



# BUSINESS PLAN FOR 2024/25 FINANCIAL YEAR

Final, v2

29 April 2024



**JOBURG  
THEATRE**



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## ABBREVIATIONS

AGSA	Auditor-General of South Africa
BRICS	Brazil, Russia, India, China and South Africa
B-BBEE	Broad-Based Black Economic Empowerment
Capex	Capital Expenditure
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operations Officer
COJ/city	City of Johannesburg
The Constitution	Constitution of the Republic of South Africa, 1996
CATHSSETA	Culture, Arts, Tourism, Hospitality and Sport Sector
DDM	District Delivery Model
EPWP	Expanded Public Works Programme
GDP	Gross Domestic Product
GGT2030	Growing Gauteng Together 2030 Plan of Action
GDS	Growth and Development Strategy
IDC	Industrial Development Corporation of South Africa Limited
IETM	Informal European Theatre Meeting
ICT	Information and Communication Technology
IT	Information Technology
IDP	Integrated Development Plan 2022-2027
ISPA	Internet Service Providers Association
JCT	Joburg City Theatres
JMPD	Johannesburg Metropolitan Police Department
KPA	Key Performance Area
KPI	Key Performance Indicator
LGBTIQA+	Lesbian, Gay, Bisexual, Transgender, Gender Diverse, Intersex, Queer, Asexual and Questioning
MTREF	Medium-Term Revenue and Expenditure Framework
MTSF	Medium-Term Strategic Framework
MMC	Member of the Mayoral Committee
MOA/U	Memorandum of Agreement/Understanding
MSCOA	Municipal Standard Chart of Accounts
NDP	National Development Plan Vision 2030
NPC	Non-profit Company

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COVID-19	Novel Coronavirus Disease 2019
Opex	Operating Expenditure
PACOFS	Performing Arts Centre of the Free State
PESTEL	Political, Economic, Social, Technological, Environmental and Legislative
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprise
SAPS	South African Police Service
SOC	State-owned Company
SO	Strategic Objective
SWOT	Strengths, Weaknesses, Opportunities, Threats
SDG	Sustainable Development Goal (United Nations, 2015)
US/USA	United States of America
Wits	University of the Witwatersrand
WYPD	Women, Youth, and Persons with Disability

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## OFFICIAL SIGN-OFF

It is hereby confirmed that this 2024/25 Business Plan for Joburg City Theatres:

- 1) Was developed by the management team of Joburg City Theatres under the guidance of the board of directors.
- 2) Takes into account all relevant legislation, policies, and other mandates for which Joburg City Theatres is responsible; and
- 3) Accurately reflects the performance targets which Joburg City Theatres will endeavour to achieve for the 2024/25 financial year, given the resources made available in the budget.

**Recommended by:**

**Mr Vukani Magubane**  
Chief Financial Officer

Signature:



Date:

26/04/2024

**Ms Bridget Mashika- Sidwaba**  
Chief Operating Officer

Signature:

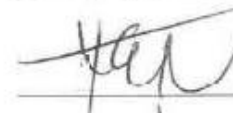


Date:

26/04/2024

**Ms Xoliswa Nduneni-Ngema**  
Chief Executive Officer  
(Accounting Officer)

Signature:



Date:

26/04/2024

**Approved by:**

**Mr Godfrey Katsana**  
Chairperson of the Board

Signature:



Date:

26.04.2024

**Cllr Lubabalo Mangwentshu**  
MMC: Community Development

Signature:



Date:

29 / 04 / 2024

## 1. EXECUTIVE SUMMARY

The Johannesburg Civic Theatre (JCT) was built by the then city council in 1962, creating a high-profile landmark atop the Braamfontein hill. The building was given a major renovation in the late 1980's, and subsequent state-of-the-art stage upgrades, ensuring it is one of the most technically proficient theatres in the southern hemisphere.

In July 2000, when theatres across the country were considered to be both creatively and financially moribund, the Joburg City Council corporatised the theatre operating company as a municipal-owned entity (MOE) wholly owned by the City of Johannesburg (COJ), thus establishing Johannesburg Civic Theatre (Pty) Ltd, a Section 21 Company. The company was rebranded as Joburg Theatre (SOC) Ltd in 2009.

In 2011, the COJ embarked on a high level review of the institutional arrangements in the city. JCT was positioned to integrate all municipally-owned theatres in the COJ, aiming for enhanced governance and strategic alignment. The group structure was positioned to operate as an internationally recognised centre of excellence in the provision of professional theatre entertainment to the citizens of Johannesburg.

This integration, effective from January 2013, streamlined operations and promoted synergy with a single board of directors, CEO, and executive team. JCT manages the operations of three theatres:

- 1) Joburg Theatre is one of the acknowledged success stories of COJ's corporatisation policy. Its largest auditorium, renamed The Nelson Mandela Theatre, regularly sees over 75% of capacity audiences and remains open a minimum of fifty weeks in each year. Joburg Theatre is also the permanent home to Joburg Ballet, which is supported by an annual grant from JCT, as well as the Peoples Theatre Company – performing throughout the year to children between the ages of 3 and 13, and one of the country's most respected community development projects in the arts, the tiny 'black-box' theatre known as space.com. Since 2017, the Johannesburg Philharmonic Orchestra has been supported through an annual grant from JCT.
- 2) Roodepoort City Theatre was established in 1980 and rebranded as Promusica Theatre in 2000 through the Egoli 2000 process. The theatre refocused its efforts in 2009/10, resulting in a stronger focus on the receiving house aspects of Promusica and a more concerted effort to attract independent producers to the venue.
- 3) Soweto Theatre in Jabulani, Soweto was officially launched in 2012. The theatre is a professional venue, sophisticated and state-of-the art whilst versatile and inviting towards the culturally rich community it serves. The venue is aimed at the advancement and sharing of arts and culture in the area, and to assist in furthering the economic and social development of arts and culture in Soweto as part of the Jabulani CBD precinct development plan.

As a supplementary service offering, since 2013, JCT's hospitality, catering, and events management services have matured and expanded significantly, boosting revenue and enhancing the suite of services. Stages restaurants currently operate at Joburg City Theatres, Joburg Zoo, and other COJ departments and entities.

The board is the Accounting Authority in terms of the Companies Act and provides strategic direction and leadership to enhance the delivery of value, and to ensure JCT's long-term sustainable development and growth. In fulfilling its



responsibilities, the board is supported by the Chief Executive Officer and her team in implementing the approved strategic and aligned annual business plans, and policies.

JCT strives to comply with the principles and practices contained in the King IV Report on Corporate Governance for South Africa. In line with good corporate governance practices, the board of JCT is in the process of finalising a new five-year strategic plan for the organisation, which covers the period between 2024/25 and 2028/29, and reflects the impact, strategic outcomes, strategic objectives, and interventions against which JCT aligns its annual business plans.

In line with the COJ's business planning guidelines for 2024/25, JCT's 2024/25 Business Plan reflects the entity's alignment to national and provincial developmental priorities and the strategic direction provided by the Government of Local Unity of the COJ, specifically, in terms of the Revised Growth and Development Strategy (GDS) 2040, Integrated Development Plan 2022-2027 (IDP), and COJ strategic/political priorities. Furthermore, the COJ's Reimagining Johannesburg Call to Action has been embedded in JCT's new business model.

JCT commenced its annual strategic review and planning process in October 2023. A comprehensive assessment of performance against the 2019-2024 Strategic Plan and 2023/24 Business Plan was conducted by the board and senior management team at various strategic planning sessions held between October 2023 and April 2024. The deliberations included:

- ❖ A review of JCT's mandate and alignment with the legislative environment and policy context of the Government of Local Unity.
- ❖ A review of JCT's strategic framework and focus – vision, mission, and values. The vision has subsequently been revised and the mission refined.
- ❖ A business model canvas has been developed outlining how JCT intends to create value in partnership with key stakeholders, with a strong emphasis on customer-centricity, thus embedding the COJ's Call to Action.
- ❖ A review of progress against strategic objectives of JCT's five-year strategic plan and alignment with the Revised GDS 2040 and COJ priorities. This included the development of an impact statement and strategic outcomes (results-focus) against which the entities strategic objectives are aligned.
- ❖ A review of the situational analysis, and the provision of substantive input for the development of the 2024/25 Business Plan, including short- to medium-term planning priorities, key projects, and key performance areas for the period.
- ❖ The review and development of the corporate scorecard for 2024/25 and the Medium-Term Revenue and Expenditure Framework (MTREF).
- ❖ An overview of the enablers to support the implementation of the 2024/25 Business Plan, including budget and resource considerations, refined operating model, organisational structure and capacitation, risk management, and audit resolution.

## SECTION 2: STRATEGIC OVERVIEW

OUR VISION:

*World class theatres that are a beacon of innovation and excellence*

OUR MISSION:

*To produce and present innovative, relevant, and diverse local and global entertainment programmes that promote inclusion, social cohesion, and artistic development in the City of Joburg, and beyond*

OUR VALUES:

**Service Excellence | Ubuntu | Accountability | Agility | Innovation**

## SECTION 3: CORE MANDATE/PURPOSE

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

### Reimagining Johannesburg – A Call to Action:

Led by the City Manager, a roadmap has been developed to navigate challenges for strategic impact in the COJ. The theme is: “Johannesburg – A World-Class African City Reimagined”. It includes:

- 1) Positioning Johannesburg as a resilient economic hub.
- 2) Harnessing innovation to address pressing issues.
- 3) Showcasing Johannesburg’s cultural richness as a source of unity and strength during uncertain times.
- 4) Reimagining the city to generate employment, stimulate local businesses, and contribute to economic recovery.
- 5) Prioritising infrastructure improvements for immediate and sustainable enhancement of residents’ quality of life amidst ongoing challenges.

JCT has a direct role to play in showcasing the City’s cultural richness, while contributing to job creation and the stimulation of local businesses through its arts and entertainment activities.

There are five drivers to the reimagined vision, and 10 actions to be embraced: (1) Embrace the Political Mandate, (2) Transparent Performance Assessment, (3) Enhance Mandate Execution, (4) Strategic Planning and Monthly

Deliverables, (5) Accelerate Capital Spending, (6) Turnaround Non-Performing Entities, (7) Wise Utilisation of Public Funds, (8) Customer-Centric Outcomes, (9) Deliver Tangible Outcomes, (10) Embrace Disruption for Progress.

### Business Model Canvas:

JCT’s alignment with its mandate is illustrated in the business model canvas below. The nine building blocks outline how JCT intends to create, deliver, and capture value over the medium-term planning period as it responds to and embeds the COJ’s call to action.

JCT STRATEGY '29 BUSINESS MODEL CANVAS				
<b>Key Partners</b> <i>Key external entities, suppliers and partners to achieve a competitive advantage</i> <ul style="list-style-type: none"> <li>Artists and performers</li> <li>Producers</li> <li>Educational institutions</li> <li>Sector Education and Training Authority (CATHSSETA)</li> <li>Corporate sponsors and funders</li> <li>Embassies / Cultural offices / Chambers of commerce</li> <li>Shareholder (City of Joburg)</li> <li>Government entities</li> <li>Media</li> <li>Communities (patrons, schools, and future arts practitioners)</li> <li>Peer theatres</li> <li>Festival organisers</li> <li>Neighbourhood security providers</li> <li>District improvement organisations</li> <li>Tourism / destination marketing agencies and companies</li> </ul>	<b>Key Activities</b> <i>Core business activities to deliver JCT's mission and operate effectively</i> <ul style="list-style-type: none"> <li>Content Creation (Programming)</li> <li>Fundraising and contracting</li> <li>Marketing, events promotion, and audience development</li> <li>Live entertainment production</li> <li>Youth development programmes</li> <li>Community engagement and outreach programmes</li> <li>Hospitality and catering</li> <li>Venue management, maintenance, and energy efficiency improvements</li> <li>Customer services and experience</li> <li>Technical support for shows</li> </ul>	<b>Value Propositions</b> <i>Unique solutions provided to address customer / stakeholder needs</i> <ul style="list-style-type: none"> <li>Soweto Theatre: Multifaceted, modern facility</li> <li>Roodepoot Theatre: Secure location, theatre park, and museum</li> <li>Joburg Theatre: Theatre park, capacity to host large scale and international productions</li> <li>Hospitality &amp; Catering: Stages, end-to-end events management</li> <li>Quality infrastructure/ theatre experience</li> <li>Theatres within communities</li> <li>Uninterrupted productions</li> <li>Safe and environmentally friendly facilities</li> <li>Offsite / mobile theatre programming</li> <li>Platforms for talent development</li> <li>Partnerships with Joburg Ballet and Joburg Philharmonic Orchestra</li> </ul>	<b>Customer Relationships</b> <i>How JCT interacts with its customers.</i> <ul style="list-style-type: none"> <li>Personalised customer service</li> <li>Audience development - site visits to communities and schools</li> <li>B2B – mutually beneficial partnerships</li> <li>Continuous awareness campaigns</li> <li>Relationships with friends of the theatre</li> <li>Feedback and engagement through social media</li> <li>Membership and loyalty programs</li> </ul>	<b>Customer Segments</b> <i>JCT's target customer segments?</i> <ul style="list-style-type: none"> <li>Theatre goers (existing)</li> <li>New audiences</li> <li>Educational institutions – schools, ECDs, and tertiary institutions</li> <li>Old age homes</li> <li>Young people</li> <li>Aspiring artists</li> <li>Corporates (businesses), and sponsors</li> <li>Tourists (national and international)</li> </ul>
	<b>Key Resources</b> <i>Physical, intellectual, human, and financial resources</i> <ul style="list-style-type: none"> <li>Three theatre venues and facilities</li> <li>Quality technical equipment</li> <li>Creative, technical and support staff</li> <li>Marketing and sales teams</li> <li>Hospitality and catering staff</li> <li>Funding and financial resources</li> <li>IT infrastructure</li> <li>Mobile theatre truck</li> </ul>		<b>Channels</b> <i>How JCT reaches customers? Distribution, sales, and marketing.</i> <ul style="list-style-type: none"> <li>Online ticket sales platforms</li> <li>Social media and digital marketing</li> <li>Traditional advertising and media (public relations)</li> <li>Quality theatre performances</li> <li>Word of mouth</li> <li>Open rehearsals</li> <li>Community events</li> </ul>	
<b>Cost Structure</b> <i>Key cost drivers, and target cost ratios</i> <ul style="list-style-type: none"> <li>Salaries (40:60)   Production costs   H&amp;C cost of sales / hiring costs   Utilities   Contracted services   Fleet services   Consumables   Marketing and communication   Repairs and maintenance</li> </ul>		<b>Revenue Streams</b> <i>Earnings and target profitability</i> <ul style="list-style-type: none"> <li>Subsidy to External Revenue (Current: 67:33, maintain at 70:30 over 5-years)   H&amp;C   Ticket sales (inhouse)   Ticket commission   Rentals   Special projects (management fees, Arts Alive, EISD, Group Finance, sports, libraries, travel services, SETA)   Sponsorships</li> </ul>		

## SECTION 4: LEGISLATION AND POLICY ENVIRONMENT

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

Within the political structure of the COJ, JCT forms part of the COJ’s Social and Human Development Cluster, located under the Department of Community Development, with the Member of the Mayoral Committee (MMC) for Community Development providing political oversight. The organisation is tasked to support the strategic direction provided by the priorities and interventions of the Government of Local Unity of the City’s government, elected and formed in February 2023.

The business plan reflects on JCT’s contribution to the National Development Plan Vision 2030 (NDP), the Medium-Term Strategic Framework (MTSF) 2019-2024, the District Development Model (DDM), Growing Gauteng Together 2030 Plan of Action (GGT2030), Revised GDS 2040, IDP, COJ strategic/political priorities, the COJ’s Climate Action Plan, and the Municipal Finance Management Act Circular 88 indicators.

It shows JCT’s contribution to driving progress towards the achievement of the longer-range GDS outcomes through programmatic alignment to the short- and medium-term GDS output interventions.

JCT has a programmatic contribution to the COJ priorities, and GDS outputs and outcomes, as follows:

City Priority	Applicable GDS Outputs	JCT’s Programmatic Response	GDS Outcome
<b>7. Safer City</b>	1.6. A city characterised by social inclusivity and enhanced social cohesion	<ul style="list-style-type: none"> <li>▪ Arts and theatres promotion and development</li> <li>▪ Support and uplifting of marginalised communities</li> <li>▪ Create and maintain facilities that promote social cohesion</li> </ul>	1. Improved quality of life and development-driven resilience for all
	1.5. A safe and secure city	<ul style="list-style-type: none"> <li>▪ Integrated and visible policing where South African Police Service (SAPS), the private sector, and community organisations collaborate to monitor areas, provide alerts and share capacity</li> </ul>	
<b>3. Energy Mix</b>	2.7. Climate change resilience and environmental protection	<ul style="list-style-type: none"> <li>▪ Development and implementation of JCT’s climate action plan (CAP) focused on applicable themes of the COJ’s CAP</li> <li>▪ Using theatres to create awareness of the COJ’s climate action plan</li> </ul>	2. Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy
<b>1. Good governance</b>	4.1. Partnerships, intergovernmental and international relations	<ul style="list-style-type: none"> <li>▪ Mobilisation and management of stakeholders and strategic partnerships</li> </ul>	4. A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region
	4.2. A responsive, accountable, efficient, and productive metropolitan government	<ul style="list-style-type: none"> <li>▪ Sustain a clean audit outcome from the Auditor-General of South Africa (AGSA)</li> <li>▪ Anti-fraud and corruption</li> </ul>	

City Priority	Applicable GDS Outputs	JCT’s Programmatic Response	GDS Outcome
<b>2. Financial sustainability</b>	4.3. Financially sustainable and resilient city	<ul style="list-style-type: none"> <li>Financial management and sustainability</li> </ul>	3. An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens
<b>8. Active and engaged citizenry</b>	4.4. Meaningful citizen participation and empowerment	<ul style="list-style-type: none"> <li>Broadened community access to theatres</li> </ul>	
	4.5. Guaranteed customer and citizen care and service	<ul style="list-style-type: none"> <li>Service level standards set and achieved</li> </ul>	
<b>6. Job opportunity and creation</b>	3.1. Job-intensive economic growth	<ul style="list-style-type: none"> <li>Skills development and job opportunities with a focus on young people and fair allocation of local contracts</li> </ul>	
<b>9. Sustained economic growth</b>	3.4. A “Smart” City of Johannesburg, that is able to deliver quality services to citizens in an efficient and reliable manner (cross-cutting output)	<ul style="list-style-type: none"> <li>Promotion of business and cultural tourism as drivers of economic growth</li> </ul>	
<b>11. Smart City</b>		<ul style="list-style-type: none"> <li>Embracing innovations in information and communication technology (ICT) to expand access and enhance the theatre experience</li> </ul>	

## SECTION 4: STRATEGIC OBJECTIVES

Aligned to JCT’s mandate, GDS 2040, and City priorities, JCT defines its long-term development impact as:

**A vibrant, inclusive, and diverse City of Joburg arts and entertainment landscape, serving as a catalyst for heightened social cohesion, increased cultural tourism, job creation, flourishing arts practitioners, and enriched cultural experiences.**

Five strategic outcomes (results) have been identified to deliver the impact over the medium term. The outcomes will be achieved through the successful implementation of six strategic objectives (SO), including a strategic objective related to the COJ’s climate action plan as specified by the COJ’s planning guidelines for 2024/25.

Strategic Outcome	Elements of the Outcome	Business Plan Strategic Objective
<b>GDS Outcome 1:</b> Improved quality of life and development-driven resilience for all   <b>COJ Priority 7:</b> Safer City		
<b>Outcome 1:</b> A vibrant and enriching arts and entertainment landscape in the City of Joburg	<ul style="list-style-type: none"> <li>▪ Leverage the value proposition of each theatre</li> <li>▪ Diversity of Offerings</li> <li>▪ Quality of Programming</li> <li>▪ Events and Festivals</li> <li>▪ Innovation and Creative use of spaces</li> <li>▪ Promotion of Local Talent</li> </ul>	<b>SO1. Quality performing arts and entertainment experiences, and facilities</b>
<b>GDS Outcome 3:</b> An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens   <b>COJ Priority 6:</b> Job opportunity and creation		
<b>Outcome 2:</b> Flourishing arts and entertainment practitioners, and entrepreneurs in the creative industry	<b>Prioritising the youth and designated groups:</b> <ul style="list-style-type: none"> <li>▪ Skill Development Programmes</li> <li>▪ Training and Workshops</li> <li>▪ Mentorship and Guidance</li> <li>▪ Access to Resources and Facilities</li> <li>▪ Entrepreneurship Support</li> <li>▪ Collaboration with Educational Institutions</li> </ul>	<b>SO2. Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs</b>
<b>GDS Outcome 4:</b> A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region   <b>COJ Priority 8:</b> Active and engaged citizenry		
<b>GDS Outcome 3.</b> An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens   <b>COJ Priority 11:</b> Smart city:		
<b>Outcome 3:</b> Existing and new audiences readily accessing and engaging with JCT’s cultural spaces and programmes	<ul style="list-style-type: none"> <li>▪ Accessibility</li> <li>▪ Marketing and Promotion</li> <li>▪ Programming Diversity</li> <li>▪ Community Engagement</li> <li>▪ Visitor Experience</li> <li>▪ Education and Outreach</li> <li>▪ Technology Integration</li> <li>▪ Feedback and Evaluation</li> </ul>	<b>SO3. Affordable access to and use of theatres by communities</b>
<b>GDS Outcome 4:</b> A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region   <b>COJ Priority 1:</b> Good governance   <b>COJ Priority 2:</b> Financial sustainability		
<b>GDS Outcome 2:</b> Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy   <b>COJ Priority 3:</b> Energy mix		

Strategic Outcome	Elements of the Outcome	Business Plan Strategic Objective
<p><b>Outcome 4:</b> A well-governed, financially sustainable, and climate resilient organisation</p>	<ul style="list-style-type: none"> <li>▪ Effective Governance Structures</li> <li>▪ Strategic Leadership</li> <li>▪ Financial Stability</li> <li>▪ Revenue Generation</li> <li>▪ Operational Efficiency</li> <li>▪ Risk Management</li> <li>▪ Climate Resilience</li> </ul>	<p><b>SO4. Good governance, financial sustainability and sound management</b></p> <p><b>SO5. Climate Action Plan implemented at JCT facilities and theatre used to promote climate resilience</b></p>
<p><b>GDS Outcome 4:</b> A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region   <b>COJ Priority 1:</b> Good governance</p> <p><b>GDS Outcome 1:</b> Improved quality of life and development-driven resilience for all   <b>COJ Priority 7:</b> Safer City</p> <p><b>GDS Outcome 3:</b> An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens   <b>Priority 9:</b> Sustained economic growth</p>		
<p><b>Outcome 5:</b> Partnerships mobilised to enrich the arts and theatre experience, coupled with improved brand recognition and awareness of JCT</p>	<ul style="list-style-type: none"> <li>▪ Strategic Partnerships</li> <li>▪ Collaborative Programming</li> <li>▪ Resource Sharing</li> <li>▪ Brand Promotion and Marketing</li> <li>▪ Educational Partnerships</li> <li>▪ Evaluation and Impact Assessment</li> </ul>	<p><b>SO6. Mobilisation of partnerships to support the mandate and improved brand recognition and awareness of JCT</b></p>

*Note: A process is underway to finalise the strategic plan outcome indicators and five-year targets for each of the outcomes, to be monitored and evaluated separately as an indication of the effectiveness of JCT’s delivery of its annual corporate scorecards.*

## SECTION 6: RESPONSE TO CITY OF JOBURG COMMUNITY-BASED ISSUES

One of the biggest value propositions of arts and culture is community building, and the Quality of Life Survey 6 (2021/22) by the Gauteng City Region Observatory<sup>1</sup> revealed that there has been some interest in the sector. It also highlighted a general decrease in overall wellbeing, feelings of powerlessness, feeling uncared for and a not belonging in their communities. At least one of these feelings was experienced by more than half of the respondents. Levels of community trust have also been generally low, especially among the coloured and black communities.

