022/23

Project Description (as per JSIP)	Approved Budget 2019/20	Adjustment	Adjusted Budget 2019/20	Draft Budget 2020/21	Draft Budget 2021/22	Draft Budget 2022/23
Promusica Theatre - Information Technology New Computer Hardware & Software FLORIDA PARK EXT.9 C City Wide	8		850	901	955	1 050
Promusica Theatre - Upgrading of technical equipment (sound and lighting) Renewal Theatre redevelopment FLORIDA PARK EXT.9 C Regional	82		3 000		530	583
Joburg Theatre - Building Renovations and upgrades New Building Alterations JOHANNESBURG F Ward	850		850	29 707	955	1 050
Joburg Theatre - Technical Equipment New Capex JOHANNESBURG F Regional	850		8 522		955	1 050
Joburg Theatre - Upgrade of stage machinery Renewal Plant and Equipment JOHANNESBURG F Ward	30 000		17 424	5 500		
Promusica Theatre - Building renovations and upgrades Renewal Building Alterations FLORIDA PARK EXT.9 C Regional	683		883		415	457
Promusica Theatre - Purchasing of vehicle for the theatre Renewal Operational Capex FLORIDA PARK EXT.9 C Regional						
Soweto Theatre - Building Renovations and upgrades JABULANI D	1 122		1 122		1 261	1 387
Soweto Theatre - Upgrading of Technical Equipment Renewal Building Alterations JABULANI D City Wide	1 156		2 100		948	1 042
Total: Council Approved MTB Capital Projects	34 751		34 751	36 108	6 019	6 619

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.

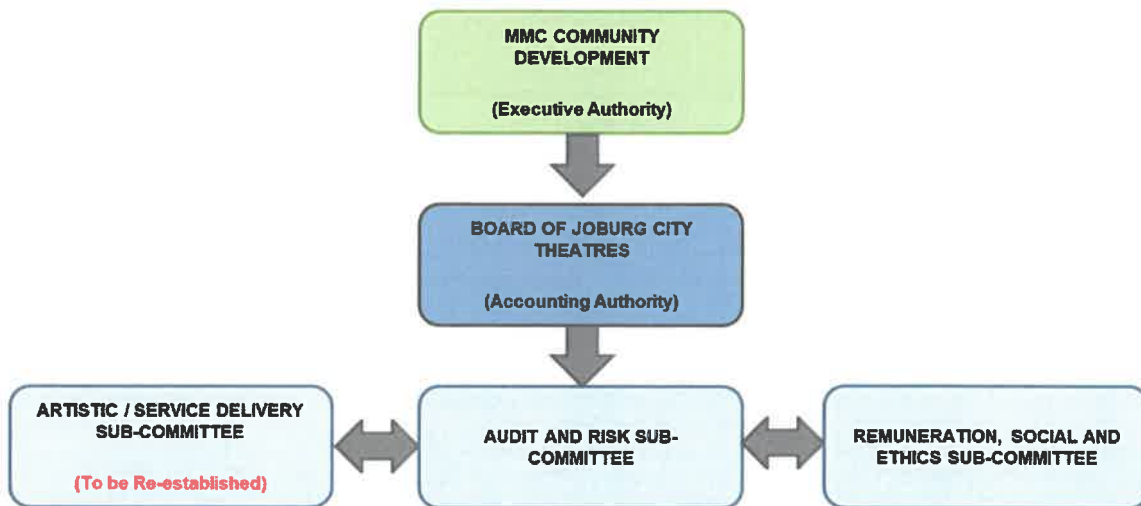
6. MANAGEMENT AND ORGANISATIONAL STRUCTURE

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 are Executive Directors and attend Board and its committee meetings.