However, even though in-person gatherings were limited during lockdown, participation in social activities increased. Those living in extremely low-income homes showed a substantial increase in participating in these activities, indicating that these provided support for Gauteng’s poor during the pandemic. Society relies on the institutions of arts and culture to promote understanding and empathy, reignite inspiration, and nurture creativity. It is noted that the GRCO is in the process of finalising the Quality of Life Survey 7 (2023/24).

<sup>1</sup> Gauteng City Region Observatory, Quality of Life Survey 6 (2021) Municipal Report - City of Johannesburg, September 2021



The 2022/23 Bi-Annual Joburg Polling Report is the most recent customer satisfaction survey undertaken by the city. It shows that Region A is the most satisfied with the quality of life in the COJ, while Region G is the least satisfied. JCT has theatres in Regions C (Roodepoort Theatre), D (Soweto Theatre), and F (Joburg Theatre). All three regions indicated a moderate (neutral) satisfaction with their quality of life in the COJ.

The Joburg Polling Report echoes the findings of the GCRO QOL and emphasises the need for the COJ to prioritise services related to roads, electricity, community safety, and water provision across all regions. Although the polling report does not specifically highlight concerns with arts and culture, JCT has the potential to contribute positively to issues related to job creation, municipal communication and public participation, the rising cost of living (which may influence theatre attendance), and public safety (in collaboration with district improvement initiatives and the safety/security cluster). A standout area for improvement is customer care and engagement, which JCT can positively impact. The rising cost of living should also be considered in the pricing of tickets for shows.

The COJ and the Joburg theatres must better communicate its promises to residents and showcase its progress on its commitments; and the theatres, specifically, must continue and expand their efforts to broaden access to and participation in theatre programmes and offerings. Quality service delivery will, therefore, continue to be prioritised by JCT.

### **Quality service delivery:**

JCT operates under the strategic plan theme *“to procure and/or produce transformed content in transformed spaces”*; and:

- 1) *to commercialise the transformed content by ensuring the shows are profitable; and*
- 2) *to grow JCT’s profile by showcasing the transformed content nationally and internationally by implementing JCT’s production plan, per theatre, marketed under the banner of COJ / JCT.*

Quality service delivery is enabled by the following capabilities:

- ❖ JCT is able to produce and host world class productions due to the high standard of infrastructure and facilities at the 3 theatres.
- ❖ The upgraded stage machinery at the Joburg Theatre makes it globally competitive and a preferred venue for producers.
- ❖ The problem of loadshedding and power outages has been addressed by the installation of generators at all three JCT theatres.
- ❖ The quality facilities are supported by strong technical capabilities of the JCT team, who are able to manage diverse productions.
- ❖ The organisation continues to receive a good public relations return on investment and is well-placed to fill the arts and theatre gap that has been created by the closure of private sector theatres in the COVID-19 period.
- ❖ Content is broadly well-received by traditional and new audiences, with anecdotal evidence of a good reputation locally, nationally, and internationally.



- ❖ Key anniversary milestones have been celebrated, namely, Joburg Theatre 60<sup>th</sup> and Soweto Theatre 10<sup>th</sup> anniversaries in the 2022/23 financial year. Roodepoort Theatre’s 45<sup>th</sup> anniversary will be celebrated in the 2024/25 financial year.
- ❖ Well managed hospitably and catering unit with a significant income contribution to JCT’s revenue-base. Good reviews received for the provision of events management services for COJ departments and entities, as well as other services provided, such as SCM support to COJ departments and entities.
- ❖ Good relationships with the security clusters in Braamfontein, Roodepoort and Soweto (SAPS, JMPD, EMS, and general security companies).
- ❖ Clean audit outcome achieved in the 2022/23 financial year.

**Notwithstanding the successes, key challenges and mitigating measures include:**

No.	Challenge	Mitigating measures
1	Inconsistent attendance at theatre shows due to the economic downturn, which means people have less disposable income for entertainment	<ul style="list-style-type: none"> <li>▪ Stage fewer yet high-profile productions, which will result in greater ticket sales (balance tickets sold / complimentary ticket ratio).</li> <li>▪ Review marketing and sales strategies to yield the desired outcomes – paying bums on seats (60% to 70% sales).</li> </ul>
2	Inadequate funding for capital expenditure to enhance the economic life of theatre facilities	<ul style="list-style-type: none"> <li>▪ Solicit sponsorships and donations through the newly established function dedicated to driving sponsorship acquisition.</li> </ul>
3	Locations of Soweto Theatre (Jabulani) and Joburg Theatre (Braamfontein), both are seen by audiences as not safe	<ul style="list-style-type: none"> <li>▪ Both theatres are part of the security clusters in Jabulani Precinct (Jabulani Police station across the road) and Braamfontein Improvement District – partnerships will continue to be strengthened.</li> <li>▪ Move evening shows to daytime showtimes.</li> </ul>
4	Revenue Diversification	<ul style="list-style-type: none"> <li>▪ Lobby for funding to develop underground parking bays to diversify revenue streams.</li> <li>▪ Neighbouring building, Bayete, pay-per-foot parking shared revenue model.</li> <li>▪ Continue to grow revenue from hospitality and catering through increased service provision to City departments and entities.</li> <li>▪ Optimise all external revenue sources, including but not limited to, advertising, special projects for public sector entities, ticket sales, conferencing, and commission.</li> </ul>
5	Inadequate expenditure budgets, especially for cost of sales, marketing, and compensation	<ul style="list-style-type: none"> <li>▪ New marketing strategy / sales strategy</li> <li>▪ Sponsorships and revenue diversification.</li> <li>▪ Dedicated role established to drive sponsorship acquisition.</li> </ul>

No.	Challenge	Mitigating measures
6	Competition for entertainment audiences from casinos, festivals, and other largescale entertainment facilities	<ul style="list-style-type: none"> <li>▪ Unique programming as a competitive advantage.</li> <li>▪ Relationship building with critical producers and creatives.</li> <li>▪ Incentives for creative teams.</li> <li>▪ Diversification of programming, integrated with marketing.</li> <li>▪ Pay higher rates than what the industry pays.</li> </ul>
7	Human resource capacity constraints resulting in reliance on interns in some departments	<ul style="list-style-type: none"> <li>▪ Organisational review to align with the corporate strategy.</li> <li>▪ Implementation of JCT's Human Resource Management Strategy, covering, performance management, succession planning, labour relations, among others.</li> </ul>
8	Inability to provide sustainable livelihoods for ad hoc employees in the hospitality and catering department	<ul style="list-style-type: none"> <li>▪ Absorption of temporary staff where the opportunity arises, offering staff meals while at work, offering transport to staff, and paying incentive bonuses at financial year-end.</li> <li>▪ Maintain an optimal balance of permanent and temporary staff.</li> </ul>
9	Non-compliant Soweto Amphitheatre	<ul style="list-style-type: none"> <li>▪ Secure a permanent occupation certificate from COJ Planning Department.</li> <li>▪ Procurement of technical equipment to optimally utilise and rent out the venue.</li> <li>▪ Use of venue as a multipurpose space for traditional music and dance, fashion shows, music concerts, sports (basketball/boxing).</li> </ul>
10	Inconsistent youth and community development across the three theatres	<ul style="list-style-type: none"> <li>▪ Develop and implement an integrated youth and community development strategy for consistent application by all theatres.</li> </ul>

## SECTION 7: STRATEGIC ANALYSES

### Service Delivery and Performance Analysis:

JCT has done well in delivering on the goals of its 2019-2024 Strategic Plan, highlighting achievements in hosting Joburg festivals, developing youth and future arts practitioners, obtaining a clean audit outcome for the 2022/23 financial year, establishing extensive partnerships and collaborations, and significantly surpassing revenue generation targets from hospitality and catering services. Primarily due to the COVID-19 pandemic, goals related to outreach programmes, local content and youth procurement spend, and achieving own revenue (beyond the subsidy) have not been met. While six productions have been toured nationally, touring productions internationally has been challenging; however, it remains a focus for the future.

Except for the COVID-19-impacted 2020/23 financial year, JCT has consistently achieved over 90% of its annual business plan performance targets, with a 96% achievement in the 2022/23 financial year.

## Environmental Analysis:

The second part of the strategic analysis provides a reflection on the macro-environment context within which JCT operates. The economic outlook for South Africa remains subdued, unemployment rates are at record highs, and poverty and inequality remain pervasive. Focus must be given to supporting women, youth, and persons with disabilities. For JCT, the future arts and theatre practitioners will come from the youth, and thus a specific strategic objective with aligned key performance areas on youth development has been set.

The PESTEL analysis and SWOT analysis have been comprehensively reviewed, making up the rest of the environmental analysis detailed in the business plan and informing JCT’s strategic response.

## SECTION 8: RISK ASSESSMENT

JCT has established and maintains a system of risk management in accordance with the provisions of the Municipal Finance Management Act and the King IV™ Report on Corporate Governance and Risk Management Standards, as applicable. Oversight over the governance and management of risk in JCT is carried out by the Audit and Risk Committee (ARC), which is a subcommittee of the board of directors. The ARC meets on a quarterly basis and operates in accordance with approved terms of reference. The ARC has adopted an integrated approach to risk management, the COJ Group Risk Management Framework, and the Group Risk Management Policy as approved by Council.

The key risks, current controls, and mitigation actions are summarised in Section 8. The detailed Risk Register is attached as an annexure to this 2024/25 Business Plan.

## SECTION 9: STRATEGIC RESPONSE – IMPLEMENTATION AND PERFORMANCE

### Key Performance Areas:

Informed by JCT’s mission and business model, the COJ’s strategic priorities, and the above performance and environmental analysis, the organisation has reviewed and revised its 2024/25 key performance areas (KPAs). The KPAs are the key outputs of the focus areas of JCT’s six strategic objectives, outlined in the table below.

COJ Priority	Strategic Objective	Key Performance Areas
Priority 7: Safer City Priority 8: Active and engaged citizenry	SO1. Quality performing arts and entertainment experiences and facilities	Service level standards achieved
		Arts and culture festivals and themed productions hosted and produced
		Joburg Ballet and Johannesburg Philharmonic Orchestra integrated into the group offering
		JCT touring circuit implemented
		Annual Legends Tribute Programme implemented

COJ Priority	Strategic Objective	Key Performance Areas
Priority 6: Job opportunity and creation	SO2. Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	Work opportunities created at JCT
		Youth developed in arts and theatre
Priority 7: Safer City Priority 8: Active and engaged citizenry Priority 11: Smart City	SO3. Affordable access to and use of theatres by communities	Audiences developed and venues accessed
		School network offerings provided across all 3 theatres
		City-wide integrated activations implemented
Priority 1: Good governance Priority 2: Financial sustainability Priority 6: Job opportunity and creation	SO4. Good governance, financial sustainability and sound management	Financial management and sustainability
		Governance, internal controls, performance, and risks managed
		Small businesses supported through B-BBEE and preferential procurement
		Municipal Finance Management Act Circular 88 outcomes and outputs on financial management and good governance monitored and reported on
Priority 3: Energy mix	SO5. Implement the COJ's Climate Action Plan at JCT facilities and use theatre to promote a low carbon economy	JCT's climate action plan developed
		Low carbon economy industrial theatre activations (in future years)
Priority 1: Good governance Priority 7: Safer City Priority 9: Sustained economic growth	SO6. Mobilisation of partnerships to support the mandate and improved brand recognition and awareness of JCT	Strategic partners mobilised and managed
		Theatre-specific media messages monitored and disseminated

**Areas of Focus:**

- 1) Soweto Amphitheatre operationalisation.
- 2) Major milestone events.
- 3) Revenue generation.
- 4) Arts and Culture/Tourism Strategy.
- 5) Securing funding for the development of underground parking at Joburg Theatre.
- 6) Contributing to the COJ Climate Action Plan.

Focus Area	Key Interventions		
	Short Term (FY2024/25)	Medium Term (2024-2027 MTREF)	Longer Term (Beyond 2027)
Operationalisation of Soweto Theatre Amphitheatre	<ul style="list-style-type: none"> <li>▪ Securing a permanent occupation certificate from COJ Planning Department</li> <li>▪ Procurement of technical equipment to optimally utilise and rent out the venue</li> </ul>	Use of venue as a multipurpose space for traditional music and dance, fashion shows, music concerts, sports (basketball/boxing)	
Major milestone events	<ul style="list-style-type: none"> <li>▪ Roodepoort Theatre 45<sup>th</sup> anniversary (2024/25)</li> </ul>	Planned programme implementation	
Revenue generation	<ul style="list-style-type: none"> <li>▪ Stage fewer yet high-profile productions, which will result in greater ticket sales (balance tickets sold/ complimentary ticket ratio)</li> <li>▪ Review marketing and sales strategies to yield the desired outcomes – paying bums on seats</li> <li>▪ Increased revenue from hospitality and catering by servicing more COJ departments and entities</li> <li>▪ Neighbouring building, Bayete, pay-per-foot parking shared revenue model</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strengthen school network offerings across all 3 theatres</li> <li>▪ Solicit sponsorships and donations</li> <li>▪ Corporate theatre for companies</li> <li>▪ Continued growth and expansion of the hospitality and catering services</li> </ul>	Position arts alongside sport in schools for development of future audiences
Arts and Culture/ Tourism Strategy	Strengthen tourism linkages (local, provincial and national depts.), including to secure JCT theatres being part of the red bus tourism routes.	<ul style="list-style-type: none"> <li>▪ Better integrate the Joburg Ballet and Johannesburg Philharmonic Orchestra into the group offering</li> <li>▪ Partner with the City on the development of an integrated tourism and destination marketing strategy</li> </ul>	<ul style="list-style-type: none"> <li>▪ Establish the Joburg City Theatres Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg</li> <li>▪ Establish JCT Gift Shop</li> </ul>
Festivals and Newtown Cultural Precinct	<ul style="list-style-type: none"> <li>▪ Collaborate for the maintenance of a clean and safe precinct</li> </ul>	<ul style="list-style-type: none"> <li>▪ Review the cultural arch strategy (Newtown, Wits and Braamfontein festival circuit)</li> <li>▪ Implement the Joburg Arts Festival on the lines of Edinburg and Adelaide.</li> </ul>	

Focus Area	Key Interventions		
	Short Term (FY2024/25)	Medium Term (2024-2027 MTREF)	Longer Term (Beyond 2027)
	<ul style="list-style-type: none"> <li>Be part of the festival circuits (provincial, national and international), showcasing transformed content</li> </ul>		
Underground parking at Joburg Theatre	Lobby for funding to develop underground parking bays to diversify revenue streams	Secure funding for implementation in the outer years	Diversification of revenue streams and product offering, creating jobs, and infrastructure development
Contributing to the COJ’s Climate Action Plan (CAP)	Facility assessment and development of JCT’s CAP	<ul style="list-style-type: none"> <li>Secure funding and implement JCT’s CAP</li> <li>Implement industrial theatre productions in partnership with EISD on climate resilience</li> </ul>	

The areas of focus and interventions with budget allocations have been incorporated in JCT’s Corporate Scorecard for 2024/25, which comprises the following log frame tables:

- ❖ JCT Corporate Scorecard 2024/25, which outlines the key performance indicators, annual and quarterly targets, and budgets for each of the above key performance areas.
- ❖ Service Standards Charter and Standards.
- ❖ Municipal Finance Management Act Circular 88 Indicators for 2024/25, which contains the finance and governance-related indicators that are applicable to JCT.

Each corporate scorecard key performance indicator is further defined by detailed technical indicator descriptions.

## SECTION 10: FINANCIAL IMPACT

The budget and expenditure schedules for the MTREF are detailed in the business plan, summarised as follows (to be updated once budgets are finalised before submission of the final 2024/25 business plan):

- ❖ 2024/25 total operational expenditure budget of R259 519 million, which is a 3% increase on the previous full financial year forecast. It is estimated that the budget will increase by a total of 14% over the 3-year MTREF period, using the 2023/24 full year forecast as the baseline.
- ❖ It should be noted that JCT’s full year revenue forecast for 2023/24 is R259 519million.

The estimated capital budget for 2024/25 is R20 088 million, up from R21.571 million in the 2023/24 financial year.

## **SECTION 11: MANAGEMENT AND ORGANISATIONAL STRUCTURES**

The board of directors of JCT consists of 11 non-executive directors and two executive directors (CEO and CFO). The board is supported by two committees, namely, the Audit and Risk Committee and the Remuneration, Social and Ethics Committee.

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 complement is made up of South African historically disadvantaged individuals and 37% are female.

As at June 2023, JCT had 235 permanent employees against an approved complement of 262 employees. The vacancy rate was 8%. JCT further had 220 temporary fixed-term employees, 17 interns/learners, and 220 temporary / ad-hoc employees, the majority of whom work in the Hospitality and Catering Department (146). Other temporary employees are contracted and required to work and/or called per show, for which they are paid an hourly rate. Temporary employees in the Hospitality and Catering Department consist of waitresses, scullers, bartenders, commie chefs, kitchen staff, banqueting staff, and general assistants, etc.

## **SECTION 12: COMMUNICATION AND STAKEHOLDER MANAGEMENT**

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

## **SECTION 13: AUDIT RESOLUTION**

Status on the resolution of the internal and external audit findings raised by the Group Risk Assurance Services (internal auditors) and the Auditor-General (external auditors), as of the end of the second quarter of the 2023/24 financial year:

- 1) JCT achieved a clean audit outcome from the AGSA for the 2022/23 financial year.
- 2) 100% of the 29 internal audit findings raised during the 2022/23 financial year have been resolved.
- 3) Six findings raised by the Auditor-General in the 2022/23 external audit have been resolved.

**--- END OF EXECUTIVE SUMMARY ---**

## 2. STRATEGIC OVERVIEW

### 2.1. VISION

*World class theatres that are a beacon of innovation and excellence*

### 2.2. MISSION

*To produce and present innovative, relevant, and diverse local and global entertainment programmes that promote inclusion, social cohesion, and artistic development in the City of Joburg, and beyond*

In so doing, JCT commits to:

- ❖ Conceptualise, manage, host and promote quality performing arts and entertainment experiences.
- ❖ Ensure safe, modern, and environmentally sustainable arts and entertainment facilities, and amenities.
- ❖ Create opportunities for affordable access and use of theatres by all communities.
- ❖ Provide opportunities for the youth, including the development of future arts and theatre practitioners, and entrepreneurs.
- ❖ Grow shareholder value by ensuring sound financial sustainability and good governance.
- ❖ Collaborating with partners to optimise the effectiveness of its programmes.

### 2.3. 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. JCTs' values define a citizen-oriented approach for producing and delivering its services in line with the service delivery priorities and call to action drivers of the COJ, as follows:

Value	What it means in practice
Service excellence	<ul style="list-style-type: none"> <li>▪ We will at all times render the quickest, responsive, and best service to our customers. We will do so in a competent, timely, cost effective, efficient, and professional manner</li> <li>▪ We will strive for enhanced levels of customer satisfaction and responsiveness, and diligently strive to meet and exceed our service standards</li> </ul>



Value	What it means in practice
<b>UBUNTU (care and concern for people)</b>	<ul style="list-style-type: none"> <li>▪ We will do our work with care, empathy, and concern for the wellbeing of vulnerable communities, customers, and stakeholders</li> <li>▪ We will at all times display tolerance, respect, and consideration of cultural diversity</li> <li>▪ We will implement Batho Pele principles</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>▪ We will display punctuality, reliability, dependability, and a commitment to meet deadlines</li> <li>▪ We will act in a transparent manner and display ethical and consistent behaviour</li> <li>▪ We will behave with integrity in all our actions, always acting in the best interest of the citizen and organisation</li> <li>▪ We will take seriously the threat of climate change and collaborate to ensure our infrastructure is environmentally sustainability, while supporting the COJ in communicating the message of climate change mitigation</li> </ul>
<b>Agility</b>	<ul style="list-style-type: none"> <li>▪ We will seek to be flexible, adaptable, and responsive to our highly competitive environment</li> <li>▪ We will strive to identify opportunities to delivery services more economically and efficiently, and to respond to revenue opportunities, given the constrained fiscal environment</li> <li>▪ We will seek to leverage the positive social benefit of the arts, and to use the arts to address societal issues and promote greater quality of life</li> </ul>
<b>Innovation</b>	<ul style="list-style-type: none"> <li>▪ We will value and promote innovative ideas and solutions in order to remain relevant and attract new, modern day, audiences</li> <li>▪ We will use arts and entertainment to creatively influence and direct society towards a reimagined future state of social cohesion, inclusivity, and cultural heritage preservation</li> <li>▪ We will develop new capabilities in young and emerging arts practitioners to ensure continuity in the preservation of the arts and our rich, evolving cultural heritage</li> <li>▪ We will undertake research and actively seek feedback from our stakeholders in developing our programmes, maintaining existing, and attracting new audiences</li> </ul>

### 3. CORE MANDATE/PURPOSE

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

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

In summary, the mandate of Joburg City Theatres is:

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

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

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

The secondary business of Joburg City Theatres is:

- ❖ *The provision of supportive hospitality infrastructure, catering, and events management services.*

### 3.1. REIMAGINING JOHANNESBURG: A CALL TO ACTION

Led by the City Manager, a roadmap has been developed to navigate challenges for strategic impact in the COJ. The theme is: “Johannesburg – A World-Class African City Reimagined”. It includes:

- 1) Positioning Johannesburg as a resilient economic hub.
- 2) Harnessing innovation to address pressing issues.
- 3) Showcasing Johannesburg’s cultural richness as a source of unity and strength during uncertain times.
- 4) Reimagining the city to generate employment, stimulate local businesses, and contribute to economic recovery.
- 5) Prioritising infrastructure improvements for immediate and sustainable enhancement of residents’ quality of life amidst ongoing challenges.

JCT has a direct role to play in showcasing the City’s cultural richness, while contributing to job creation and the stimulation of local businesses through its arts and entertainment activities.

#### Five drivers are to be considered:

Leadership and Accountability | Professionalism and Quality | Independence and Objectivity | Partnerships and Collaboration | Innovation and Technology

#### Embracing a call to action:

- 1) **Embrace the political mandate:** Align actions with the political mandate to demonstrate commitment to the city's vision and goals.
- 2) **Transparent Performance Assessment:** Conduct an honest and transparent assessment of performance, acknowledging strengths and identifying areas for improvement.
- 3) **Enhance Mandate Execution:** Strive for excellence in executing our mandate by refining processes, fostering collaboration, and implementing best practices.
- 4) **Strategic Planning and Monthly Deliverables:** Introduce a comprehensive, month-to-month planning approach for the next six to ensure focused and measurable outcomes.
- 5) **Accelerate Capital Spending:** Acknowledge the need for accelerated spending of capital budgets, demonstrating a commitment to delivering on promises during the term of office.
- 6) **Turnaround Non-Performing Entities:** Develop optimisation plans to turn around non-performing departments and entities, ensuring improved performance within the next six.
- 7) **Wise Utilisation of Public Funds:** Implement budget cuts and cost containment measures to ensure the prudent and responsible use of public funds.
- 8) **Customer-Centric Outcomes:** Shift towards a customer-centric perspective, emphasising strategic plans that not only reduce but reverse the rate of decline in infrastructural and social backlogs.

- 9) **Deliver Tangible Outcomes:** Prioritise delivering tangible outcomes and end states, showcasing a commitment to improving the quality of life for Johannesburg residents.
- 10) **Embrace Disruption for Progress:** Be clear and proactive about the disruption needed for progress, fostering a culture of innovation and adaptability.

### 3.2. BUSINESS MODEL CANVAS

JCT's alignment with its mandate is illustrated in the business model canvas below. The nine building blocks outline how JCT intends to create, deliver, and capture value over the medium-term planning period as it responds to and embeds the COJ's call to action by:

- 1) Forging partnerships with artists, performers, producers, educational institutions, and corporate sponsors, thereby contributing to its competitive edge in the arts and entertainment industry.
- 2) Engaging in business activities to ensure its vibrant presence in the arts and entertainment landscape.
- 3) Leveraging key resources to deliver exceptional live entertainment experiences.
- 4) Offering a diverse range of value propositions that solidify its standing in the cultural landscape.
- 5) Prioritising robust customer relationships through personalised services and continuous engagement initiatives.
- 6) Employing a diverse set of channels to reach and engage its audience effectively.
- 7) Catering to a diverse range of customer segments.
- 8) Sustaining its financial health through diversified revenue streams and a targeted sustainability approach.
- 9) Managing its cost structure strategically with key cost drivers and target cost ratios aimed at maintaining financial sustainability while delivering exceptional cultural value.

Figure 1: Joburg City Theatres Business Model Canvas

JCT BUSINESS MODEL CANVAS				
<p><b>Key Partners</b></p> <p><i>Key external entities, suppliers and partners to achieve a competitive advantage</i></p> <ul style="list-style-type: none"> <li>Artists and performers</li> <li>Producers</li> <li>Educational institutions</li> <li>Sector Education and Training Authority (CATHSSETA)</li> <li>Corporate sponsors and funders</li> <li>Embassies / Cultural offices / Chambers of commerce</li> <li>Shareholder (City of Joburg)</li> <li>Government entities</li> <li>Media</li> <li>Communities (patrons, schools, and future arts practitioners)</li> <li>Peer theatres</li> <li>Festival organisers</li> <li>Neighbourhood security providers</li> <li>District improvement organisations</li> <li>Tourism / destination marketing agencies and companies</li> </ul>	<p><b>Key Activities</b></p> <p><i>Core business activities to deliver JCT's mission and operate effectively</i></p> <ul style="list-style-type: none"> <li>Content Creation (Programming)</li> <li>Fundraising and contracting</li> <li>Marketing, events promotion, and audience development</li> <li>Live entertainment production</li> <li>Youth development programmes</li> <li>Community engagement and outreach</li> <li>Hospitality and catering</li> <li>Venue management, maintenance, and energy efficiency improvements</li> <li>Customer services and experience</li> <li>Technical support for shows</li> </ul>	<p><b>Value Propositions</b></p> <p><i>Unique solutions provided to address customer / stakeholder needs</i></p> <ul style="list-style-type: none"> <li>Soweto Theatre: Multifaceted, modern facility</li> <li>Roodepoort Theatre: Secure location, theatre park, and museum</li> <li>Joburg Theatre: Theatre park, capacity to host large scale and international productions</li> <li>Hospitality &amp; Catering: Stages, end-to-end events management</li> <li>Quality infrastructure/ theatre experience</li> <li>Theatres within communities</li> <li>Uninterrupted productions</li> <li>Safe and environmentally friendly facilities</li> <li>Offsite / mobile theatre programming</li> <li>Platforms for talent development</li> <li>Partnerships with Joburg Ballet and Joburg Philharmonic Orchestra</li> </ul>	<p><b>Customer Relationships</b></p> <p><i>How JCT interacts with its customers.</i></p> <ul style="list-style-type: none"> <li>Personalised customer service</li> <li>Audience development - site visits to communities and schools</li> <li>B2B – mutually beneficial partnerships</li> <li>Continuous awareness campaigns</li> <li>Relationships with friends of the theatre</li> <li>Feedback and engagement through social media</li> <li>Membership and loyalty programs</li> </ul>	<p><b>Customer Segments</b></p> <p><i>JCT's target customer segments?</i></p> <ul style="list-style-type: none"> <li>Theatre goers (existing)</li> <li>New audiences</li> <li>Educational institutions – schools, ECDs, and tertiary institutions</li> <li>Senior citizens</li> <li>Young people</li> <li>Aspiring artists</li> <li>Corporates (businesses), and sponsors</li> <li>Tourists (national and international)</li> </ul>
	<p><b>Key Resources</b></p> <p><i>Physical, intellectual, human, and financial resources</i></p> <ul style="list-style-type: none"> <li>Three theatre venues and facilities</li> <li>Quality technical equipment</li> <li>Creative, technical and support staff</li> <li>Marketing and sales teams</li> <li>Hospitality and catering staff</li> <li>Funding and financial resources</li> <li>IT infrastructure</li> <li>Security staff and equipment</li> <li>Mobile theatre truck</li> </ul>		<p><b>Channels</b></p> <p><i>How JCT reaches customers? Distribution, sales, and marketing.</i></p> <ul style="list-style-type: none"> <li>Online ticket sales platforms</li> <li>Social media and digital marketing</li> <li>Traditional advertising and media (public relations)</li> <li>Quality theatre performances</li> <li>Word of mouth</li> <li>Open rehearsals</li> <li>Community events</li> </ul>	
<p><b>Cost Structure</b></p> <p><i>Key cost drivers, and target cost ratios</i></p> <p>Salaries (40:60)   Production costs   H&amp;C cost of sales / hiring costs   Utilities   Contracted services   Fleet services   Consumables   Marketing and communication   Repairs and maintenance</p>		<p><b>Revenue Streams</b></p> <p><i>Earnings and target profitability</i></p> <p>Subsidy to External Revenue (Current: 67:33, maintain at 70:30 over 5-years)   H&amp;C   Ticket sales (inhouse)   Ticket commission   Rentals   Special projects (management fees, Arts Alive, EISD, Group Finance, sports, libraries, travel services, SETA)   Sponsorships</p>		

## 4. LEGISLATION AND POLICY ENVIRONMENT

### 4.1. LEGISLATIVE ENVIRONMENT

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

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

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

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

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

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

While operating at a municipal level under the auspices of the COJ, JCT works in partnership with key arts and culture role-players and is a complementary and supportive intergovernmental partner of the National Department of Sport,

Arts and Culture. JCT is cognisant of the progress being made towards the development of the Revised White Paper on Arts, Culture and Heritage, which will have implications for all sector role-players once finalised.

## 4.2. POLICY ENVIRONMENT

### 4.2.1. NATIONAL AND PROVINCIAL POLICY AND STRATEGY FRAMEWORKS

Designed as a broad set of programmatic interventions, the NDP proposes a “virtuous cycle” of growth and development, whilst reducing poverty and inequality. The enablers are strong leadership throughout society, national consensus, social cohesion, and a capable state. Chapter 15 of the NDP asserts that:

*“Arts and culture opens powerful spaces for engagement about where a society finds itself and where it is going. Promoted effectively, the creative and cultural industries can contribute substantially to small business development, job creation, urban development, and renewal.”*

To this end, a transformed, socially cohesive society and united country as put forward by the NDP, as both a national outcome and as a means to eradicating poverty and inequality, is at the heart of the strategy of the National Department of Sport, Arts and Culture and, therefore, an informant of this 2023/24 Business Plan of JCT.

The NDP is given effect by the MTSF, currently for the five-year period 2019-2024. JCT’s core business contributes to:

- ❖ Priority 6 – Social cohesion and safe communities.
- ❖ Priority 2 – Economic transformation and job creation.
- ❖ Priority 5 – Spatial integration, human settlements and local government.
- ❖ Priority 1 – A capable, ethical, and developmental state.

The DDM was subsequently adopted by Cabinet on 21 August 2019. The DDM is an operational model for improving cooperative governance aimed at building a capable, ethical, and developmental state. It embodies an approach by which the 3 spheres of government and state entities work in unison in an impact-oriented way, and where there is higher performance and accountability for coherent service delivery and development outcomes. The DDM is a method of government operating in unison, focusing on the municipal district and metropolitan spaces as the impact areas of joint planning, budgeting, and implementation. The DDM will help government address the triple challenges of poverty, unemployment, and inequality.

Informed by the NDP, the Integrated Urban Development Framework and other government policies, legislations, and previous similar programmes, the DDM is being implemented through a collaborative process to develop one plans for all 44 districts and 8 metropolitan municipalities, and further synchronised with the integrated development plans of municipalities.

JCT will contribute to the One Plan of the COJ through its programmatic alignment to the COJ’s GDS and IDP, particularly in terms of the following DDM developmental priorities:

- ❖ Managing urbanisation, growth and development.
- ❖ Supporting local economic drivers.
- ❖ Addressing service delivery in municipalities.

The Gauteng Provincial Government's response to the NDP, MTSF, and DDM is the GGT2030, which has seven priorities aligned to the MTSF, with practical interventions and measures of success to deliver the intended impact of building over time - *"the Gauteng we want"* – a province where:

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

JCT's contribution is to the following priorities of GGT2030:

- ❖ Priority 4 – Safety, **social cohesion** and food security
- ❖ Priority 1 – Economy, **jobs** and infrastructure
- ❖ Priority 5 – Building a **capable, ethical and developmental** state
- ❖ Priority 7 – **Sustainable development** for future generations

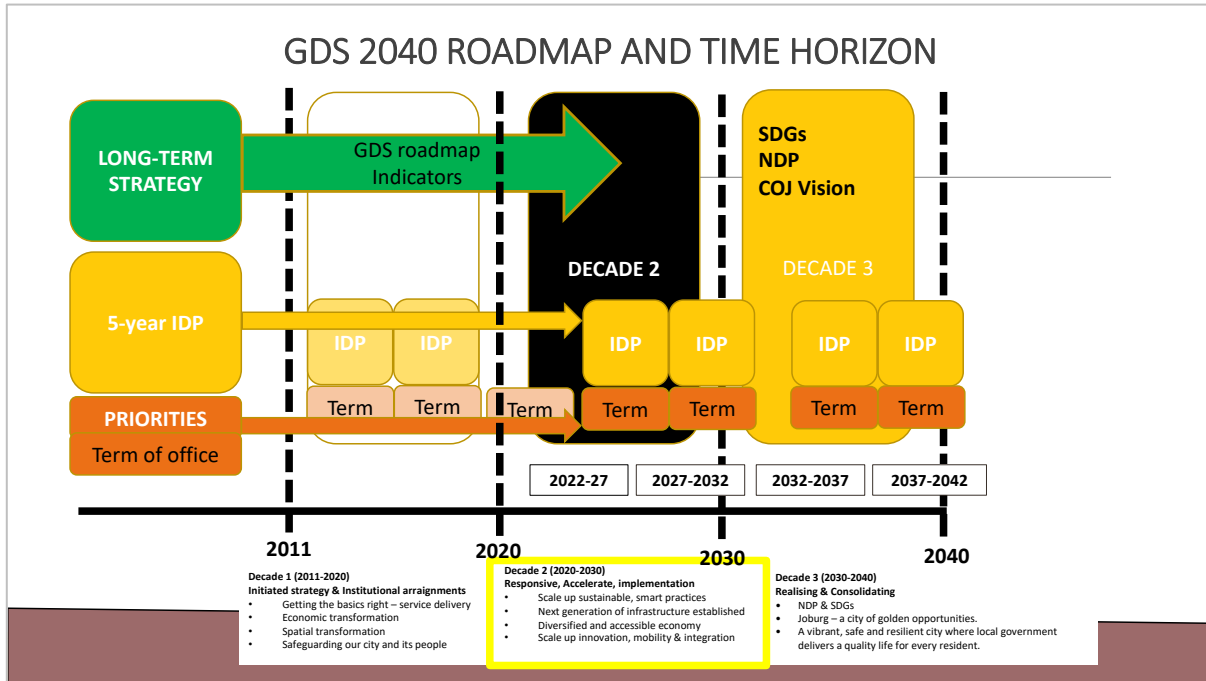
#### 4.2.2. CITY OF JOHANNESBURG STRATEGIC DIRECTION

JCT forms part of the COJ's Social and Human Development Cluster, located under the city's Department of Community Development, with the MMC for Community Development providing political oversight. The 2022-2027 IDP, which is informed by the Revised GDS 2040 and provides JCT with the overarching framework against which to orientate its strategic and annual business plans.



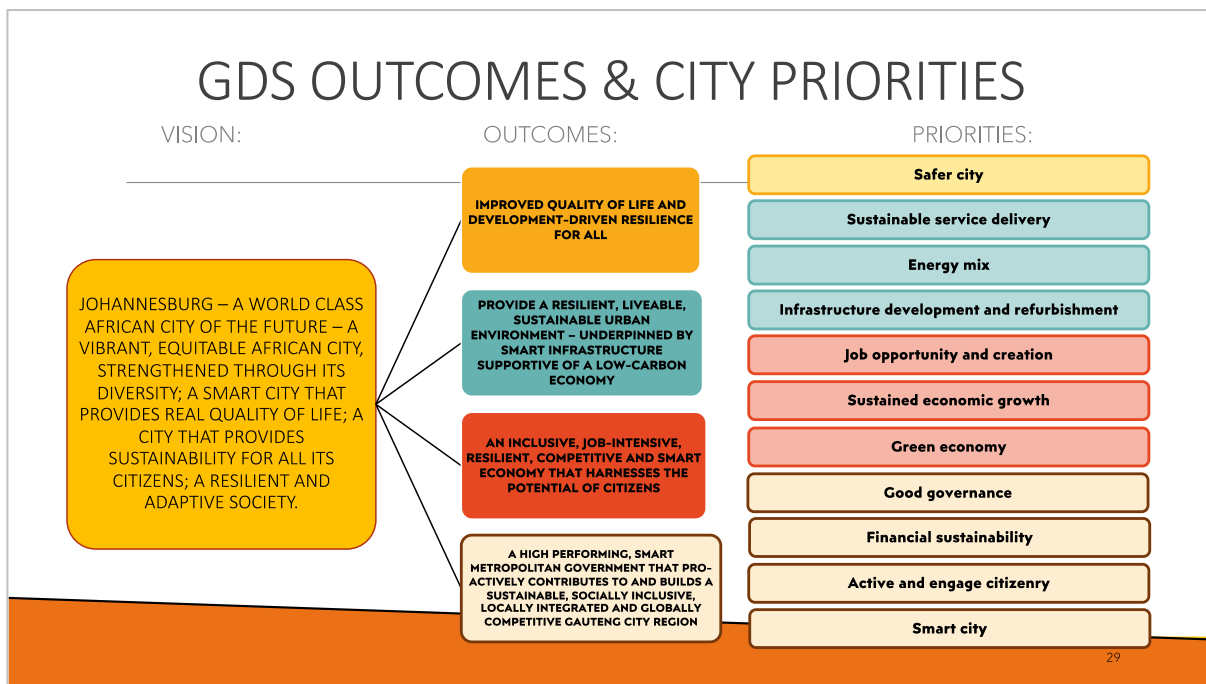
For the 2024/25 planning period, JCT is tasked to support the strategic direction provided by the objectives and priorities of the Government of Local Unity, which seeks to ensure an integrated approach to serving the needs of all citizens of the COJ.

Figure 2: City of Johannesburg Strategic Direction – Revised Growth and Development Strategy 2040



The COJ has confirmed four GDS outcomes with their accompanying outputs, and 11 strategic priorities to guide the strategic planning process leading to the development of 2024/25 business plans, extending to the end of term in 2027.

Figure 3: City of Johannesburg Strategic Direction – Growth and Development Strategy 2040 Outcomes and City Priorities



The 11 COJ priorities requiring an aligned response in planning are reflected in the table below.

Table 1: City of Johannesburg Strategic Direction – Growth and Development Strategy 2040 Outcomes, Outputs, and City Priorities

GDS Outcomes	GDS Outputs	City Priorities
1. Improved quality of life and development-driven resilience for all	<ol style="list-style-type: none"> <li>Reduce poverty and increase productivity.</li> <li>Food security that is both improved and safeguarded</li> <li>Access to knowledge and lifelong learning</li> <li>A society characterised by healthy living for all</li> <li>A safe and secure city</li> <li>A city characterised by social inclusivity and enhanced social cohesion</li> </ol>	7. Safer City
2. Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy	<ol style="list-style-type: none"> <li>Sustainable and integrated delivery of water</li> <li>Sustainable and integrated delivery of sanitation</li> <li>Sustainable and integrated delivery of energy</li> <li>Sustainable and integrated delivery of waste</li> <li>Improved eco-mobility</li> <li>Sustainable human settlements</li> <li>Climate change resilience and environmental protection</li> </ol>	<ol style="list-style-type: none"> <li>Energy mix</li> <li>Sustainable service delivery</li> <li>Infrastructure development and refurbishment</li> </ol>

GDS Outcomes	GDS Outputs	City Priorities
3. An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens	<ol style="list-style-type: none"> <li>1. Job-intensive economic growth</li> <li>2. Promotion and support to informal and micro businesses</li> <li>3. Increased competitiveness of the economy</li> <li>4. A spatially just and integrated city</li> </ol>	<ol style="list-style-type: none"> <li>6. Job opportunity and creation</li> <li>9. Sustained economic growth</li> <li>10. Green economy</li> </ol>
4. A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region	<ol style="list-style-type: none"> <li>2. Partnerships, intergovernmental and international relations</li> <li>3. A responsive, accountable, efficient, and productive metropolitan government</li> <li>4. Financially sustainable and resilient city</li> <li>5. Meaningful citizen participation and empowerment</li> <li>6. Guaranteed customer and citizen care and service</li> </ol>	<ol style="list-style-type: none"> <li>1. Good governance</li> <li>2. Financial sustainability</li> <li>8. Active and engaged citizenry</li> </ol>
	Cross cutting: A “smart” COJ, that is able to deliver quality services to citizens in an efficient and reliable manner	11. Smart City

The C40 cities are a group of cities around the world who have committed to making efforts towards addressing the climate change crisis, through its own climate action plan (CAP), with a deadline of 2030. The COJ has committed to the 2030 initiative through its CAP that aligns with the goals and targets of the 2015 Paris Agreement. This is a public commitment to develop and implement ambitious climate action plans in line with science-based targets to limit global temperature rise to 1.5°C by 2030. The CAP has two (2) goals and ten (10) themes associated with the goals.

- ❖ **Goal 1:** Net Zero Emissions refers to city actions that are geared towards reducing greenhouse gas emissions.
- ❖ **Goal 2:** A Resilient city is about city actions that must be undertaken to protect the city against negative impacts of climate.

The COJ’s CAP themes and possible interventions are shown in the figure below.

Figure 4: COJ Climate Action Plan Themes



Over the past five years, JCT has implemented several initiatives to enhance energy and waste efficiency. It will now undertake a comprehensive assessment of its facilities to identify opportunities to contribute to the COJ’s CAP by developing its own CAP, focusing particularly on the following themes:

**Affordable clean energy | Optimised energy efficiency in buildings | Alternative waste management | Water security**

JCT’s CAP will be developed in the 2024/25 financial year, for implementation over the short- to medium-term, aligned with budget availability. In alignment with its mandate, JCT will collaborate with COJ departments, such as the Environment and Infrastructure Services Department (EISD), to raise awareness about the COJ’s CAP through industrial theatre productions.

The programmatic response of JCT to the COJ’s GDS, COJ priorities and applicable COJ strategic interventions is reflected in the table below.