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. Desmond Ndzipho (Non-Executive Director and Chairperson)
- Mr. Tom Mofokeng Non-Executive Director (NED)
- Mr. Junior Ramovha (NED)
- Mr. Rabone Moripe (NED)
- Dr. Wally Mongane Serote (NED)
- Mr. Mabutho Sithole (NED)
- Mr. Vetman Linda (NED)
- Adv. Mbuso Majozi (NED)
- Ms. Ashley Hayden (NED)
- Mr. Thulani Vincent Langa (NED)
- Ms. Thandiwe Gladys Shezi (NED)
- Ms. Dineo Sithole (NED)
- Mr. Dingane Khesuoe (NED)
- Ms. Xoliswa Nduneni (Chief Executive Officer and Executive Director)
- Mr. Solomon Mphakathi (Chief Financial Officer and 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 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.

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. 92% of the staff compliment is made up of historically disadvantaged individuals and 36.8% are female.

As at 31 March 2020, JCT has **437** employees. The workforce profile is presented as follows: **234** of staff are permanent employees and **203** are temporary fixed term employees. Temporary employees are divided into ushers and Hospitality and Catering employees. As of 31 March 2020, the total number of ushers across the three theatres was 57 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.

The second largest group of temporary employees is found in the Hospitality and Catering department. The total number stands at 138 as of 31 March 2020. 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 –

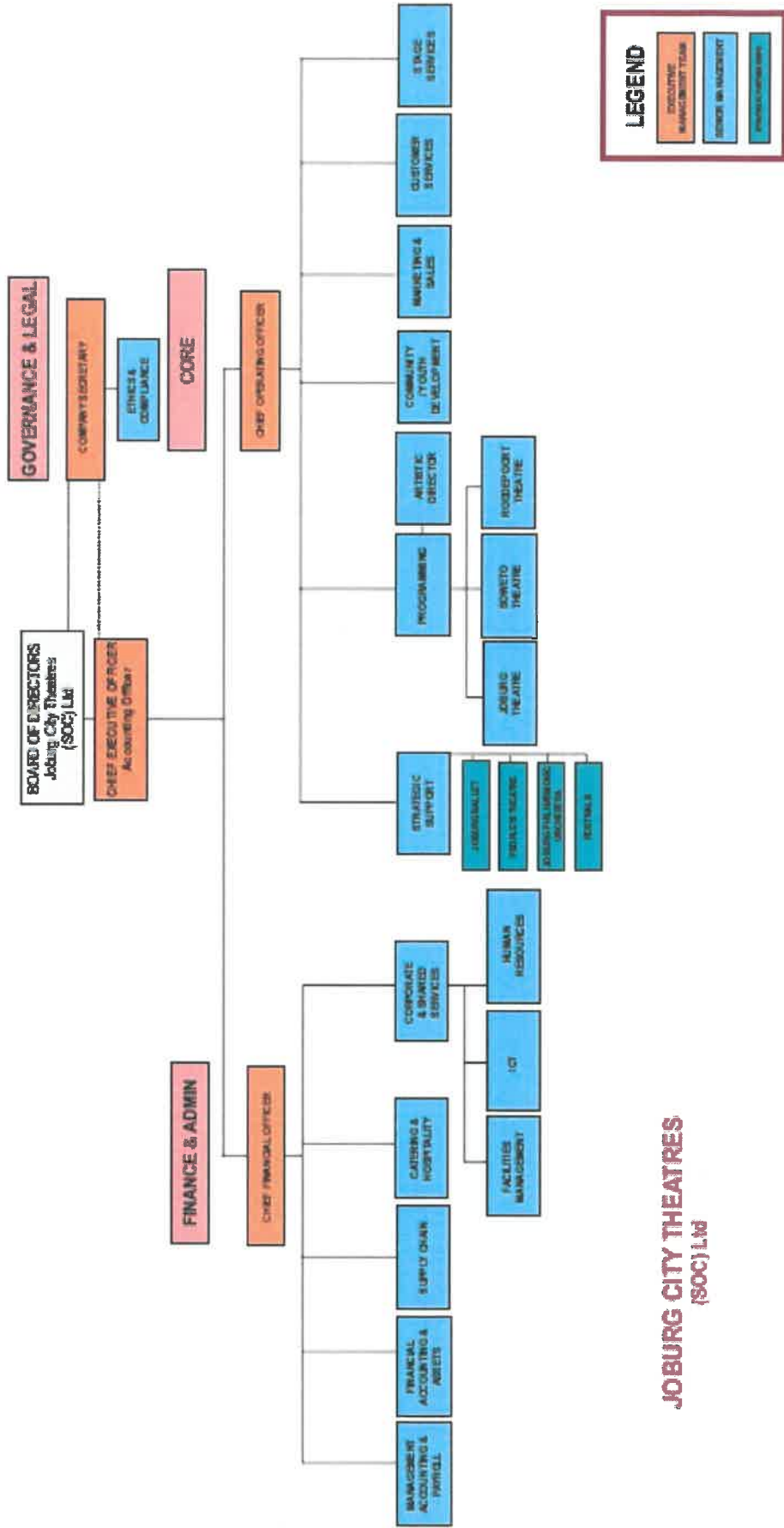
- There is no fixed patron capacity in the theatre bars as the business in this area is determined by the shows that are on the stage at any given time, hence this area is treated as seasonal work based on the seasonal run of any given show.
- The restaurant business is managed on a day to day basis 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**