**Table 2: Joburg City Theatres Programmatic response to the City’s priorities and Growth and Development Strategy**

Applicable GDS Output	City Priority	JCT Programmatic Response Informing Strategic Objective Focus Areas	
<b>GDS Outcome 1: Improved quality of life and development-driven resilience for all</b>			
<p>1.6. A city characterised by social inclusivity and enhanced social cohesion <i>(Core business of JCT)</i></p>	<p><b>7. Safer City</b></p>	<p><b>JCT Response: Arts and theatres promotion and development:</b></p> <ul style="list-style-type: none"> <li>▪ Arts, culture, and entertainment audience development</li> <li>▪ Arts education and arts talent skills development</li> <li>▪ Theatre open days</li> <li>▪ Mobile theatre truck – take theatre to communities</li> <li>▪ Soweto Theatre Amphitheatre operationalisation</li> <li>▪ Leveraging major milestones/anniversary events of the theatres to promote the arts and theatre</li> <li>▪ Better leverage the Joburg Ballet and Johannesburg Philharmonic Orchestra into the group offering</li> <li>▪ Implement the Joburg Touring Circuit</li> </ul>	
			<p><b>JCT Response: Support and uplifting of marginalised communities – WYPD&amp;LGBTIQA+:</b></p> <ul style="list-style-type: none"> <li>▪ Thematic productions</li> <li>▪ Strengthen school set work offering across all theatres</li> <li>▪ Position arts alongside sport in schools for development of future audiences</li> <li>▪ Provide opportunities for the youth, including the development of future arts and theatre practitioners</li> </ul>
			<p><b>JCT Response: Create and maintain facilities that promote social cohesion:</b></p> <ul style="list-style-type: none"> <li>▪ Thematic productions</li> <li>▪ Host, develop and stage productions promote civic pride/social cohesion.</li> <li>▪ Customer care improvement</li> <li>▪ Integrated programming of the theatres</li> <li>▪ Ensure efficient and effective internal business processes and systems.</li> <li>▪ JCT Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg</li> </ul>
<p>1.5. A safe and secure city</p>		<p><b>JCT Response: Integrated and visible policing where SAPS, the private sector, and community organisations collaborate to monitor areas, provide alerts, and share capacity:</b></p> <ul style="list-style-type: none"> <li>▪ Joburg Theatre participates in the Braamfontein improvement district, which focuses on safety in Braamfontein.</li> </ul>	

Applicable GDS Output	City Priority	JCT Programmatic Response Informing Strategic Objective Focus Areas
		<ul style="list-style-type: none"> <li>▪ Soweto Theatre collaborate with the Jabulani SAPS and the Community Policing Forum.</li> <li>▪ Roodepoort Theatre has a relationship with JMPD</li> </ul>
<p><b>GDS Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy</b></p>		
<p>2.7. Climate change resilience and environmental protection</p>	<p><b>3. Energy mix</b></p>	<p><b>JCT Response: Development and implementation of JCT’s climate action plan (CAP) focused on applicable themes of the COJ’s CAP:</b></p> <ul style="list-style-type: none"> <li>▪ Affordable clean energy</li> <li>▪ Optimised energy efficiency in buildings</li> <li>▪ Alternative waste management</li> <li>▪ Water security</li> </ul> <p><b>Intervention: Using theatres to create awareness of the COJ’s climate action plan:</b></p> <ul style="list-style-type: none"> <li>▪ Collaborate with EISD on industrial theatre productions to promote the COJ’s CAP</li> </ul>
<p><b>GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</b></p>		
<p>4.1. Partnerships, intergovernmental and international relations</p>	<p><b>1. Good governance</b></p>	<p><b>JCT Response: Mobilisation and management of stakeholders and strategic partnerships:</b></p> <ul style="list-style-type: none"> <li>▪ Facilitate partnerships and co-productions that widen the participation of local producing partners engaged with JCT.</li> <li>▪ Facilitate production partnerships with theatres in South Africa and the African Diaspora for the development of productions from African stories.</li> <li>▪ Engagement with arts practitioners, private sector and communities in bringing new audiences into contact with JCT programmes.</li> </ul>
<p>4.2. A responsive, accountable, efficient, and productive metropolitan government</p>		<p><b>JCT Response: Achieve and sustain a clean audit outcome from the AGSA:</b></p> <ul style="list-style-type: none"> <li>▪ Reduction in unauthorised, irregular, fruitless and wasteful expenditure incurred</li> <li>▪ Resolution of internal audit and AGSA audit findings</li> <li>▪ Payment of all valid invoices from suppliers within the legislated 30 days</li> <li>▪ Implementation of annual Strategic Risk Management Plan</li> </ul> <p><b>JCT Response: Anti-fraud and corruption:</b></p> <ul style="list-style-type: none"> <li>▪ Maintain mechanisms to verify observance of code of conduct and ethics and make it known within JCT</li> </ul>

Applicable GDS Output	City Priority	JCT Programmatic Response Informing Strategic Objective Focus Areas
		<ul style="list-style-type: none"> <li>▪ Annual update of the fraud risk assessment, as part of the operational risk assessment</li> <li>▪ Develop and deploy preventative and detective fraud control activities</li> <li>▪ Formulate and collate a Fraud Response Plan to ensure a coordinated approach to investigation and corrective action</li> </ul>
4.3. Financially sustainable and resilient city	<b>2. Financial sustainability</b>	<p><b>JCT Response: Financial management and sustainability:</b></p> <ul style="list-style-type: none"> <li>▪ Grow shareholder value by ensuring sound financial management, financial control and growth in revenue</li> <li>▪ Increase asset utilisation and leveraging investment</li> <li>▪ Well planned and implemented Capex and Maintenance Programme</li> <li>▪ Cost efficiency across the value-chain</li> <li>▪ Stage fewer yet high-profile productions – balance tickets sold/complimentary ticket ratio</li> <li>▪ Underground parking at Joburg Theatre for own use and revenue diversification</li> </ul>
4.4. Meaningful citizen participation and empowerment	<b>8. Active and engaged citizenry</b>	<p><b>JCT Response: Broadened community access to theatres:</b></p> <ul style="list-style-type: none"> <li>▪ Audience development</li> <li>▪ Initiatives to expand access to theatres by historically disadvantaged communities</li> <li>▪ Integrated activations through mobile theatre productions</li> <li>▪ Provision of school setwork offerings</li> <li>▪ Other – crossover with Priority 7 – Safer City</li> </ul>
4.5. Guaranteed customer and citizen care and service		<p><b>JCT Response: Service level standards set and achieved:</b></p> <ul style="list-style-type: none"> <li>▪ Increased accessibility of theatres to persons with disabilities</li> <li>▪ On-time production start times</li> <li>▪ Compliance with health and safety legislation</li> </ul>
<b>GDS Outcome 3: An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens</b>		
3.1. Job-intensive economic growth	<b>6. Job opportunity and creation</b>	<p><b>JCT Response: Skills development and job opportunities, with a focus on young people and fair allocation of local contracts:</b></p> <ul style="list-style-type: none"> <li>▪ Expanded Public Works programmes (EPWPs) opportunities</li> <li>▪ Work opportunities created at JCT</li> <li>▪ Small, medium, and micro enterprise (SMME) support</li> </ul>



Applicable GDS Output	City Priority	JCT Programmatic Response Informing Strategic Objective Focus Areas
		<ul style="list-style-type: none"> <li>▪ Ensure sound and consistent supply chain management processes that support preferential procurement and enhance the contribution of JCT to enterprise development</li> <li>▪ Cultivate local entrepreneurs/suppliers</li> </ul>
3.4. A ‘Smart’ City of Johannesburg, that is able to deliver quality services to citizens in an efficient and reliable manner (cross-cutting output)	9. Sustained economic growth	<p><b>JCT Response: Promotion of business and leisure tourism as drivers of economic growth:</b></p> <ul style="list-style-type: none"> <li>▪ <b>Theatre destination marketing:</b> Strengthen cultural tourism focused marketing and promotion</li> <li>▪ <b>Theatre destination development:</b> Joburg festivals (Newtown Cultural Precinct), like Edinburgh and Adelaide festivals</li> <li>▪ <b>Soweto Theatre:</b> Establish partnerships with the Hector Peterson Museum</li> <li>▪ <b>Red Bus tours:</b> Establish partnerships for the three theatres to form part of the Red Bus tourism tours</li> </ul>
	11. Smart City	<p><b>JCT Response: Embracing innovations in ICT to expand access and enhance the theatre experience:</b></p> <ul style="list-style-type: none"> <li>▪ Theatre production podcasts, reaching young people</li> <li>▪ Offering free wi-fi in theatre venues</li> <li>▪ Integrating theatre into “Joburg Post” and online radio station of the COJ</li> <li>▪ Integrated theatre “What’s On” portal – across all theatres/entertainment in Joburg</li> <li>▪ Stage equipment upgrades (completed) and continuous upgrades on sound and lighting software and equipment, and digital screens (smart technologies)</li> </ul>

## 5. STRATEGIC OBJECTIVES

A results-based management approach was adopted to review and develop JCT’s performance framework, considering its longer-term development impact and outcomes (medium-term results) against which the strategic objectives of the business plan are aligned, as summarised below.

Aligned to JCT’s mandate, GDS 2040, and City priorities, JCT defines its long-term development impact as:

**A vibrant, inclusive, and diverse City of Joburg arts and entertainment landscape, serving as a catalyst for heightened social cohesion, increased cultural tourism, job creation, flourishing arts practitioners, and enriched cultural experiences.**

Five strategic outcomes (results) have been identified to deliver the impact over the medium term. The outcomes will be achieved through the successful implementation of six strategic objectives (SO), including a strategic objective related to the COJ’s climate action plan as specified by the COJ’s planning guidelines for 2024/25.



**Table 3: Joburg City Theatres Strategic Outcomes and Aligned Strategic Objectives**

Strategic Outcome	Elements of the Outcome	Business Plan Strategic Objective
<p><b>GDS Outcome 1:</b> Improved quality of life and development-driven resilience for all   <b>COJ Priority 7:</b> Safer City</p>		
<p><b>Outcome 1:</b> A vibrant and enriching arts and entertainment landscape in the City of Joburg</p>	<ul style="list-style-type: none"> <li>▪ Leverage the value proposition of each theatre</li> <li>▪ Diversity of Offerings</li> <li>▪ Quality of Programming</li> <li>▪ Events and Festivals</li> <li>▪ Innovation and creative use of spaces</li> <li>▪ Promotion of Local Talent</li> <li>▪ State-of-the-art facilities</li> </ul>	<p><b>SO1. Quality performing arts and entertainment experiences, and facilities</b></p>
<p><b>GDS Outcome 3:</b> An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens   <b>COJ Priority 6:</b> Job opportunity and creation</p>		
<p><b>Outcome 2:</b> Flourishing arts and entertainment practitioners, and entrepreneurs in the creative industry</p>	<p><b>Prioritising the youth and designated groups:</b></p> <ul style="list-style-type: none"> <li>▪ Skill Development Programmes</li> <li>▪ Training and Workshops</li> <li>▪ Mentorship and Guidance</li> <li>▪ Access to Resources and Facilities</li> <li>▪ Entrepreneurship Support</li> <li>▪ Collaboration with Educational Institutions</li> </ul>	<p><b>SO2. Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs</b></p>
<p><b>GDS Outcome 4:</b> A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region   <b>COJ Priority 8:</b> Active and engaged citizenry <b>GDS Outcome 3.</b> An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens   <b>COJ Priority 11:</b> Smart city:</p>		
<p><b>Outcome 3:</b> Existing and new audiences readily accessing and engaging with JCT’s cultural spaces and programmes</p>	<ul style="list-style-type: none"> <li>▪ Accessibility</li> <li>▪ Marketing and Promotion</li> <li>▪ Programming Diversity</li> <li>▪ Community Engagement</li> <li>▪ Visitor Experience</li> <li>▪ Education and Outreach</li> <li>▪ Technology Integration</li> <li>▪ Feedback and Evaluation</li> </ul>	<p><b>SO3. Affordable access to and use of theatres by communities</b></p>
<p><b>GDS Outcome 4:</b> A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region   <b>COJ Priority 1:</b> Good governance   <b>COJ Priority 2:</b> Financial sustainability</p>		

Strategic Outcome	Elements of the Outcome	Business Plan Strategic Objective
<p><b>GDS Outcome 2:</b> Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy   <b>COJ Priority 3:</b> Energy mix</p>		
<p><b>Outcome 4:</b> A well-governed, financially sustainable, and climate resilient organisation</p>	<ul style="list-style-type: none"> <li>▪ Effective Governance Structures</li> <li>▪ Strategic Leadership</li> <li>▪ Financial Stability</li> <li>▪ Revenue Generation</li> <li>▪ Operational Efficiency</li> <li>▪ Risk Management</li> <li>▪ Climate Resilience</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>SO4. Good governance, financial sustainability and sound management</b></li> <li>▪ <b>SO5. Climate Action Plan implemented at JCT facilities and theatre used to promote climate resilience</b></li> </ul>
<p><b>GDS Outcome 4:</b> A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region   <b>COJ Priority 1:</b> Good governance</p> <p><b>GDS Outcome 1:</b> Improved quality of life and development-driven resilience for all   <b>COJ Priority 7:</b> Safer City</p> <p><b>GDS Outcome 3:</b> An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens   <b>Priority 9:</b> Sustained economic growth</p>		
<p><b>Outcome 5:</b> Partnerships mobilised to enrich the arts and theatre experience, coupled with improved brand recognition and awareness of JCT</p>	<ul style="list-style-type: none"> <li>▪ Strategic Partnerships</li> <li>▪ Collaborative Programming</li> <li>▪ Resource Sharing</li> <li>▪ Brand Promotion and Marketing</li> <li>▪ Educational Partnerships</li> <li>▪ Evaluation and Impact Assessment</li> </ul>	<p><b>SO6. Mobilisation of partnerships to support the mandate and improved brand recognition and awareness of JCT</b></p>

*Note: A process is underway to finalise the outcome indicators and five-year targets for each strategic plan outcome, which will be monitored and evaluated separately to gauge the effectiveness of JCT’s delivery of its annual corporate scorecards over the next five years.*

The focus areas of the strategic objectives are summarised below. The focus areas inform the key performance areas and key performance indicators of JCT’s corporate performance scorecard.

**Table 4: Joburg City Theatres Strategic Objectives and Focus Areas**

JCT Strategic Outcome	JCT Strategic Objective	COJ Priority/Strategic Objective Focus Areas (Informing Key Performance Areas and Output Indicators)	GDS Outcome
<p><b>Outcome 1:</b> A vibrant and enriching arts and entertainment landscape in the City of Joburg</p>	<p><b>SO1: Quality performing arts and entertainment experiences, and facilities</b></p>	<p><b>COJ Priority 7: Safer City</b></p> <ul style="list-style-type: none"> <li>▪ Support the development and creation of work</li> <li>▪ Strengthen the acquiring and hosting of local and international work</li> <li>▪ Ensure integrated programming/marketing of the theatres, supported by intensified sales efforts</li> <li>▪ Continue to develop and maintain facilities and infrastructure according to world class standards</li> <li>▪ Operationalise the Soweto Theatre Amphitheatre</li> <li>▪ Better leverage the Joburg Ballet and Johannesburg Philharmonic Orchestra into the group offering</li> <li>▪ Develop the JCT Archive/Resource Centre to preserve and tell the story of the history of theatre in Johannesburg</li> <li>▪ JCT touring circuit – annual showcase, by taking at least one show nationally and/or internationally</li> <li>▪ Implement the JCT Annual Legend Tribute Programme</li> </ul>	<p><b>GDS Outcome 1:</b> Improved quality of life and development-driven resilience for all</p>
<p><b>Outcome 2:</b> Flourishing arts and entertainment practitioners and entrepreneurs in the creative industry</p>	<p><b>SO2: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs</b></p>	<p><b>COJ Priority 6: Job opportunity and creation</b></p> <ul style="list-style-type: none"> <li>▪ Support local content development</li> <li>▪ Implement structured opportunities for the development of the talents and skills of young people in the arts</li> <li>▪ Facilitate the provision of work opportunities at JCT, including through EPWP</li> <li>▪ Cultivate local entrepreneurs and suppliers</li> </ul>	<p><b>GDS Outcome 3:</b> An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens</p>

JCT Strategic Outcome	JCT Strategic Objective	COJ Priority/Strategic Objective Focus Areas (Informing Key Performance Areas and Output Indicators)	GDS Outcome
<i>(prioritising the youth and designated groups)</i>			
<p><b>Outcome 3:</b> Existing and new audiences readily accessing and engaging with JCT’s cultural spaces and programmes</p>	<p><b>SO3: Affordable access to and use of theatres by communities</b></p>	<p><b>COJ Priority 8: Active and engaged citizenry.</b></p> <ul style="list-style-type: none"> <li>▪ Showcase thematic productions that address societal issues</li> <li>▪ Develop future audiences by providing discounted tickets to learners</li> <li>▪ Provide broadened access to JCT venues – support and uplift marginalised communities</li> <li>▪ Promote and provide universal access to Theatres venues for persons living with disabilities</li> <li>▪ Implement mechanisms and approaches that assist to make theatre-going practical for various communities</li> <li>▪ Strengthen school network offerings across all theatres</li> <li>▪ Position arts alongside sport in schools for the development of future audiences</li> <li>▪ Utilisation of the Mobile Theatre Truck to access audiences that are not traditional theatre goers</li> <li>▪ Increase access through theatre open days</li> </ul>	<p><b>GDS Outcome 4:</b> A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</p>
		<p><b>COJ Priority 11: Smart City:</b></p> <ul style="list-style-type: none"> <li>▪ Develop and post online for public use: “Theatre Production Podcasts”</li> <li>▪ Offer free Wi-Fi in theatre venues</li> <li>▪ Integrate theatre into “Joburg Post” and the online radio station of the COJ</li> <li>▪ Collaborate with other theatres and entertainment venues to establish an integrated theatre “What’s On” portal – across all theatres/entertainment in Johannesburg</li> </ul>	<p><b>GDS Outcome 3:</b> An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens</p>

JCT Strategic Outcome	JCT Strategic Objective	COJ Priority/Strategic Objective Focus Areas (Informing Key Performance Areas and Output Indicators)	GDS Outcome
<p><b>Outcome 4:</b> A well-governed, financially sustainable, and climate resilient organisation</p>	<p><b>SO4: Good governance, financial sustainability, and sound management</b></p>	<ul style="list-style-type: none"> <li>▪ Smart technology upgrades of stage equipment (sound and lighting software and equipment, and digital screens) for an enhanced theatrical experience</li> </ul> <p><b>COJ Priority 1: Good governance:</b></p> <ul style="list-style-type: none"> <li>▪ Integrate the programming and value chains of the theatres</li> <li>▪ Ensure efficient and effective internal business processes and systems</li> <li>▪ Achieve and sustain a clean audit outcome from the AGSA</li> <li>▪ Consistent promotion and management of anti-fraud and corruption</li> <li>▪ Ensure sound and consistent supply chain management processes that support preferential procurement and JCT’s contribution to enterprise development</li> </ul> <p><b>COJ Priority 2: Financial sustainability:</b></p> <ul style="list-style-type: none"> <li>▪ Balance the imperative for revenue generation with socio-economic development</li> <li>▪ Grow shareholder value by ensuring sound financial management, financial control, and growth in revenue</li> <li>▪ Increase asset utilisation and leveraging investment</li> <li>▪ Ensure cost efficiency across the value-chain</li> <li>▪ Enhance JCT’s hospitality, events, and catering services</li> <li>▪ Stage fewer yet high-profile productions – balance tickets sold/complimentary ticket ratio</li> <li>▪ Construct underground parking at JCT for own use and revenue diversification</li> </ul>	<p><b>GDS Outcome 4:</b> A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</p>
	<p><b>SO5: Implement the COJ’s Climate Action Plan at JCT facilities</b></p>	<p><b>Priority 3: Energy Mix:</b></p>	<p><b>GDS Outcome 2:</b> Provide a resilient, liveable, sustainable</p>

JCT Strategic Outcome	JCT Strategic Objective	COJ Priority/Strategic Objective Focus Areas (Informing Key Performance Areas and Output Indicators)	GDS Outcome
	<p><b>and use theatre to promote a low carbon economy</b></p>	<ul style="list-style-type: none"> <li>▪ Develop JCT’s Climate Action Plan, with a focus on the following COJ CAP themes of relevance to JCT: affordable clean energy, optimised energy efficiency in buildings, alternative waste management, and water security</li> <li>▪ Promote the COJ’s CAP through industrial theatre in partnership with EISD.</li> </ul>	<p>urban environment – underpinned by smart infrastructure supportive of a low carbon economy</p>
<p><b>Outcome 5:</b> Partnerships mobilised to enrich the arts and theatre experience, coupled with improved brand recognition and awareness of JCT</p>	<p><b>SO6: Mobilisation of partnerships to support the mandate, and improved brand recognition and awareness of JCT</b></p>	<p><b>COJ Priority 1: Good governance:</b></p> <ul style="list-style-type: none"> <li>▪ Build JCT brand awareness and grow the market share of JCT as a leading brand</li> <li>▪ Build JCT visibility through enhanced marketing, communication, and stakeholder management</li> <li>▪ Reimagined society – promote a vision to society of a better future – sharing of new, positive, stories that inspire and give hope</li> <li>▪ Leverage mutually beneficial partnering agreements and joint programmes, including:                             <ul style="list-style-type: none"> <li>○ Facilitate partnerships and co-productions that widen the participation of local producing partners engaged with JCT</li> <li>○ Facilitate production partnerships with theatres in South Africa and the African Diaspora for the development of productions from African stories</li> <li>○ Engagement with arts practitioners, private sector, and communities in bringing new audiences into contact with JCT programmes</li> <li>○ Develop partnerships and collaborate with academia (universities) for research into JCT’s operating environment and core business activities, and to source future content creators</li> <li>○ Establish partnerships for productions through advertising</li> <li>○ Establish partnerships with research institutions</li> </ul> </li> <li>▪ Fundraising, sponsorships, and donations</li> </ul>	<p><b>GDS Outcome 4:</b> A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</p>

JCT Strategic Outcome	JCT Strategic Objective	COJ Priority/Strategic Objective Focus Areas (Informing Key Performance Areas and Output Indicators)	GDS Outcome
		<ul style="list-style-type: none"> <li>▪ Host lectures and robust dialogues on topical matters at the theatres</li> </ul> <p><b>COJ Priority 7: Safer City:</b></p> <ul style="list-style-type: none"> <li>▪ Leverage major milestones/anniversary events of the theatres to promote the arts and theatre</li> <li>▪ Promote the vision of a reimagined and better future society through JCT programming and narration of new/relevant stories (new palette)</li> <li>▪ Integrated and visible policing where SAPS, the private sector, and community organisations collaborate to monitor areas, provide alerts, and share capacity</li> </ul> <p><b>COJ Priority 9: Sustained economic growth:</b></p> <ul style="list-style-type: none"> <li>▪ Strengthen tourist-focused marketing and promotion:                             <ul style="list-style-type: none"> <li>○ Implement Johannesburg festivals (Newtown Cultural Precinct), like Edinburgh and Adelaide festivals</li> </ul> </li> </ul>	<p><b>GDS Outcome 1:</b> Improved quality of life and development-driven resilience for all</p> <p><b>GDS Outcome 3:</b> An inclusive, job-intensive, resilient, competitive, and smart economy that harnesses the potential of citizens</p>

## 6. RESPONSE TO CITY OF JOBURG COMMUNITY-BASED ISSUES

One of the biggest value propositions of arts and culture is community building, and the Quality of Life Survey 6 (2021/22) by the Gauteng City Region Observatory<sup>2</sup> revealed that there has been some interest in the sector. It also highlighted a general decrease in overall wellbeing, feelings of powerlessness, feeling uncared for and a not belonging in their communities. At least one of these feelings was experienced by more than half of the respondents. Levels of community trust have also been generally low, especially among the coloured and black communities.

However, even though in-person gatherings were limited during lockdown, participation in social activities increased. Those living in extremely low-income homes showed a substantial increase in participating in these activities, indicating that these provided support for Gauteng's poor during the pandemic. Society relies on the institutions of arts and culture to promote understanding and empathy, reignite inspiration, and nurture creativity. It is noted that the GRCO is in the process of finalising the Quality of Life Survey 7 (2023/24).