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 92% of the permanent staff compliment, 36% youth and 36.8% female.

People with Disabilities:

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

The Department of Labour has set the Disability Target of 2% which should be achieved against the institution's entire staff compliment. The employment of the persons with disabilities at JCT is currently at 1.7%. The target was achieved as a result of the campaign initiated from the HR office whereby employees issued Declaration forms to complete and 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 2020-21 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 June 30 2020, including risk control measures.

ME Objectives	Risk Description	Foot Cause/ Background to the risk	Impact	Likelihood	Inherent Risk	Current controls	Control Effectiveness	Residual risk	Risk Owner	Actions to improve management of the risk	Action Owners	Action Deadline
High quality performing arts and entertainment experience and facilities and financial sustainability	A coronavirus has been identified in China (Wuhan City), and was initially known as 2019 novel Coronavirus (2019-nCoV). The case was reported on December 31st, 2019, and confirmation of the coronavirus identification occurred on January 7th, 2020. Finally, the disease is now known as coronavirus disease or COVID-19. The virus causing the disease is known as "severe acute respiratory syndrome coronavirus 2" (SARS-CoV-2).	Following the announcement by President Cyril Ramaphosa of 15 March 2020 declaring that COVID-19 had become a "national disaster and resulted to school closures, travel restrictions, and bans on large gatherings. The reduction of COVID-19 has interrupted all Theatre activities planned for the 3rd and 4th quarter of 2019/20 financial year and also 1st quarter of the 2020/21 financial year.	Catastrophic 5	Almost Certain 5	Very High	<ol style="list-style-type: none"> 1. Strict safety measures (as per labour department regulations) is observed. 2. Compliance Officer appointed to monitor 3. Screening of employee entering office 4. Provided workers with usable work arrangements in situations of sickness or sickness in the family. Protect the workplace against discrimination and social stigma. Support workers coping with stress during COVID-19 outbreak 5. Face masks 	Fair	High	CEO	Ensure that all staff conducting activities have face masks to illuminate their coughing or sneezing on people & to limit the intake of germs from the atmosphere when in contact with other people. Consistent use of hand sanitizer, and sanitizing the credit card devices after every use will decrease the spread of the virus. All employees that have been brought back to work are wearing in separate areas / sections and have very limited contact with each other. Call centre employees are based in separate offices where only interaction with others are when they meet the cashier to wrap up the order. The separation between them when they do interact is 2m. In order to minimize the movement of the printed bill slip, the delivery person will take a picture of the bill to show to the customer for approval of payment.	CEO	September 30, 2020
High quality performing arts and entertainment experience and facilities	Countrywide implementation of load shedding by the state power utility (Eskom)	<ol style="list-style-type: none"> 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 tight and while 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 alternative power generation in Joburg Theatre and Suncoast Theatre leading to either cancellation of shows or no bookings 	Catastrophic 5	Almost Certain 5	Very High	<ol style="list-style-type: none"> 1. JT continuously engages and negotiates with City Power to consistently schedule load shedding. 2. SJT has an emergency generator for lighting 3. RT has a generator however does not provide sufficient power to run all the operations 	Fair	High	CEO	<ol style="list-style-type: none"> 1. JTI for purchasing and upgrading of generators and other alternative sources of power for all three theatres in the 2020/21 capex budget 	CEO	December 31, 2020
Affordable access to and use of theatres by communities	Decreased attendance at theatre shows.	<ol style="list-style-type: none"> 1. High cost of productions and the need to recover costs. 2. Effect of the country's economic state. 3. Lack of exposure of potential audiences to the theatre experience 	Major 4	Almost Certain 5	High	<ol style="list-style-type: none"> 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 diverse communities. 	Fair	Moderate	CEO	<ol style="list-style-type: none"> 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 	CEO	Ongoing