The 2022/23 Bi-Annual Joburg Polling Report is the most recent customer satisfaction survey undertaken by the city. It shows that Region A is the most satisfied with the quality of life in the COJ, while Region G is the least satisfied. JCT has theatres in Regions C (Roodepoort Theatre), D (Soweto Theatre), and F (Joburg Theatre). All three regions indicated a moderate (neutral) satisfaction with their quality of life in the COJ.

The Joburg Polling Report echoes the findings of the GCRO QOL and emphasises the need for the COJ to prioritise services related to roads, electricity, community safety, and water provision across all regions. Additionally, it underscores the importance of making a positive impact in densely populated wards. Although the polling report does not specifically highlight concerns with arts and culture, JCT has the potential to contribute positively to issues related to job creation, municipal communication and public participation, the rising cost of living (which may influence theatre attendance), and public safety (in collaboration with district improvement initiatives and the safety/security cluster). A standout area for improvement is customer care and engagement, which JCT can positively impact. The rising cost of living should also be considered in the pricing of tickets for shows.

The COJ, and the Joburg theatres, must better communicate its promises to residents and showcase its progress on its commitments; and the theatres, specifically, must continue and expand their efforts to broaden access to, and participation in, theatre programmes and offerings.

### 6.1. QUALITY SERVICE DELIVERY

JCT operates under the strategic plan theme *“to procure and/or produce transformed content in transformed spaces”*; and:

- 3) *to commercialise the transformed content by ensuring the shows are profitable; and*
- 4) *to grow JCT's profile by showcasing the transformed content nationally and internationally by implementing JCT's production plan, per theatre, marketed under the banner of COJ / JCT.*

<sup>2</sup> Gauteng City Region Observatory, Quality of Life Survey 6 (2021) Municipal Report - City of Johannesburg, September 2021



Quality service delivery is enabled by the following capabilities:

- ❖ JCT is able to produce and host world class productions due to the high standard of infrastructure and facilities at the 3 theatres.
- ❖ The upgraded stage machinery at the Joburg Theatre makes it globally competitive and a preferred venue for producers.
- ❖ The problem of loadshedding and power outages has been addressed by the installation of generators at all three JCT theatres.
- ❖ The quality facilities are supported by strong technical capabilities of the JCT team, who are able to manage diverse productions.
- ❖ The organisation continues to receive a good public relations return on investment and is well-placed to fill the arts and theatre gap that has been created by the closure of private sector theatres in the COVID-19 period.
- ❖ Content is broadly well received by traditional and new audiences, with anecdotal evidence of a good reputation locally, nationally, and internationally.
- ❖ Key anniversary milestones have been celebrated, namely, Joburg Theatre 60<sup>th</sup> and Soweto Theatre 10<sup>th</sup> anniversaries in the 2022/23 financial year. Roodepoort Theatre’s 45<sup>th</sup> anniversary will be celebrated in the 2024/25 financial year.
- ❖ Well managed hospitably and catering unit with a significant income contribution to JCT’s revenue-base. Good reviews received for the provision of events management services for COJ departments and entities, as well as other services provided, such as SCM support to COJ departments and entities.
- ❖ Good relationships with the security clusters in Braamfontein, Roodepoort and Soweto (SAPS, JMPD, EMS, and general security companies).
- ❖ Clean audit outcome achieved in the 2022/23 financial year.

## 6.2. KEY SERVICE DELIVERY CHALLENGES AND MITIGATING MEASURES

Notwithstanding the successes, key service delivery challenges and mitigating measures are highlighted below.

**Table 5: Key Service Delivery Challenges and Mitigating Measures**

No.	Challenge	Mitigating measures
1	Inconsistent attendance at theatre shows due to the economic downturn, which means people have less disposable income for entertainment	<ul style="list-style-type: none"> <li>▪ Stage fewer yet high-profile productions, which will result in greater ticket sales (balance tickets sold / complimentary ticket ratio).</li> <li>▪ Review marketing and sales strategies to yield the desired outcomes – paying bums on seats (60% to 70% sales).</li> </ul>

No.	Challenge	Mitigating measures
2	Inadequate funding for capital expenditure to enhance the economic life of theatre facilities	<ul style="list-style-type: none"> <li>▪ Solicit sponsorships and donations through the newly established function dedicated to driving sponsorship acquisition.</li> </ul>
3	Locations of Soweto Theatre (Jabulani) and Joburg Theatre (Braamfontein), both are seen by audiences as not safe	<ul style="list-style-type: none"> <li>▪ Both theatres are part of the security clusters in Jabulani Precinct (Jabulani Police station across the road) and Braamfontein Improvement District – partnerships will continue to be strengthened.</li> <li>▪ Move evening shows to daytime showtimes.</li> </ul>
4	Revenue Diversification	<ul style="list-style-type: none"> <li>▪ Lobby for funding to develop underground parking bays to diversify revenue streams.</li> <li>▪ Neighbouring building, Bayete, pay-per-foot parking shared revenue model.</li> <li>▪ Continue to grow revenue from hospitality and catering through increased service provision to City departments and entities.</li> <li>▪ Optimise all external revenue sources, including but not limited to, advertising, special projects for public sector entities, ticket sales, conferencing, and commission.</li> </ul>
5	Inadequate expenditure budgets, especially for cost of sales, marketing, and compensation	<ul style="list-style-type: none"> <li>▪ New marketing strategy / sales strategy</li> <li>▪ Sponsorships and revenue diversification.</li> <li>▪ Dedicated role established to drive sponsorship acquisition.</li> </ul>
6	Competition for entertainment audiences from casinos, festivals, and other largescale entertainment facilities	<ul style="list-style-type: none"> <li>▪ Unique programming as a competitive advantage.</li> <li>▪ Relationship building with critical producers and creatives.</li> <li>▪ Incentives for creative teams.</li> <li>▪ Diversification of programming, integrated with marketing.</li> <li>▪ Pay higher rates than what the industry pays.</li> </ul>
7	Human resource capacity constraints resulting in reliance on interns in some departments	<ul style="list-style-type: none"> <li>▪ Organisational review to align with the corporate strategy.</li> <li>▪ Implementation of JCT’s Human Resource Management Strategy, covering, performance management, succession planning, labour relations, among others.</li> </ul>
8	Inability to provide sustainable livelihoods for ad hoc employees in the hospitality and catering department	<ul style="list-style-type: none"> <li>▪ Absorption of temporary staff where the opportunity arises, offering staff meals while at work, offering transport to staff, and paying incentive bonuses at financial year-end.</li> <li>▪ Maintain an optimal balance of permanent and temporary staff.</li> </ul>
9	Non-compliant Soweto Amphitheatre	<ul style="list-style-type: none"> <li>▪ Secure a permanent occupation certificate from COJ Planning Department.</li> <li>▪ Procurement of technical equipment to optimally utilise and rent out the venue.</li> </ul>

No.	Challenge	Mitigating measures
		<ul style="list-style-type: none"> <li>Use of venue as a multipurpose space for traditional music and dance, fashion shows, music concerts, sports (basketball/boxing).</li> </ul>
10	Inconsistent youth and community development across the three theatres	<ul style="list-style-type: none"> <li>Develop and implement an integrated youth and community development strategy for consistent application by all theatres.</li> </ul>

## 7. STRATEGIC ANALYSES

### 7.1. SERVICE DELIVERY AND PERFORMANCE ANALYSIS

#### 7.1.1. PROGRESS AGAINST THE FIVE-YEAR STRATEGIC PLAN

Performance against the strategic goals, revised strategic objectives and five-year targets of JCT’s 2019-2024 Strategic Plan is shown in the table below.

**Table 6: Progress against Joburg City Theatres 2019-2024 Strategic Plan**

Strategic Goal	Strategic Objective	Strategic Objective Statement	Five-Year Target to 2023/24	Progress 2019/20 to 2023/24
To conceptualise, manage, host and promote relevant high-quality performing arts and entertainment experiences	SO1. High-quality performing arts and entertainment experience and facilities	Annual Joburg Festival hosted	5 Joburg festivals hosted	<b>Fully achieved:</b> <ul style="list-style-type: none"> <li>Festival of Lights</li> <li>Jazz in the Lights/Jazz on the Lake</li> <li>New Year’s Eve concerts</li> <li>Roodepoort Theatre’s Annual Afrikaans Festival</li> <li>School setwork festivals – all languages</li> <li>Black History Month</li> </ul>
To actively support youth development, including the development of future arts practitioners and entrepreneurs	SO2. Provision of opportunities for the youth, including future arts practitioners and entrepreneurs	Cumulative number of youth and arts practitioners benefiting from training and development programmes	1 000	<b>Fully achieved:</b> To date, total equals 2 600: <ul style="list-style-type: none"> <li>2019/20: 556</li> <li>2020/21: 330</li> <li>2021/22: 500</li> <li>2022/23: 883</li> </ul>

Strategic Goal	Strategic Objective	Strategic Objective Statement	Five-Year Target to 2023/24	Progress 2019/20 to 2023/24
				<ul style="list-style-type: none"> <li>Actual as at 2023/24 mid-year: 331</li> </ul>
		Cumulative number of communities reached through JCT outreach programmes	30 outreach programmes	<p><b>Not achieved:</b></p> <ul style="list-style-type: none"> <li>18 outreach programmes achieved, including mobile truck activations</li> <li>Target affected by COVID-19, continued focus area</li> </ul>
	<b>SO3. Affordable access to and use of theatres by communities</b>	To develop, promote, and present an inclusive Artistic Programme	40% spend on youth/community development and newly developed local content productions against 60% spend on commercial programming	<p><b>Not achieved:</b></p> <ul style="list-style-type: none"> <li>24% spend on youth/community development and newly developed local content</li> <li>76% spend on commercial programming</li> <li>Target affected by COVID-19, continued focus area</li> </ul>
<b>To grow shareholder value by ensuring sound financial management, governance and growth in revenue</b>	<b>SO4. Good governance, financial sustainability, and sound management</b>	Sound governance and internal controls evidenced by the external audit outcome on previous year's financial and non-financial information	Maintain a clean external audit outcome on previous year's financial and non-financial information	<p><b>Achieved in FY2022/23:</b></p> <ul style="list-style-type: none"> <li>2022/23: Clean audit achieved</li> <li>2021/22: Unqualified with material findings</li> <li>2020/21: Unqualified with material findings</li> <li>2019/20: Unqualified with material findings</li> </ul>
		Improved ratio of own revenue generated to subsidy received	50% own revenue generated by 2023/24	<p><b>Not achieved:</b></p> <ul style="list-style-type: none"> <li>29% own revenue generated</li> <li>Likely to achieve &gt;35% by end 2023/24</li> </ul>
<b>To strengthen the brand recognition and awareness of Joburg City Theatres, and to work in collaboration</b>	<b>SO5. Mobilisation of resources to support the mandate, and improved brand</b>	Partnerships/collaborations productions/programmes created	40 partnerships created	<p><b>Fully achieved:</b></p> <ul style="list-style-type: none"> <li>102 partnerships created/maintained</li> </ul>

Strategic Goal	Strategic Objective	Strategic Objective Statement	Five-Year Target to 2023/24	Progress 2019/20 to 2023/24
with others to maximise the impact of Joburg City Theatres programmes	recognition and awareness of JCT	JCT productions toured internationally	At least 5 productions toured internationally by 2023/24	<b>Not achieved:</b> <ul style="list-style-type: none"> <li>Zero productions toured internationally owing to COVID-19, however, it remains a focus for the future</li> <li>Locally, 6 productions toured nationally.</li> </ul>
To provide accessible, high-quality and well-managed hospitality venues, and events and catering services	SO6. Enhanced Joburg City Theatres hospitality, events and catering services	Rand value of revenue realised from hospitality, events and catering services	R50 million revenue (Cumulative)	<b>Fully achieved:</b> <ul style="list-style-type: none"> <li>R166 million revenue realised</li> </ul>

### 7.1.2. PAST BUSINESS PLAN PERFORMANCE

JCT strives to meet and exceed the expectations of the COJ, as the sole shareholder, through the achievement of its annually approved business plan. The tables below provide an overview of JCT’s past performance.

**Table 7: Past Performance on Audits by the Auditor-General of South Africa**

Financial Year	2018/19	2019/20	2020/21	2021/22	2022/23
<b>Financial Audit Opinion</b>	Clean audit	Unqualified audit with material findings	Unqualified audit with material findings	Unqualified audit with material findings	Clean audit
<b>Performance</b>	No findings	Material adjustment to the annual report	Material adjustment to the annual report	Material adjustment to the annual report	No material findings

**Table 8: Past Performance of Predetermined Objectives**

Financial Year (Prior Year)	2018/19	2019/20	2020/21	2021/22	2022/23
Number of KPIs measured in prior financial year	18	22	23	21	26
Percentage achieved	94%	91%	81%	95%	96%

**Table 9: Past Performance of Capital Expenditure**

Financial Year	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage achieved	100%	94%	100%	100%	100%	100%

The table below provides a summary of past performance against the annual corporate performance scorecard.

Table 10: Joburg City Theatres Past Performance Achievements (Actual)

Strategic Objective	Key Performance Area	Key Performance Indicator	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24	
							Q3 YTD	Annual Target
<b>1. Quality performing arts and entertainment experiences and facilities</b>	Service level standards achieved	Percentage achievement of service level standards	100%	100%	100%	100%	100%	100%
	Arts and culture festivals and themed productions hosted and produced	Number of arts and culture programmes held (in-house and through partnerships)	27	45	83	61	45	30
		Number of youth and community development, and emerging voices, supported through partnerships					47	60
	Joburg Ballet and Philharmonic Orchestra integrated into the group offering	Number of Ballet seasons	5	1	6	4	4	4
		Number of Philharmonic Orchestra seasons	6	6	5	4	3	4
	JCT touring circuit implemented	Number of JCT productions touring nationally/internationally	1	n/a	n/a	4	2	2
	Annual legends tribute programme implemented	Number of annual legends productions implemented	n/a	n/a	n/a	3	3	2

Strategic Objective	Key Performance Area	Key Performance Indicator	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24	
							Q3 YTD	Annual Target
<b>2. Provision of opportunities for the youth, including future arts practitioners and entrepreneurs</b>	Work opportunities created at JCT	Number of EPWP work opportunities created at JCT	270	190	220	237	262	220
	Youth developed in arts and theatre	Number of youths attending arts programmes (non-cumulative)	556	330	500	883	581	300 (Jul-Dec) 400 (Jan-Jun)
<b>3. Affordable access to and use of theatres by communities</b>	Audiences developed and venues accessed	Number of attendees to JCT theatres	211 794	39 692	113 201	193 677	161 278	180 000
		Number of livestreaming/online productions	n/a	25	10	n/a	n/a	n/a
	School set work offerings provided across all 3 theatres	Number of school network programmes implemented	n/a	n/a	n/a	3	2	3
	City-wide integrated activations implemented	Number of city-wide integrated activations using the Mobile Theatre Truck	n/a	n/a	n/a	8	5	6
<b>4. Good governance, financial sustainability and sound management</b>	Financial management and sustainability	Proportion of earned income against total revenue, including subsidy	36%/64% Earned: R70.9 million	30%/70% Earned: R43.0 million	34%/66% Earned: R85.914 million	27%/73% Earned: R65.155 million	21%/79% Earned: R37.44 million	20%/80% Earned: R51 799 million



Strategic Objective	Key Performance Area	Key Performance Indicator	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24	
							Q3 YTD	Annual Target
		Total revenue:	R199.3 million	R206.4 million	R252.0 million	R238.619 million	Total revenue: R181.76 million	Total revenue: R252 981 million
		Percentage spent on operating budget against approved operating budget	97%	91%	116%	119%	71%	100%
		Percentage spent on capital budget against approved capital budget	100%	100%	100%	100%	88%	100%
		Repairs and maintenance as a percentage of property, plants and equipment (carrying value)	23%	26%	28%	19%	16%	8%
	Financial management and sustainability	Percentage reduction in unauthorised, irregular, fruitless, and wasteful expenditure incurred	n/a	n/a	n/a	100%	100%	50%
		Percentage of valid invoices paid within 30 days of invoice/statement date	100%	100%	100%	100%	100%	100%

Strategic Objective	Key Performance Area	Key Performance Indicator	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24	
							Q3 YTD	Annual Target
	Governance, internal controls, performance and risks managed	Percentage resolution of AGSA findings	100%	100%	100%	100%	100%	100%
		Percentage resolution of Internal Audit findings	100%	100%	100%	100% of 2021/2022 findings were resolved	100%	100%
		Audit opinion from the AGSA	Unqualified audit with material findings	Unqualified audit with material findings	Unqualified audit with material findings	Unqualified audit with material findings	Clean audit for prior year	Unqualified with no material findings
		Percentage of the strategic risk management action plans implemented	100%	85%	100%	100%	89%	100%
		Percentage of predetermined objectives achieved	94%	81%	86%	95%	Not measured	85%
	Small businesses supported through B-BBEE and preferential procurement	Number of SMMEs supported	n/a	n/a	n/a	302	215	250
		% of procurement spend on SMMEs against total procurement expenditure	48%	100%	66%	63%	74%	30%

Strategic Objective	Key Performance Area	Key Performance Indicator	2019/20 Actual	2020/21 Actual	2021/22 Actual	2022/23 Actual	2023/24	
							Q3 YTD	Annual Target
		Percentage of procurement spend on B-BBEE against total procurement expenditure	101%	53%	104%	75%	82%	75%
<b>5. Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT</b>	Stakeholders mobilised and managed	Number of strategic partnerships created	18	13	23	23	20	15
	Major milestones and anniversary events celebrated	Number of major milestones and anniversary events celebrated	n/a	n/a	n/a	Joburg 60 <sup>th</sup> celebration Soweto 10 <sup>th</sup> celebration	n/a	n/a
	Return on investment of public relations monitored and managed	Percentage of neutral media coverage	n/a	n/a	n/a	New indicator	≥80%	≥80%

Note: 2020/21 and 2021/22 performance affected by the COVID-19 pandemic/lockdown restrictions

### 7.1.3. THEATRE ATTENDANCE AND GROSS RECEIPTS

The tables below show the trends in attendance figures and receipts for the period, 2018/19 to 2022/23.

**Table 11: Attendance Figures and Receipts for the 2018/19 to 2022/23 Period**

FY	N° of Perform.	N° of Sellable Seats	Total Tickets Issued	Comp Tickets	Comp Tickets %	Sold Tickets	Actual Attendance	Attendance Rate	Gross Receipts (Rand)	Avg. Sold Ticket Price (Rand)
2018/19	1 335	540 498	296 214	112 236	37.9%	183 978	271 299	50.1%	25 230 206	137.14
2019/20	1 245	461 933	229 013	91 201	39.8%	137 946	211 794	45.8%	16 951 100	122.88
2020/21	521	141 694	44 228	14 662	33.2%	29 566	41 872	29.5%	2 747 906	92.94
2021/22	854	219 050	123 181	24 359	19.8%	98 822	113 201	51.7%	14 652 736	148.27
2022/23	1 032	449 786	212 292	59 544	28.1%	152 748	193 677	43.1%	27 569 350	180.49

\* Grey highlighted: COVID-19 impacted

While not yet fully recovered from the effects of COVID-19, which saw attendance figures nosedive due to lockdown restrictions, the attendance figure for 2022/23, at 193,077, is significantly higher than the 2021/22 figure of 113,201 patrons. Signs are positive that JCT will continue progressing towards the pre-COVID-19 attendance figure of 271,299.

Notable trends over the past five-year period:

- ❖ Percentage complimentary tickets, while still high, has reduced from 37.9% in FY2018/19 to 28.1% in FY2022/23. Looking ahead, JCT would want to reduce this to <25%.
- ❖ Actual attendance to sellable seats was 43.1% in FY2022/23, compared to 50.1% per-COVID-19 in FY2018/19, and lower than the first post-COVID-19 year, FY2021/22, when the attendance rate was 51.7%.
- ❖ The lower attendance rate of 43.1% may have been affected by the higher average sold ticket price of R180.49 in FY2022/23, compared to the average sold ticket price of R137.14 in FY2018/19 when the attendance rate was 50.1%.

**Table 12: FY2022/23 Attendance and Ticket Sales, per Theatre**

Venue	N° of Performances	N° of Sellable Seats	N° Tickets Issued (%)	Comp Tickets	Sold Tickets	Gross Receipts
<b>Joburg Theatre</b>						
The Mandela	186	181 488	98 590 (54%)	30 774	67 816	17 358 929
Lesedi Theatre	123	30 708	17 588 (57%)	4 424	4 424	1 650 070
space.com	110	15 317	3 556 (23%)	325	3 231	328 620

Venue	N <sup>o</sup> . of Performances	N <sup>o</sup> . of Sellable Seats	N <sup>o</sup> . Tickets Issued (%)	Comp Tickets	Sold Tickets	Gross Receipts
Cas Coovadia Studio (Rehearsals)	2	100	18 (18%)	-	18	690
Peoples Theatre	226	46 680	19 550 (21%)	395	19 155	2 595 200
Stages	1	200	65 (32.5%)	24	41	11 300
<b>TOTALS</b>	<b>648</b>	<b>274 493</b>	<b>139 967 (50.9%)</b>	<b>35 942</b>	<b>103 425</b>	<b>21 944 809</b>
<b>Soweto Theatre</b>						
Red Theatre	92	39 018	14 516 (37.2%)	8 941	5 575	866 000
Blue Theatre	50	6 130	3 917 (63.9%)	2 193	1 724	226 290
Yellow Theatre	9	1 325	821(61.9%)	801	20	2 000
Forecourt	20	10 000	9 877 (98.8%)	2 404	1 473	101 330
Amphitheatre	6	18 000	5 175(28.7%)	2 983	2 192	195 390
<b>TOTALS</b>	<b>177</b>	<b>74 473</b>	<b>28 306 (38%)</b>	<b>17 322</b>	<b>10 984</b>	<b>1 391 010</b>
<b>Roodepoort Theatre</b>						
Main Theatre	176	57 728	30 308 (52.5%)	5 052	25 256	2 527 944
Basement Theatre	13	1 092	618 (56.6%)	255	357	42 150
<b>TOTALS</b>	<b>189</b>	<b>58 820</b>	<b>30 920 (52.6%)</b>	<b>5 307</b>	<b>25 613</b>	<b>2 570 094</b>
<b>Joburg Zoo (Quarter 2 – Festival of Lights)</b>						
Joburg Zoo	18	42 000	13 699 (32.6%)	973	12 726	1 663 437
<b>TOTALS</b>	<b>18</b>	<b>42 000</b>	<b>13 699 (32.6%)</b>	<b>973</b>	<b>12 726</b>	<b>1 663 437</b>

JCT has made considerable strides in enhancing ticket sales and attendance following the COVID-19 pandemic. The Mandela Theatre, as the largest venue, remains the primary contributor to JCT's overall performance, generating total receipts of R17.35 million for FY2022/23, followed by the main theatre at Roodepoort Theatre with total receipts of R2.5 million. However, the data reveals that JCT has yet to fully optimise the utilisation of its artistic spaces. For instance, the Blue Theatre in Soweto had the highest percentage of tickets issued, at 63.9%, within the group. Nevertheless, over 50% of the tickets issued were complimentary, resulting in only R226,290 in gross receipts from 50 performances.