№	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 Owners/Is	Action Deadline
5	High quality performing arts and entertainment experience and facilities	Aged, obsolete and outdated stage machinery and equipment	<ol style="list-style-type: none"> Old stage machinery becomes no longer usable. Stage machinery has reached its end of life and needs urgent replacement. The current machinery can affect staging of productions and distracting user areas. 	Major	Almost Certain	High	<ol style="list-style-type: none"> Upgrades of the stage machinery are underway Theatre extensions are aligned with the project plan Project manager and steering committee is in place to oversee the implementation of the project Phase 1: Administration and software upgrades 	Fair	Moderate	CEO	<ol style="list-style-type: none"> Monitor the implementation of the project plan. Phase 2 upgrade on the stage lifts to be completed Phase 3 for finishing and testing to be done 	CEO	Ongoing
6	Mobilised resources to support the mandate, and improved brand recognition and awareness of ICT	Lack of brand architecture (continuous and consistent message management)	<ol style="list-style-type: none"> Replication of the JT and SF practices Inadequate marketing budget Ineffective implementation of the marketing strategy 	Major	Likely	High	<ol style="list-style-type: none"> Media partnerships Media database management 3.1 Continuous productions awareness campaigns 3.2 Marketing strategy in place 	Fair	Moderate	CEO	Approval and implementation of the revised marketing and communication strategy	Chief Operations Officer	Annually
7	Good governance, financial sustainability and sound management	Theft, fraud and corruption	<ol style="list-style-type: none"> Control of interest Inadequate segregation of duties / inadequate or no supervision Weak internal control environment - cash handling / administrative procedures Lack of accountability Poor work ethics Good, collusion, bribery Inadequate IT access controls Inadequate physical security controls 	Major	Likely	High	<ol style="list-style-type: none"> Anti fraud and anti corruption policy in place. Fraud prevention plan Code of conduct Segregation of duties Declaration of interests GRI register in place Remuneration, Social and Ethics Committee fraud risk assessment conducted annually Anti-fraud and corruption awareness workshop conducted 	Fair	Moderate	CEO	<ol style="list-style-type: none"> 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
8	Good governance, financial sustainability and sound management	Non-compliance with applicable legislation	<ol style="list-style-type: none"> Various and changing legislative requirements to be complied with. Non-compliance could be detrimental to the company. There is a requirement to comply with MSCQA 	Major	Possible	High	<ol style="list-style-type: none"> Regulatory compliance register assessment led and managed by the Company Secretary. Compliance policy and framework in place Presented to the BOD for the impact and progress on MSCQA compliance. Quarterly reporting to oversight committees on compliance. Entity is currently transacting on mScqa 	Fair	Moderate	CEO	<ol style="list-style-type: none"> 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. Monthly & Quarterly
9	The provision of opportunities for the youth including future arts practitioners and entrepreneurs	Limited programmes available for newly trained Arts Practitioners	<ol style="list-style-type: none"> Limited in-house production to absorb newly trained artists 	Moderate	Possible	Moderate	<ol style="list-style-type: none"> Applied Performing Arts and Arts Management partnership with WIRS. Weekly drama workshops Monitoring and updating of internal staff in key positions on in-house productions 	Good	Low	CEO	<ol style="list-style-type: none"> 1. Establish partnership with other role players in the industry 	Executive Producer / COO	Quarterly