The average sold ticket price at Soweto Theatre was R126.64, Roodepoort Theatre's was R100.34, and Joburg Theatre's was R212.18. Innovation is necessary to optimise facility utilisation rates, taking into account a careful balance of ticket prices, complimentary ticket issuance, production/program selection tailored to target audiences, local content development, and audience development.

The inclusion of the Soweto Amphitheatre has yielded positive outcomes, and its increased availability and usage are expected to make a significant contribution over the medium term. Meanwhile, the festival of lights at the Joburg Zoo, held annually in collaboration with Joburg City Parks and Zoo, and City Power, serves as a valuable addition to JCT's revenue streams. However, the ticket issuance rate of 32.6% falls below its potential. Ongoing endeavours to introduce additional off-site festivals and performances will enrich Johannesburg's cultural landscape while bolstering JCT's revenue.

Overall, JCT is on course to fully rebound from the adverse impacts of the COVID-19 pandemic. Recent performance data indicates that initiatives aimed at cultivating new audiences while retaining existing ones are effective and should thus remain a key focus in the years ahead.

## 7.2. ENVIRONMENTAL ANALYSIS

### 7.2.1. MACRO-ENVIRONMENT ANALYSIS

Global geopolitical instabilities have been growing for some time. In October 2023, the decades old Israeli/Palestinian territorial dispute erupted into acts of terrorism and declaration of war. Meanwhile the Russia-Ukraine conflict continues. BRICS members voted to expand the bloc by six new members: Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates. Membership will become official in January 2024. This is to create a more 'unipolar' economic world, rather than the current US dominated status quo.

The major disruptors to global growth and economic stability in 2023 are persistent challenges such as low growth, high inflation, deferred action on climate and ecological concerns, civil unrest, wars, and escalating geopolitical tensions. Global growth was also slowing before the pandemic due to a multitude of interconnected factors including growing tariffs and trade restrictions, geopolitical uncertainties, rising global debt levels, escalating trade tensions between the USA and China, the impact of automation, ongoing technological changes, structural shifts in the economy. Escalated food and energy prices, stoked higher by the Russia/Ukraine conflict in early 2022, have given rise to a cost-of-living crisis in countries across the globe, disproportionately impacting marginalised and impoverished populations.

Emerging market currencies, such as the South African rand, have experienced declines against a strong dollar. Investors have retreated from riskier markets amid heightened cost of debt. The prospect of additional monetary tightening by central banks is not expected but remains a possibility. Generally, African economic growth has been resilient, while Southern Africa took the biggest hit in 2020 when pandemic restrictions were at their peak, with GDP dropping six percentage points.

South Africa is struggling with sluggish growth and stubbornly high inflation. South Africa's GDP growth could and would be a few percentage points higher were it not for the inefficiencies and failures of basic core infrastructure, particularly electricity, water, and railways and seaports. Endemic crime and corruption also continue to negatively affect the country's bottom line. The IMF is also the most optimistic about South Africa's prospects for 2024, expecting 1.8% growth. The World Bank and African Development Bank both forecast 1.5% growth for the year. The South African Reserve Bank (SARB) is the most pessimistic, projecting just 1% growth in 2024.

### 7.2.2. KEY IMPEDIMENTS TO SOUTH AFRICA'S ECONOMIC GROWTH

#### Loadshedding:

SARB modelling indicates that load shedding has a statistically significant adverse effect on overall GDP growth. As per a report by the Minister of Electricity<sup>3</sup>, the economic impact of load shedding amounted to R300 billion in 2022, with the anticipated costs of the record-setting blackouts in 2023 likely to reach R1 trillion.

<sup>3</sup> EAP Update: Presidency Strategic Planning Session, Ministry in the Presidency for Electricity, Dr Kgosisentsho Ramokgopa, 29 September 2023

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## Transport and logistics:

The Minerals Council, one of Transnet's primary clients, estimates that railway network inefficiencies resulted in the country losing around R150 billion in sales in 2022. The subpar performance of the nation's ports significantly hampers import and export activities, which constitute up to 70% of the total economic activity. In the last quarter of 2023, Transnet, responsible for the nation's dysfunctional rail network and poorly performing seaports, requested a government bailout totalling R122 billion, and later received R47 billion guarantee facility from Treasury.

## Crime and corruption:

Very high incidences of violent crimes such as murder, hijacking, gender-based violence, and rape continue to destabilise South African society. Socioeconomic factors like high unemployment, vast inequality contribute to increased criminality, but peace and security are prerequisites for a thriving society and healthy economy, but the lack of economic prospects pushes increased numbers of people to commit unlawful acts.

South Africa also faces the challenge of organised criminal groups employing mafia-style tactics to extort infrastructure and property development projects, using government quota policies as a guise of legitimacy. Instances of infrastructure theft or vandalism are frequent. The Zondo Commission uncovered credible accusations of significant and widespread corruption within the government and state-owned enterprises but follow up has been marked by scant investigations and few dismissals or convictions. These issues will continue to exert downward pressure on South Africa's economic growth for as long as they remain unresolved.

## Government debt:

As per the Budget Review, tax revenue collection for the current year is anticipated to fall short by R56.8 billion compared to the 2023 Budget estimates, and projections have been adjusted downwards for the medium term. Consequently, the government is compelled to increase borrowing to maintain budget equilibrium. This surge in debt accumulation has resulted in a swift rise in debt-servicing costs, now accounting for approximately 20% of the primary budget revenue. In practical terms, for every R5 collected from taxpayers, R1 is allocated to service South Africa's escalating debt, which stands at about R5.2 trillion<sup>4</sup>.

Less money in the budget means a search for cost savings and cuts, placing institutions dependent on state funding in a position of increased uncertainty. For JCT, the situation is compounded by the COJ's below target revenue collection and thus the strain on financing services beyond basic services.

## Unemployment:

There was some good news on the employment front in the third quarter of 2023 when almost 400 000 jobs were added, raising the total number of people employed to 16.7 million, which surpasses the pre-COVID-19 level of 16.4 million. This is the 8th consecutive quarterly increase, and second-largest increase since Q4: 2021.

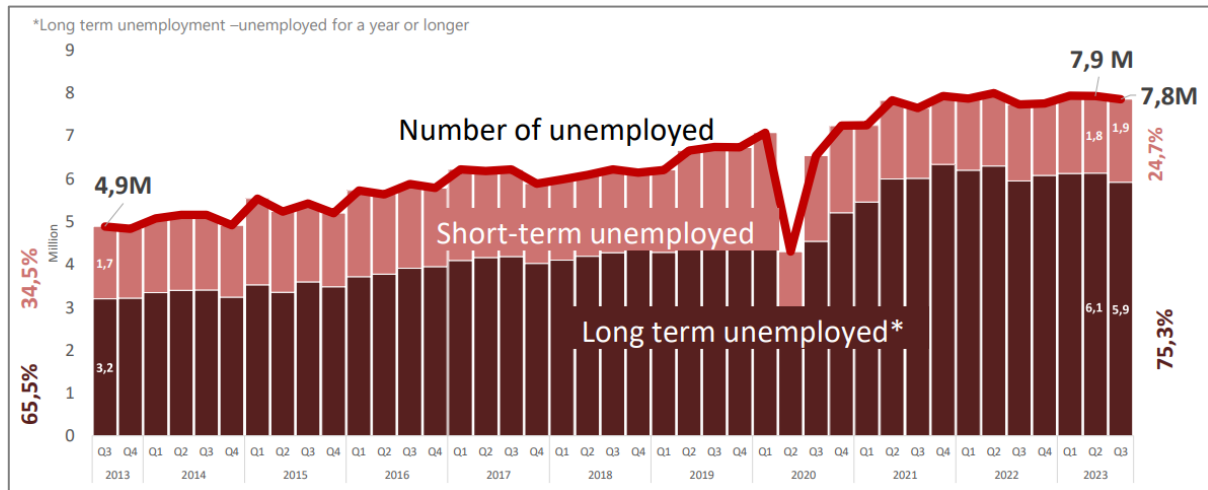
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<sup>4</sup> <https://businesstech.co.za/news/business-opinion/729877/major-tax-squeeze-coming-for-south-africa/> (Accessed 12/11/2023)



There were 4.9 million unemployed people in South Africa in Q3 2013. In Q3 2023, that number has grown to 7.8 million. The proportion of long term unemployed, or people who have not had work for longer than a year, has increased from 65.5% to 75.3% over the same period<sup>5</sup>.

**Figure 5: Number of employed people in South Africa, Q2:20023 to Q2:2023**



Source: Stats SA

Although there has been some job creation over the last few quarters, numbers fall far short of suggesting any material improvement to overall unemployment in the foreseeable future. A complicating factor in the local labour market is the low level of education and skill. 38.8% of those with less than matric are unemployed, along with 33% of those with matric. Both groups are above the national average of 31.9%. The unemployment rate among graduates is 8.5%.

### 7.2.3. THE CITY OF JOBURG

Johannesburg, the base of operation for JCT, continues to grow. It is estimated that in 2023 the city was home to around 6 million people, a little less than 10% of the country’s total population. Trends indicate that the city will expand by about a million people every 5 years, meaning Johannesburg may be a city of 9 million people by 2040. Currently 37%, or 2.2 million of the city’s people are between the ages of 15 and 34 years old. The unemployment rate is estimated at 31.5%, with youth unemployment at 41.2%.

Johannesburg is one of the most unequal cities in the world. Rapid urbanisation has led to a sharp rise in the number of people in the city living below the upper poverty line. In 2021, an estimated 2.92 million people, or 52.5% of the city’s population, lived in poverty, up from 1.67 million in 2011. The city has, however, done well to ensure its 1.8 million households have access to basic services. Conversely, the 210+ informal settlements continue to present a challenge to the city’s ability to keep pace with the basic service delivery needs of its communities. For many of these residents, survival is necessarily prioritised over arts and culture.

<sup>5</sup> Stats SA Quarterly Labour Force Survey (QLFS) Q2:2023

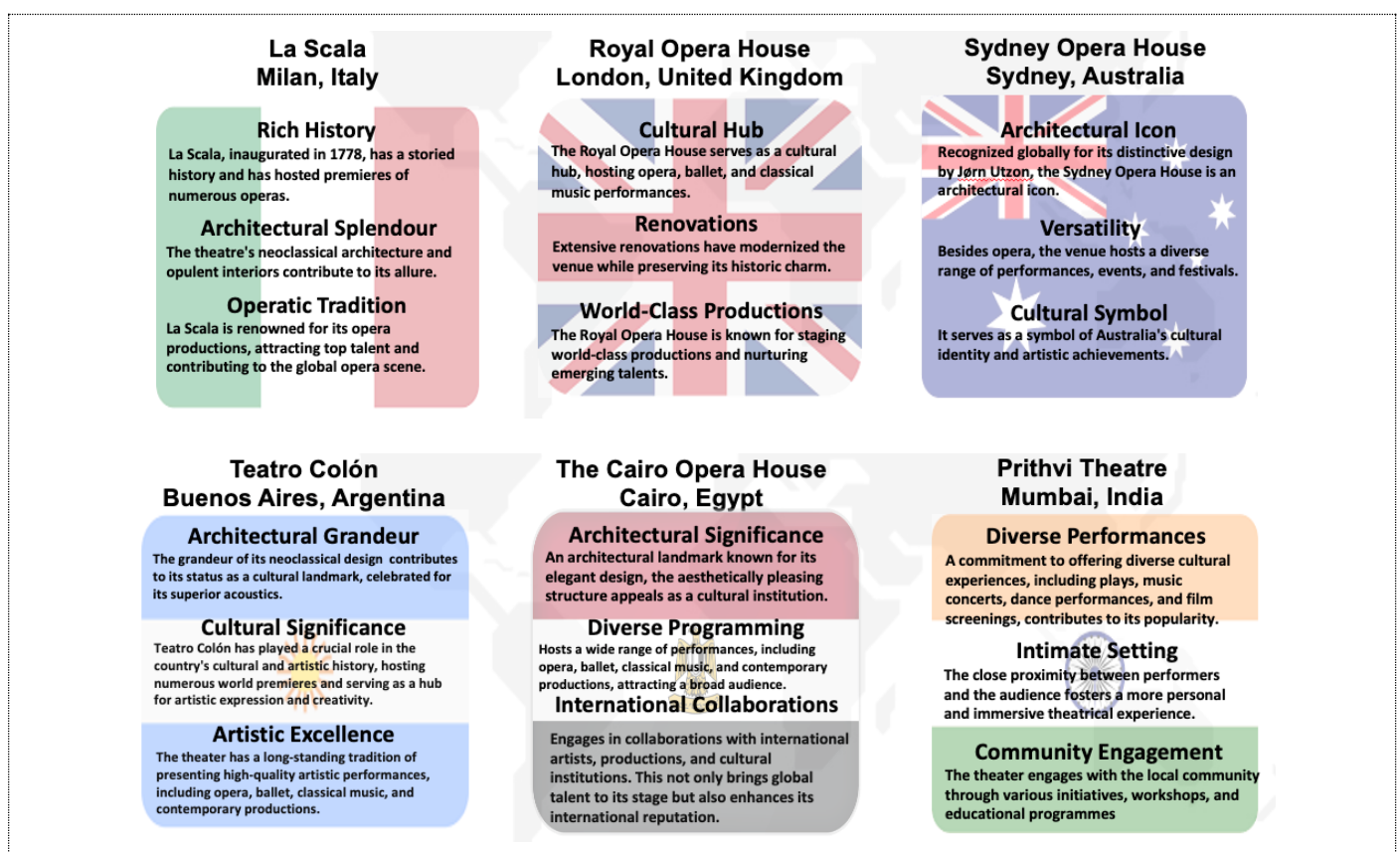
Like the rest of South Africa, Johannesburg’s consumers are under pressure, and discretionary spending is being eroded by the rapidly rising cost of living. This creates a challenging environment for the live entertainment sector. Innovation, creativity, and industriousness is required to navigate the socio-economic headwinds facing the industry.

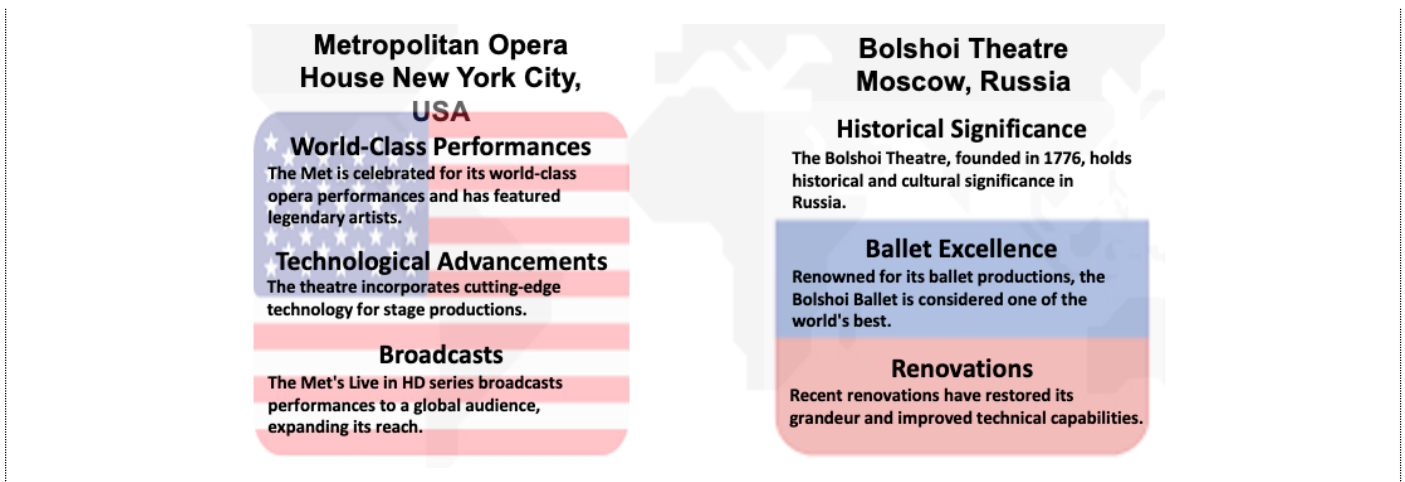
With its divisive past and while social cohesion and nation building have been on the agenda for some time, the heightened levels of social and political contestation have had an impact on intergovernmental relations, nation building, and social cohesion<sup>[1]</sup>, and point towards the need for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

### 7.2.4. THE GLOBAL THEATRE INDUSTRY

A theatre can owe its success to a combination of factors, including rich cultural traditions, architectural significance, a commitment to high-quality productions, and adaptability to modern demands and technologies. Determining the ‘best’ theatres in the world is somewhat subjective, but there are a few that are widely considered among the top in the world, both Western and BRICS nations. Their history and tradition, architectural features, cultural symbolism, performance excellence, and technological advancement is highlighted in the figure below.

Figure 6: Standout features of some of the top theatres in the world





In the post-pandemic era, art in all its various forms have had to change and adapt to new formats to ensure survival. One of the popular trends in the theatre industry across the world is the transition to online shows and streaming performances. In London, a game-changing product within the theatre experience has been the ‘pay-as-you-view’ streaming service by Lloyd Webber, which allowed theatre goers to watch a series of pre-recorded shows at a set rate.<sup>6</sup> This ensured that arts practitioners could create and earn an income during this period. With the new era of streaming in entertainment, theatres are also charged with a mandate to use these platforms to build audiences and ensure longevity in their artforms. This emphasises a need for innovation in the industry to bridge gaps such as the live experience of theatre and the sometimes preferred streaming tool of enjoying theatre productions, giving the audience a distinctive experience from small screen productions on streaming platforms.

Another noted industry trend is the conversion of art/artistry into lucrative businesses. This has been seen in the commercialisation of theatres, training and development, and of artists themselves.<sup>7</sup> Artists have been seen to promote themselves as a brand, treating their various artforms as potentially lucrative businesses – using themselves (mainly through social media) to promote the projects and productions they are part of. The result of this is people desiring to attend these shows specifically to see this social media personality, and not so much the artistic production itself. This, however, has the potential to expose people to the theatre experience and count towards building audiences across all age groups.

Artists have also been seen to play in various fields within the arts, diversifying their commercial personal brands to build niche communities around this brand, with some taking up careers in mainstream television, radio, social media influencing, YouTube, podcasting, and mainstream entrepreneurship. Unfortunately, there is risk attached to this, such as compromising the quality, creativity, inventiveness of productions and the role of theatre as an effective tool of communication.<sup>8</sup>

<sup>6</sup> *The pandemic nearly killed theatre – the creative way it fought back could leave it stronger.* S. Langsten, February 2022

<sup>7</sup> *Theatre In a New Democracy: Some major trends in South African theatre from 1994 to 2003.* J. van Heerden, March 2008

<sup>8</sup> *Debate: “Commercialism ruins art” by the Oxford Student.* I. Lill & G. Pion, February 2019

As part of the larger entertainment sector, live performance theatre's financial performance is affected by per capita disposable income because the industry's output is considered nonessential. Many theatres operate as non-profits and are therefore dependent on funding from the state, foundations, corporations, and individual donors?<sup>9</sup>

According to a study by the Arts Funders Forum, there is a shift in giving behaviours. A new generation of donors is growing more sceptical about the arts' ability to enhance the world and is placing greater emphasis on supporting social, racial, and environmental justice and equity. These donors prioritise funding initiatives that demonstrate specific, measurable impacts, and they are open to leveraging technological solutions to address contemporary challenges.<sup>10</sup> This generational shift comes as the non-profit sector struggles to contend with an overall reduction in donors.

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**“Theatre is not buildings. Theatre is the people, and the people are still going to be here. We can invest in the next generation in whatever little ways we can. We can advocate for arts education in our schools, and we can support education and outreach programmes at theatres. By prioritising those things, I think the future will be brighter.”**

*Kelsey Mesa,  
Manager, Kennedy Centre American College Theatre Festival*

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People also seek opportunities for their children, making educational programmes an effective way to draw in future audiences by ‘getting them while they’re young’. People who have been exposed to the arts when they’re young are much more likely to engage with the arts later in life as practitioners, as audiences, and as donors than those with no practical experience of it.<sup>11</sup>

Automation and digitisation of administrative, organisational, and management processes can facilitate greater efficiencies. Automation and digitisation have the potential to enhance the theatre experience and aid in reaching more audiences through automated booking services, data analytics which aid decision-making; and enhanced, more interactive stages<sup>12</sup>.

With these advancements, the issue of cyberattacks become a constant threat which affects many industries including the theatre industry. Increasingly sophisticated artificial intelligence, quantum computing, advanced automation and cutting-edge robotics threaten jobs across all sectors of the economy. The technological revolution currently developing could affect and restructure society as profoundly as the first industrial revolution did.

## 7.2.5. THE SOUTH AFRICAN / JOBURG THEATRE INDUSTRY

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According to Makhaola Ndebele, a South African actor, independent theatre director, and creative consultant, the main audience for theatre in the country is young Africans, from teens to thirties, containing groups that are the focus

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<sup>9</sup> <https://www.americantheatre.org/2023/07/24/theatre-in-crisis-what-were-losing-and-what-comes-next/> (Accessed 12/11/2023)

<sup>10</sup> <https://www.americantheatre.org/2023/07/24/theatre-in-crisis-what-were-losing-and-what-comes-next/> (Accessed 12/11/2023)

<sup>11</sup> <https://www.americantheatre.org/2023/07/24/theatre-in-crisis-what-were-losing-and-what-comes-next/> (Accessed 12/11/2023)

<sup>12</sup> <https://venuearc.com/blog/how-digitalization-benefits-the-performing-arts-industry/> (Accessed 03/01/2024)

of outreach programmes, as well as more sophisticated, suburban young professionals. Generally, audiences are quite broad, but different economic segments gravitate towards different types of content<sup>13</sup>.

Live theatre goes beyond entertainment, playing a significant role in social cohesion, education, and community development. Its ability to inspire, challenge, and connect individuals makes it an asset to society. Some key social benefits of live theatre include:

- 1) **Cultural enrichment.** Live theatre exposes audiences to diverse cultures, perspectives, and narratives, promoting understanding and appreciation of different backgrounds and traditions.
- 2) **Community building.** Attendees often share a collective experience, fostering a sense of belonging and connection.
- 3) **Empathy and understanding.** Theatre allows audiences to step into the shoes of characters facing different challenges and experiences, cultivating empathy and a deeper understanding of others.
- 4) **Educational impact.** Live theatre is an educational tool that can address social issues, historical events, and complex themes. It provides a powerful platform for learning and critical thinking, especially for students and young audiences.
- 5) **Civic engagement.** Theatre can engage with social and political issues, encouraging dialogue and critical reflection. It has the potential to inspire individuals to become more actively involved in their communities and advocate for positive change.
- 6) **Personal development.** Participation in live theatre, whether as an actor or audience member, can enhance communication skills, boosts confidence, and encourage self-expression.
- 7) **Inclusivity and representation.** Live theatre has the power to showcase diverse voices and perspectives, promoting inclusivity and representation on stage. This can empower marginalised communities and challenge stereotypes.
- 8) **Entertainment and social interaction.** Theatre provides a unique form of entertainment that encourages social interaction, and attending with friends or family creates shared memories and strengthens social bonds.
- 9) **Generational connection.** Theatre can be a bridge between generations, offering a shared cultural experience that resonates across age groups.
- 10) **Boost to local economy.** Theatres can contribute to the local economy by attracting visitors, supporting local businesses, and creating job opportunities in the arts and hospitality sectors.

Casino theatres, which are the main competitors for the JCT, host world-class experiences, which attract hosts of international productions over long periods of time, and many patrons through the doors of each theatre. This highlights a need for better access to theatres, early exposure to theatre in the educational system and better marketing and media coverage.<sup>14</sup>

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<sup>13</sup> <https://www.youtube.com/watch?v=x5-1dXwjiwo> (Accessed 13/11/2023)

<sup>14</sup> *The state of the (performing) arts: Theatres try to find their groove.* A. Khan, February 2019

Artistic appetites differ across communities, and in South Africa, they can be categorised into three main categories – townships, cities, and rural communities:

- ❖ In townships, there are two extremes in the general sentiment of artistic expression – the idea that people ought to escape the township (reflected in most artists’ work), or on the opposite end of the spectrum, a fetishisation of the lived township experience, which romanticises the injustices and neglecting to address prevalent issues negatively affecting these communities. In this context there is a severe neglect of the vast nuance which exists in townships.<sup>15</sup>
- ❖ Cities are vibrant and captures different stories and narratives, delivering them creatively across artforms, this being aided largely by the relative accessibility of art spaces in cities of South Africa. Cities are also a melting pot for all artforms, which enables the creation of art hubs in inner cities, thus maturing the tastes of consumers and building a larger community and audiences across all artforms.<sup>16</sup>
- ❖ The rural landscape, marked by extreme poverty and a lack of infrastructure, is mainly characterised by indigenous art such as traditional dance, storytelling, and the creation of traditional art (beadwork etc).<sup>17</sup> Although many programmes and projects by organisations and influential individuals have been initiated, they are simply inadequate to counter the effects of adverse poverty and poor exposure to the arts in these areas.<sup>18</sup> There is therefore a huge need for a vitalisation of the arts space in rural South Africa.

Theatres operating in South Africa, and Joburg, face various social challenges that can impact their performance, including:

- 1) **Economic inequality.** This is arguably the most challenging social issue the country faces, and it has a significant direct impact on the operations of JCT. The vast majority of households and individuals would find it challenging to afford tickets to a theatrical performance, severely limiting the audience base for theatres.
- 2) **Access to education.** Limited access to quality education can result in a lack of appreciation for the arts, including theatre, negatively affecting both audience interest and the pool of potential talent in the industry.
- 3) **Cultural diversity.** South Africa is a culturally diverse nation with multiple languages and traditions. The challenge for theatres is to represent and engage with this diversity, ensuring that their programmes resonate with various ethnic and cultural groups.
- 4) **Historical and social issues.** The country's complex history, including apartheid, has left deep social scars. Theatres may need to navigate sensitive topics and historical narratives in their performances, requiring a delicate balance between entertainment and social consciousness. Audiences do not appreciate being lectured.
- 5) **Changing entertainment preferences.** The rise of digital media and streaming has changed entertainment consumption preferences, and theatres face unprecedented competition for audience attention. Adapting to

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<sup>15</sup> 'Artists must strive to reimagine ways of portraying and inhabiting ikasi' by the Mail & Guardian. M. Mbhele, April 2020

<sup>16</sup> The art landscape in South Africa by Tourism South Africa. N. Molo.

<sup>17</sup> 'Works of community' – How one local art project is changing lives in rural Eastern Cape. Z. Ebrahim, November 2022

<sup>18</sup> Light from Africa: Rural Art Enrichment Project Outline



modern tastes while maintaining the integrity of live performances is a continual challenge for theatres all across the world.

- 6) **Youth engagement.** Encouraging the younger generation to attend live theatre can be challenging. Theatres need to find innovative ways to connect with youth and demonstrate the relevance and excitement of live performances. Middle class parents are often enthusiastic about their children being exposed to the arts, so this may be the most effective entry point to that particular youth segment.
- 7) **Social attitudes towards the arts.** Some segments of society may not view the arts, including theatre, as essential. Convincing the public of the value and importance of supporting the arts can be an ongoing challenge. As can achieving proper representation and inclusivity in terms of gender, race, and other identity factors both on and off the stage.
- 8) **Language barriers.** South Africa's multilingual population poses a challenge for theatres in terms of ensuring that performances are accessible and inclusive across twelve different language groups. New technologies that allow for live translation may be useful in this regard.

Addressing these social challenges requires a collaborative effort from theatres, the government, educational institutions, and the community. Technological advances in the theatre industry have significantly impacted live theatre productions, enhancing the overall theatrical experience for both performers and audiences. Here are some key technological trends and innovations in live theatre:

- 1) **Projection mapping.** Projectors are used to map visuals onto three-dimensional surfaces, transforming static sets into dynamic environments. This can be particularly effective in creating illusions, enhancing storytelling, and providing a more engaging experience.
- 2) **Virtual and augmented reality.** Virtual and augmented reality technologies are being explored to create interactive and immersive experiences for audiences. This can include using VR headsets for virtual performances or incorporating augmented reality elements into live shows.
- 3) **LED screens and video walls.** The use of LED screens and video walls has become more prevalent in theatre productions. These technologies provide versatile options for creating dynamic backgrounds, changing scenes seamlessly, and displaying digital content that complements the live performance.
- 4) **Wireless technology.** Advances in wireless technology have allowed for more freedom of movement for performers.
- 5) **Digital sound processing.** DSP provides clearer and more dynamic audio experiences for audiences, allowing for precise control over sound effects, music, and vocal performances.
- 6) **Automation and robotics.** Used to control moving set pieces, special effects, and even robotic characters. This allows for more complex and dynamic stage designs and enhances the efficiency of set changes.
- 7) **Simultaneous translation devices.** Real-time translation devices have become more sophisticated, allowing audience members to follow the performance in their preferred language through headphones or other devices.

- 8) **Online ticketing and marketing.** Online ticketing systems make it easier for audiences to purchase tickets and choose seating arrangements. Digital marketing tools, including social media and online platforms have become essential for promoting productions and engaging with audiences.







These technological advances continue to shape the landscape of live theatre, offering new creative possibilities and improving the overall production quality. However, the integration of technology in theatre is a delicate balance, as it should enhance the storytelling without overshadowing the live and authentic aspects of the performance.

### 7.3. PESTEL ANALYSIS

The macro-environment analysis is consolidated in the summary PESTEL below.



Table 13: PESTEL Analysis – Factors influencing Planning

POLITICAL	ECONOMIC	SOCIAL	TECHNOLOGY	ENVIRONMENT	LEGAL
					
<ul style="list-style-type: none"> <li>▪ Rising geopolitical tensions and wars: Russia-Ukraine conflict / Middle East / Africa.</li> <li>▪ Globalisation Project that is experiencing fragmentation, with two groups forming around China and the US, and an expanding BRICS.</li> <li>▪ The 2024 National Election may bring electioneering and voter-pleasing (possible deferral of unpopular decisions).</li> <li>▪ Coalition arrangements may be prevalent at all levels of government post the 2024 elections, beyond the current COJ.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Global growth remains sluggish and is expected to persist for the decade.</li> <li>▪ Inflation remains high, benefiting the US dollar, which has significantly strengthened (South Africa's rand has suffered).</li> <li>▪ South African business and investor confidence impacted by infrastructure energy and water supply, and safety and security challenges.</li> <li>▪ JCT funding model remains a concern, particularly due to COJ austerity measures.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Global concerns on inflation, poverty and social inequality, crime and violence, unemployment, and financial and political corruption.</li> <li>▪ Persistent widespread poverty, unemployment, (crisis deepens annually).</li> <li>▪ Public education consistently yields substandard results, compromising employment prospects of South Africa's youth.</li> <li>▪ Social cohesion emerges as one of the country's most formidable challenges moving forward.</li> <li>▪ High levels of crime – South Africa holds 7<sup>th</sup> position globally in the prevalence of organised crime syndicates.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Technological advancements, especially artificial intelligence (AI) pose a threat to jobs across all economic sectors.</li> <li>▪ Cyberattacks pose a constant threat.</li> <li>▪ According to Census 2022, the percentage of households with access to the internet has grown from 35.2% in 2011 to 79% in 2022, but access still generally mirrors the broader patterns of inequality in the country.</li> </ul>	<ul style="list-style-type: none"> <li>▪ South Africa has ratified the United Nations Framework Convention on Climate Change, which has been in force since 1994.</li> <li>▪ Ranking as the continent's largest carbon dioxide emitter and the 12<sup>th</sup> globally, South Africa has committed to ambitious targets to combat climate change.</li> <li>▪ The AfDB highlights the immense opportunity, valued in trillions of dollars, for the continent in embracing climate action and fostering green growth.</li> <li>▪ The COJ has developed a climate action plan aimed at net-zero emissions and climate resilience, to 2050.</li> </ul>	<ul style="list-style-type: none"> <li>▪ In 2023, the Department of Sport, Arts and Culture announced the approval of the Theatre and Dance Policy by the South African Cabinet.</li> <li>▪ The policy seeks “to overcome the historically institutionalised inequalities and disparities which follow racial and economic access lines”.</li> <li>▪ It notes that the 1996 White Paper on Arts, Culture and Heritage places great emphasis on “urgent institutional redress, nation building and social cohesion”.</li> <li>▪ Continuous changes in National Treasury prescripts, including circular 88.</li> </ul>

POLITICAL	ECONOMIC	SOCIAL	TECHNOLOGY	ENVIRONMENT	LEGAL
<ul style="list-style-type: none"> <li>▪ Theatre has the power to shape and reflect political discourse, challenge the status quo, and contribute to the broader societal dialogue on issues of governance, justice, social cohesion, and human rights.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The live theatre industry was hard hit by the pandemic lockdowns, being literally shut down.</li> <li>▪ Post pandemic recovery is spotty. South African consumers are under financial pressure, and theatre is a nonessential product.</li> <li>▪ Economic downturns or fluctuations can impact consumers' discretionary spending on entertainment, leading to a potential threat for theatres.</li> <li>▪ Conversely, during prosperous times, people may be more willing to spend on leisure activities, creating growth opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Shifting demographics, such as an aging population or changes in population density, can affect theatre attendance.</li> <li>▪ Theatres need to adapt their strategies to cater to the preferences and needs of different demographic segments.</li> <li>▪ Johannesburg has experienced a 40% reduction in the population of dollar millionaires from 2012 to 2022, contrasting with Cape Town, which saw a 10% increase during the same period<sup>19</sup>.</li> <li>▪ JCT needs to be aware of this demographic shift and potential effect on theatre attendance in the city.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The development of advanced audio-visual technologies and virtual reality experiences may provide opportunities for theatres to enhance their offering and attract new audiences.</li> <li>▪ However, it also poses a threat as people have more options to consume entertainment at home.</li> <li>▪ There could be an opportunity for theatres to adapt and offer unique experiences that cannot be replicated at home, such as immersive screenings or live performances.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Theatre and the arts in general have a role to play in increasing awareness and suggesting solutions to the growing global crisis.</li> <li>▪ Industrial theatre, in partnership with city entities responsible for the CAP may be an appropriate platform for raising awareness and supporting the city's ambitious climate change mitigation in light of financial constraints.</li> <li>▪ JCT should be 'carbon conscious' in terms of its own business operations.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Performance lagged with regards to audience attendance during COVID-19. This was outside of JCT's control as it was dictated to by the emergency legislation of the time.</li> <li>▪ Since the emergency legislation was rescinded in June 2022, JCT has reached and exceeded its targets with regards to attendance figures.</li> <li>▪ Stakeholders, including theatre owners and industry associations, need to actively engage with policymakers to influence favourable regulations.</li> </ul>

<sup>19</sup> <https://businesstech.co.za/news/lifestyle/681477/millionaires-dont-want-to-be-in-joburg-anymore/> (Accessed 04/12/2023)

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### 7.3.1. BENCHMARKING OF PEER THEATRES

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The table below provides a comparative analysis of JCT's financial position in the market in relation to other key theatres that receive a subsidy from the DSAC. The data is for the 2022/23 financial year, showing that the combined revenue of the three JCT theatres is significantly higher than that of the other benchmarked theatres. Although, in Rand value, the subsidy that JCT received from the COJ was higher than that of the other theatres, proportionally, as a percentage of total revenue, it was the lowest, at 62.63%. The next lowest being the Playhouse Company and State Theatre, at 82.4% and 83.8%, respectively. JCT also generated the highest Rand value of own generated revenue, at R59.1 million, as compared to the State Theatre, at R17.19 million.

In terms of expenditure, 40.7% of JCT costs are attributed to salaries and wages, which is the highest across the benchmarked theatres. In the period of the comparative analysis, JCT (R3.19 million) and the Arts Cape (R5.24 million) were the only theatres to end the financial year with a surplus.

Table 14: JCT and DSAC Theatres Financial Comparison, 2022/23 Financial Year

R'	Joburg City Theatres		Market Theatre		State Theatre		Artscape		Playhouse Company		TOTAL
<b>Revenue</b>											
Ticketing Sales	7 371 298	2.57%	2 332 401	2.99%	5 417 876	3.78%	670 963	0.68%	1 127 728	1.21%	16 920 266
Subsidy	179 652 003	62.63%	71 499 298	91.81%	120 168 083	83.84%	92 474 138	93.48%	77 087 537	82.44%	540 881 059
Own Generated Revenue	59 185 480	20.63%	3 316 042	4.26%	17 192 665	12.00%	2 902 796	2.93%	2 507 473	2.68%	85 104 456
Other	40 650 133	14.17%	731 449	0.94%	548 407	0.38%	2 872 002	2.90%	12 784 905	13.67%	57 586 896
	<b>286 858 914</b>	<b>100%</b>	<b>77 879 190</b>	<b>100%</b>	<b>143 327 031</b>	<b>100%</b>	<b>98 919 899</b>	<b>100%</b>	<b>93 507 643</b>	<b>100%</b>	<b>700 492 677</b>
<b>Expenditure</b>											
Production Expenses	40 506 112	14.28%	12 046 92.90	15.23%	14 623 553	9.91%	3 471 906	3.71%	14 299 828	14.02%	84 947 791.90
Marketing	9 766 898	3.44%	1 338 488.10	1.69%	1 062 531	0.72%	809 601	0.86%	640 464	0.63%	13 617 982.10
Salaries and Wages	115 574 610	40.74%	30 727 691	38.85%	45 818 084	31.06%	37 457 611	39.99%	36 899 430	36.18%	266 477 426
Repairs and Maintenance	3 356 908	1.18 %	857 746	1.08%	3 502 500	2.37%	1 358 970	1.45%	11 569 223	11.34%	20 645 347
General Expenses	114 460 956	40.35%	34 114 974	43.14%	82 495 986	55.93%	50 024 854	53.40%	38 579 248	37.83%	319 676 018
	<b>283 665 484</b>	<b>100%</b>	<b>79 085 292</b>	<b>100%</b>	<b>147 502 654</b>	<b>100%</b>	<b>93 678 109</b>	<b>100%</b>	<b>101 988 193</b>	<b>100%</b>	<b>705 919 732</b>
Surplus / (Deficit)	<b>3 193 430</b>		<b>-1 206 102</b>		<b>-4 175 623</b>		<b>5 241 790</b>		<b>-8 480 550</b>		

## 7.4. SWOT ANALYSIS

The SWOT analysis considers the mission and the strategic theme of JCT, to identify the emerging external and organisational issues which inform the 2024/25 planning period, as summarised in the table below.

**Table 15: Joburg City Theatres SWOT Analysis**

<div style="background-color: black; color: white; border-radius: 15px; padding: 10px; display: inline-block; font-size: 2em; font-weight: bold; margin-right: 10px;">S</div> <b>STRENGTHS</b>	<div style="background-color: black; color: white; border-radius: 15px; padding: 10px; display: inline-block; font-size: 2em; font-weight: bold; margin-right: 10px;">W</div> <b>WEAKNESSES</b>
<ul style="list-style-type: none"> <li>❖ <b>Strong brand recognition:</b> Soweto has strong international "brand" recognition, bolstered locally by the iconic Soweto Theatre building, enhancing visibility to attract diverse audiences.</li> <li>❖ <b>High standards of commercial theatre production:</b> Joburg Theatre is renowned for its high standards of commercial theatre production and presentation, ensuring quality entertainment experiences for patrons.</li> <li>❖ <b>Strong leadership and creative expertise:</b> The management team possesses extensive creative industries experience, knowledge, and skills, providing effective leadership and fostering innovation within the organisation.</li> <li>❖ <b>Annual subsidy from COJ:</b> The annual subsidy from the Shareholder, the COJ, for both Capex and Opex, supports financial stability and developmental outcomes.</li> <li>❖ <b>Quality restaurant and hospitality facilities:</b> The presence of quality restaurant and hospitality facilities at the three theatres, Joburg Zoo, and other COJ entities enhances the overall patron experience, customer satisfaction, and revenue generation.</li> <li>❖ <b>High-quality stage facilities:</b> JCT boasts high-quality stage facilities supported by skilled personnel proficient in their use and maintenance, ensuring seamless productions and performances.</li> <li>❖ <b>Long-term tenants:</b> The presence of Joburg Ballet and Peoples Theatre (Theatre for Children) as long-term tenants at Joburg Theatre adds to the entity's prestige and contributes to its cultural significance within the community.</li> <li>❖ <b>Quality governance structure:</b> JCT maintains a robust governance and accountability structure, characterised by a diverse range of skills and backgrounds within the</li> </ul>	<ul style="list-style-type: none"> <li>❖ <b>Dependency on rental and co-productions:</b> JCT's reliance on rental income and co-productions makes it vulnerable to the failure of these arrangements, posing a risk to revenue streams and financial stability.</li> <li>❖ <b>Limited established audience at Soweto Theatre:</b> Despite its strong brand recognition, Soweto Theatre faces challenges in attracting a consistent and established audience for theatre productions, impacting revenue generation and sustainability.</li> <li>❖ <b>Restricted audience capacity at Roodepoort Theatre:</b> The limited audience capacity (320) at Roodepoort Theatre imposes constraints on the scale of events that can be hosted, limiting revenue potential and audience reach.</li> <li>❖ <b>Overstretched technical team:</b> The technical team responsible for servicing the five spaces at Soweto Theatre are overstretched, potentially leading to delays or compromised quality in technical support for productions.</li> <li>❖ <b>Isolated location of Roodepoort Theatre:</b> While the isolated location of Roodepoort Theatre ensures patron safety, it also results in limited foot traffic, hindering audience engagement and development.</li> <li>❖ <b>Insufficiently capacitated ICT systems:</b> JCT's internal ICT systems are insufficiently capacitated, leading to inefficiencies in operations and communication, potentially impacting overall performance.</li> <li>❖ <b>Affordability of commercial productions:</b> The pricing of commercial productions may be out of reach for a significant portion of the population, limiting accessibility and audience diversity.</li> <li>❖ <b>Low ticket sales for local storytelling:</b> While the strategy of telling local stories is sound, the actual ticket sale</li> </ul>

<p>board and management team, ensuring effective decision-making and oversight.</p> <ul style="list-style-type: none"> <li>❖ <b>Strong support from City structures:</b> The entity enjoys strong support from City structures, fostering collaboration and alignment with city priorities.</li> <li>❖ <b>Youth Engagement Programme:</b> The successful implementation of a programme for young people, including past experiences of presenting setwork performances for school audiences demonstrates a commitment to education and community engagement.</li> <li>❖ <b>Resilience and preparedness:</b> The proactive approach to recovery post-load shedding, including the procurement of generators, reflects the organisation's resilience and ability to adapt to challenges, ensuring continuity of operations and customer satisfaction.</li> </ul>	<p>numbers remain low, indicating a gap between intention and audience reception.</p> <ul style="list-style-type: none"> <li>❖ <b>High reliance on COJ funding:</b> JCT's high reliance on a single funding source, the COJ, to achieve its mandate of transformative programming and audience development, poses a risk to financial sustainability and operational autonomy.</li> <li>❖ <b>Need for improved planning:</b> There is a need for improvement in planning processes to ensure alignment of production, sales and marketing activities.</li> <li>❖ <b>Organisational culture improvement:</b> The organisational culture may require improvement to stimulate collaboration, innovation, and employee satisfaction, ultimately enhancing overall performance and outcomes.</li> <li>❖ <b>Lack of research capability:</b> Limited empirical evidence on how JCT compares in terms of quality, pricing and programming, and market share, to inform the company's strategic direction and decision-making.</li> </ul>
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<div style="background-color: black; color: white; border-radius: 15px; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;"> <span style="font-size: 24px; font-weight: bold;">O</span> </div> <h2 style="margin: 0;">OPPORTUNITIES</h2> <ul style="list-style-type: none"> <li>❖ <b>Optimal utilisation of theatre spaces:</b> Maximising the use of the ten theatre spaces across the three theatres presents an opportunity to address the dual mandate of transformation and financial viability, ensuring a diverse range of productions and optimising revenue streams.</li> <li>❖ <b>Amphitheatre at Jabulani:</b> An operational amphitheatre at Jabulani offers the opportunity to host mass events and productions with local appeal, attracting larger audiences and enhancing community engagement.</li> <li>❖ <b>Global entertainment industry contacts:</b> Maintaining contacts in the global entertainment industry enables Joburg City Theatres to exchange content, tour productions, and co-produce with international partners, expanding its reach and reputation.</li> <li>❖ <b>City twinning and bilateral agreements:</b> Leveraging city-twinning agreements with cities such as New York, Singapore, etc., provides opportunities for collaboration, knowledge exchange, cultural diplomacy, and exposure.</li> <li>❖ <b>Innovative education and community participation programmes:</b> Implementing innovative education and community participation programmes at all theatres</li> </ul>	<div style="background-color: black; color: white; border-radius: 15px; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;"> <span style="font-size: 24px; font-weight: bold;">T</span> </div> <h2 style="margin: 0;">THREATS</h2> <ul style="list-style-type: none"> <li>❖ <b>Competition from casino-based theatres:</b> The presence of theatres within casinos offers alternative entertainment options that divert audiences away from traditional theatres.</li> <li>❖ <b>Competition from other entertainment and arts venues, festivals, special events, broadcast, and online versions:</b> JCT faces competition from a wide range of entertainment sources, including other theatres, festivals, broadcast media, and online platforms, which can dilute the audience base.</li> <li>❖ <b>Sectoral challenges in developing collaboration with others:</b> The competitive nature of the industry presents obstacles in fostering collaboration with other organisations, hindering potential partnerships and shared initiatives that could benefit JCT.</li> <li>❖ <b>Failure at box office of programme initiatives (vanity productions):</b> Unsuccessful programme initiatives, particularly vanity productions, pose a financial risk and can damage the reputation of JCT, leading to revenue loss and decreased audience trust.</li> </ul>
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promotes transformation and arts awareness, enriching the cultural fabric of the community and nurturing future audiences.

- ❖ **Production partnerships:** Collaborating with other national and international production and presenting houses opens up opportunities for co-productions, sharing resources, and accessing new markets, enhancing the diversity and quality of programming.
- ❖ **Social cluster activations:** Engaging in social cluster activations enables JCT to connect with diverse communities, aligning programming with social initiatives and enhancing social impact.
- ❖ **Corporate partnerships for production funding:** Forming corporate partnerships for production funding diversifies revenue sources, strengthens financial sustainability, and fosters mutually beneficial relationships with businesses.
- ❖ **Government funded international exchange programmes:** Government-funded international exchange programmes facilitate cultural exchange, talent development, and international exposure, enriching programming and cultural diplomacy.
- ❖ **Online portal for show information:** Creating a portal on the Joburg City Theatres and COJ websites to inform visitors about current shows across the three theatres enhances accessibility and visibility, attracting audiences and promoting engagement.
- ❖ **Leveraging hospitality and catering:** Leveraging the hospitality and catering leg of JCT enhances the overall patron experience and generates revenue by expanding the service to other City departments and entities.
- ❖ **Build theatres of the future:** Major events that can be the talk of the town, attract international audiences, play strongly in the digital space, facilitate panel discussions, while taking theatre to the people.

- ❖ **Loss of core audience before new audience is built:** If JCT fails to effectively engage and retain its core audience while attempting to attract new patrons, the company risk a decline in overall attendance and support.
- ❖ **Public perception of poor safety in the areas around Soweto Theatre and Joburg Theatre:** Concerns about safety in the vicinity of the theatres can deter potential audiences from attending performances, negatively impacting ticket sales and overall revenue.
- ❖ **Poor public transport to venues at night:** Inadequate public transportation options during night-time hours can pose logistical challenges for audiences, discouraging attendance at evening performances and events.
- ❖ **Load shedding and power outages:** Unplanned power outages, such as load shedding, can affect patrons travelling to the theatres, potentially disrupting scheduled production times.

## 8. RISK ASSESSMENT

JCT has established and maintains a system of risk management in accordance with the provisions of the Municipal Finance Management Act and the King IV™ Report on Corporate Governance and Risk Management Standards, as applicable. Oversight over the governance and management of risk in JCT is carried out by the Audit and Risk Committee (ARC), which is a subcommittee of the board of directors. The ARC meets on a quarterly basis and operates in accordance with approved terms of reference. The ARC has adopted an integrated approach to risk management, the COJ Group Risk Management Framework, and the Group Risk Management Policy as approved by Council.

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The key risks, current controls, and mitigation actions as at end December 2023 are summarised in the table below. The detailed Risk Register is attached as an annexure to this 2024/25 Business Plan.



Table 16: Joburg City Theatres Summary Strategic Risk Register

Ref. N <sup>o</sup> .	Strategic Objective	Risk Description	Root Causes	Current Controls	Mitigation Actions
1.	<b>SO1. Quality performing arts and entertainment experience and facilities</b>	Business disruption	<ol style="list-style-type: none"> <li>1. Power outages</li> <li>2. Global pandemic</li> <li>3. Budget cuts</li> <li>4. Unrest</li> <li>5. Natural disaster</li> <li>6. Criminality</li> <li>7. Water cuts</li> </ol>	<ol style="list-style-type: none"> <li>1.1. Backup generators</li> <li>1.2. Intra departmental cooperation</li> <li>2. Business continuity plan</li> <li>3. Mid-year budget reviews</li> <li>4. Communications with stakeholders (communication strategy)</li> <li>5. Business continuity plan</li> <li>6.1. Insourced security</li> <li>6.2. Police visibility in the precinct (IGR)</li> <li>6.3. Surveillance cameras</li> <li>6.4. Braamfontein improvement district meetings</li> <li>7. Water tankering in JT</li> </ol>	<ol style="list-style-type: none"> <li>1. Procure backup generators for ST</li> <li>2. Continuous business continuity plan testing</li> <li>3. Advance planning</li> <li>6. Engage with public safety for JCT safety needs to be included in City Safety Strategy</li> <li>7. Procure water tanks for ST and RT</li> </ol>
2.	<b>SO3. Affordable access to and use of theatres by communities</b>  <b>SO6. Mobilisation of resources to support the mandate and</b>	Inconsistent attendance at theatre shows	<ol style="list-style-type: none"> <li>1. High cost of productions and the need to recover costs</li> <li>2. Effect of the country’s economic status</li> <li>3. Lack of exposure of potential audiences to the theatre experience</li> <li>4. Fear of crime in the area</li> </ol>	<ol style="list-style-type: none"> <li>1.1. Different pricing structures based on product and venue</li> <li>1.2. Offering a limited number of discounted and/or free tickets to the youth and senior citizens (Programme Policy)</li> <li>1.3. Marketing strategy</li> </ol>	<ol style="list-style-type: none"> <li>1. Implementation of Sponsorship Policy</li> <li>3. Maintain the current controls</li> <li>4. Engage with public safety for JCT needs to be included in City Safety Strategy</li> <li>5. Implementation of sponsorship policy</li> <li>7. Maintain the current controls</li> </ol>

Ref. No.	Strategic Objective	Risk Description	Root Causes	Current Controls	Mitigation Actions
	improved brand recognition and awareness of JCT		<ol style="list-style-type: none"> <li>5. Continuous change in the market appreciation of products and generations</li> <li>6. Limited funding of the marketing strategy</li> <li>7. Limited public transport to the theatre at night</li> <li>8. Loadshedding</li> </ol>	<ol style="list-style-type: none"> <li>2. Offering a limited number of discounted and/or free tickets to the youth and senior citizens</li> <li>3. Mobile Theatre Truck used to take the arts to targeted diverse communities</li> <li>4.1. Insourced security</li> <li>4.2. Police visibility in the precinct (IGR)</li> <li>4.3. Surveillance cameras</li> <li>4.4. Braamfontein improvement district meetings</li> <li>5.1. Marketing plan developed for each production</li> <li>5.2. Online customer satisfaction survey</li> <li>5.3. Media partners</li> <li>7. Afternoon shows</li> <li>8. No control</li> </ol>	
3.	SO4. Good governance, financial sustainability, and sound management	Theft, fraud, and corruption	<ol style="list-style-type: none"> <li>1. Conflict of interest (greed, collusion, bribery)</li> <li>2. Weak internal control environment - cash handling/administrative procedures</li> </ol>	<ol style="list-style-type: none"> <li>1.1. Fraud Prevention Policy</li> <li>1.2. Fraud hotline</li> <li>1.3. Declaration of interest</li> <li>2. Fraud risk assessment conducted annually</li> </ol>	<ol style="list-style-type: none"> <li>1. testing of the fraud hotline and armed response</li> <li>3. Conducting fraud awareness</li> </ol>

Ref. No.	Strategic Objective	Risk Description	Root Causes	Current Controls	Mitigation Actions
			<ul style="list-style-type: none"> <li>3. Lack of accountability and consequence management</li> <li>4. Poor work ethics</li> <li>5. Inadequate segregation of duties / inadequate or no supervision</li> <li>6. Inadequate information technology (IT) access controls</li> <li>7. Cyber attack</li> <li>8. Inadequate physical security controls</li> </ul>	<ul style="list-style-type: none"> <li>3. Code of Conduct and Gift Register in place</li> <li>4. Ethics awareness workshops conducted</li> <li>5.1. Remuneration, Social and Ethics Committee</li> <li>5.2. Job description</li> <li>6. IT Policy in place</li> <li>8.1. Armed response with CHUB</li> <li>8.2. ST relationship with SAPS</li> <li>9. Approved financial management Policies</li> </ul>	
4.		Non-compliance with applicable legislation	<ul style="list-style-type: none"> <li>1. Various and changing legislative requirements to be complied with</li> <li>2. Interdependency to the City with regards to requirement on MSCOA compliancy</li> <li>3. Inadequate assessment of compliance risk</li> </ul>	<ul style="list-style-type: none"> <li>1.1. Regulatory compliance register/ assessment tool monitored</li> <li>1.2. CRMP in place</li> <li>1.3. Compliance Policy and Framework in place</li> <li>1.4. Training and development policy</li> <li>2. SAP 4 HANA</li> <li>3.1. Quarterly reporting to oversight committees on compliance.</li> <li>3.2. CRMP</li> </ul>	<ul style="list-style-type: none"> <li>1. Maintain the current controls</li> </ul>

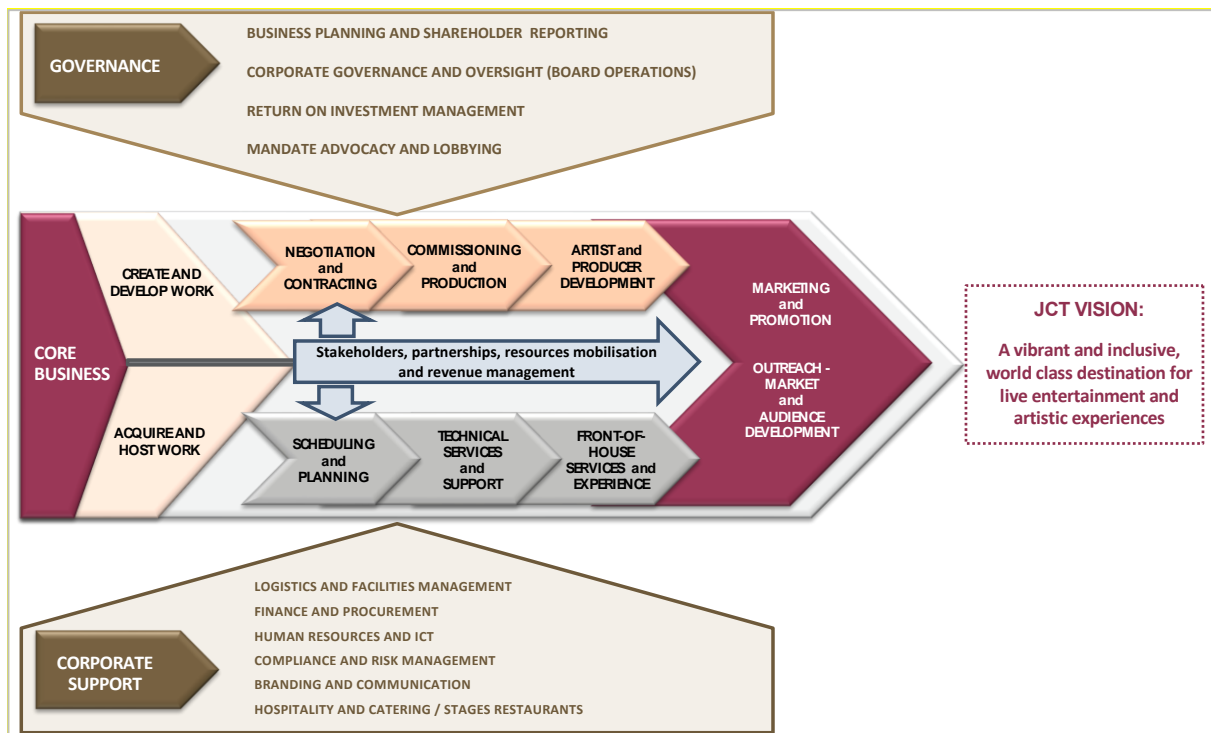
Ref. No.	Strategic Objective	Risk Description	Root Causes	Current Controls	Mitigation Actions
5.	<b>SO2. Provision of opportunities for the youth, including future arts, theatre practitioners, and entrepreneurs</b>	Limited programmes available for newly trained arts practitioners	<ol style="list-style-type: none"> <li>Limited in-house production to absorb newly trained practitioners</li> <li>Limited budgets</li> </ol>	<ol style="list-style-type: none"> <li>1.1. Applied Performing Arts and Arts Management partnership with Wits</li> <li>1.2. Weekly drama workshops</li> <li>1.3. Mentoring and upskilling of internal staff in key positions on in-house productions</li> <li>2.1. Skills transfer programme</li> <li>2.2. Learnership programme</li> <li>2.3. Youth and community development strategy</li> </ol>	<p>Introducing theatre to communities through outreach programmes</p> <p>Identification of emerging voices</p> <p>Review youth and community development strategy</p>
6.	<b>SO5: Implement the COJ's Climate Action Plan at JCT facilities and use theatre to promote a low carbon economy</b>	Non-compliance with climate mitigation measures	<ol style="list-style-type: none"> <li>Lack of JCT climate action plan</li> <li>Lack of funding to implement climate action plans</li> </ol>	<ol style="list-style-type: none"> <li>Energy efficiency lights implemented</li> <li>Separate at source implemented at theatres</li> <li>Generators at all theatres, however, not environmentally friendly</li> </ol>	<ol style="list-style-type: none"> <li>Facility investigation and development of JCT's climate action plan (aligned to COJ CAP)</li> <li>Create awareness across the city through industrial theatre</li> </ol>

## 9. STRATEGIC RESPONSE – IMPLEMENTATION AND PERFORMANCE

### 9.1. JOBURG CITY THEATRES CORE BUSINESS VALUE CHAIN

JCT's business model is executed through the ongoing development of capabilities in core business areas: creating and developing work and acquiring and hosting work. Fostering partnerships and stakeholder relationships forms the backbone of all activities. The core business value chain is further supported by effective governance and corporate support, strengthened by marketing and promotion, as well as outreach programmes. The core business value chains and support functions are shown in Figure 7 below.

Figure 7: Joburg City Theatres Core Business Value Chain



### 9.2. KEY PERFORMANCE AREAS

Informed by JCT's mission and business model, the COJ's strategic priorities, and the above performance and environmental analysis, the organisation has reviewed and revised its 2024/25 key performance areas (KPA's). The KPA's are the key outputs of the focus areas of JCT's six strategic objectives, outlined in the table below.

Table 17: Joburg City Theatres Key Performance Areas for 2024/25

COJ Priority	Strategic Objective	Key Performance Areas
Priority 7: Safer City		Service level standards achieved

COJ Priority	Strategic Objective	Key Performance Areas
Priority 8: Active and engaged citizenry	SO1. Quality performing arts and entertainment experiences and facilities	Arts and culture festivals and themed productions hosted and produced
		Joburg Ballet and Johannesburg Philharmonic Orchestra integrated into the group offering
		JCT touring circuit implemented
		Annual Legends Tribute Programme implemented
Priority 6: Job opportunity and creation	SO2. Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	Work opportunities created at JCT
		Youth developed in arts and theatre
Priority 7: Safer City Priority 8: Active and engaged citizenry Priority 11: Smart City	SO3. Affordable access to and use of theatres by communities	Audiences developed and venues accessed
		School network offerings provided across all 3 theatres
		City-wide integrated activations implemented
Priority 1: Good governance Priority 2: Financial sustainability Priority 6: Job opportunity and creation	SO4. Good governance, financial sustainability and sound management	Financial management and sustainability
		Governance, internal controls, performance, and risks managed
		Small businesses supported through B-BBEE and preferential procurement
		Municipal Finance Management Act Circular 88 outcomes and outputs on financial management and good governance monitored and reported on
Priority 3: Energy mix	SO5. Implement the COJ's Climate Action Plan at JCT facilities and use theatre to promote a low carbon economy	JCT's climate action plan developed
		Low carbon economy industrial theatre activations
Priority 1: Good governance Priority 7: Safer City Priority 9: Sustained economic growth	SO6. Mobilisation of partnerships to support the mandate and improved brand recognition and awareness of JCT	Strategic partners mobilised and managed
		Theatre-specific media messages monitored and disseminated

### 9.2.1. AREAS OF FOCUS AND KEY INTERVENTIONS

Areas of focus:

- 1) Soweto Amphitheatre operationalisation.
- 2) Major milestone events.
- 3) Revenue generation.
- 4) Arts and Culture/Tourism Strategy.
- 5) Securing funding for the development of underground parking at Joburg Theatre.
- 6) Contributing to the COJ Climate Action Plan.

**Table 18: Focus Areas and Key Interventions**

Focus Area	Key Interventions		
	Short Term (FY2024/25)	Medium Term (2024-2027 MTREF)	Longer Term (Beyond 2027)
Operationalisation of Soweto Theatre Amphitheatre	<ul style="list-style-type: none"> <li>▪ Securing a permanent occupation certificate from COJ Planning Department</li> <li>▪ Procurement of technical equipment to optimally utilise and rent out the venue</li> </ul>	Use of venue as a multipurpose space for traditional music and dance, fashion shows, music concerts, sports (basketball/boxing)	
Major milestone events	<ul style="list-style-type: none"> <li>▪ Roodepoort Theatre 45<sup>th</sup> anniversary (2024/25)</li> </ul>	Planned programme implementation	
Revenue generation	<ul style="list-style-type: none"> <li>▪ Stage fewer yet high-profile productions, which will result in greater ticket sales (balance tickets sold/ complimentary ticket ratio)</li> <li>▪ Review marketing and sales strategies to yield the desired outcomes – paying bums on seats</li> <li>▪ Increased revenue from hospitality and catering by servicing more COJ departments and entities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strengthen school network offerings across all 3 theatres</li> <li>▪ Solicit sponsorships and donations</li> <li>▪ Corporate theatre for companies</li> <li>▪ Continued growth and expansion of the hospitality and catering services</li> </ul>	Position arts alongside sport in schools for development of future audiences

Focus Area	Key Interventions		
	Short Term (FY2024/25)	Medium Term (2024-2027 MTREF)	Longer Term (Beyond 2027)
	<ul style="list-style-type: none"> <li>Neighbouring building, Bayete, pay-per-foot parking shared revenue model</li> </ul>		
Arts and Culture/ Tourism Strategy	Strengthen tourism linkages (local, provincial and national depts.), including to secure JCT theatres being part of the red bus tourism routes.	<ul style="list-style-type: none"> <li>Better integrate the Joburg Ballet and Johannesburg Philharmonic Orchestra into the group offering</li> <li>Partner with the City on the development of an integrated tourism and destination marketing strategy</li> </ul>	<ul style="list-style-type: none"> <li>Establish the Joburg City Theatres Archive/ Resource Centre to preserve and tell the story of the history of theatre in Johannesburg</li> <li>Establish JCT Gift Shop</li> </ul>
Festivals and Newtown Cultural Precinct	<ul style="list-style-type: none"> <li>Collaborate for the maintenance of a clean and safe precinct</li> <li>Be part of the festival circuits (provincial, national and international), showcasing transformed content</li> </ul>	<ul style="list-style-type: none"> <li>Review the cultural arch strategy (Newtown, Wits and Braamfontein festival circuit)</li> <li>Implement the Joburg Arts Festival on the lines of Edinburg and Adelaide.</li> </ul>	
Underground parking at Joburg Theatre	Lobby for funding to develop underground parking bays to diversify revenue streams	Secure funding for implementation in the outer years	Diversification of revenue streams and product offering, creating jobs, and infrastructure development
Contributing to the COJ’s Climate Action Plan (CAP)	Facility assessment and development of JCT’s CAP	<ul style="list-style-type: none"> <li>Secure funding and implement JCT’s CAP</li> <li>Implement industrial theatre productions in partnership with EISD on climate resilience</li> </ul>	

JCT has committed resources to the following projects aimed at showcasing the city’s support and commitment to arts and culture as a vehicle for socio-economic development and for social transformation in the 2024/25 financial year.

**Table 19: Joburg City Theatres Key Projects for 2024/25 with Resource Commitments**

Key Project/Strategic Intervention	Project Requirements	Resource/Budget Commitment
A transformed Joburg Ballet.	Partnership with Joburg Ballet Ballet seasons	R10.1 million p/a



Key Project/Strategic Intervention	Project Requirements	Resource/Budget Commitment
A revived Johannesburg Philharmonic Orchestra, with a commitment to continue with Youth Development Programme	<ul style="list-style-type: none"> <li>Commitment to continue with JPO Youth Development Programme/ Partnership</li> <li>JPO seasons</li> </ul>	R10.5 million p/a
Youth developed in arts and theatre	Youth Programmes	R2.5 million p/a
Arts and culture festivals and themed productions hosted and produced	Themed productions and festivals	R33.3 million p/a
Annual legends tribute programme implemented	Tribute to Legends events	R1.5 million p/a
School setwork offerings provided across all 3 theatres	JCT school setwork programmes	R1.55 million p/a – partnerships with local schools
Partnerships with other departments and entities using the Mobile Theatre Truck	Partnerships within COJ departments	Each entity’s available resources/ running costs for the Mobile Theatre Truck
Arts and Culture/Tourism strategy	<ul style="list-style-type: none"> <li>Development of Arts and Culture strategy in collaboration with Arts, Culture and Heritage Department of the COJ (link into Joburg Tourism Strategy)</li> <li>Mobile Theatre Truck</li> </ul>	R500 000.00 (budget requirement)
JCT Climate Action Plan	<ul style="list-style-type: none"> <li>Infrastructure assessments and development of JCT’s CAP, aligned with the COJ’s CAP</li> </ul>	TBC
Fundraising and sponsorships	<ul style="list-style-type: none"> <li>Develop and implement a comprehensive fundraising and sponsorships strategy</li> </ul>	TBC

The COJ priority focus areas and interventions with budget allocations have been incorporated in JCT’s Corporate Scorecard for 2024/25 reflected in the next section.

### 9.3. CORPORATE SCORECARD FOR 2024-2025

Table 20: Joburg City Theatres Corporate Scorecard for 2024/25

Key Performance Area	KPI #	Key Performance Indicator	Baseline	Annual Performance Targets (MTREF)			2024/25 Quarterly Performance Targets and Project Budgets				2024/25 Budget		Means of Verification	Responsible (Lead)
			2022/23	2024/25	2025/26	2026/27	Q1	Q2	Q3	Q4	Capex	Opex		
<b>JCT Strategic Objective – SO1: Quality performing arts and entertainment experiences and facilities, contributing to:</b> <ul style="list-style-type: none"> <li>GGT2030 Priority 4: Safety, social cohesion and food security</li> <li>GDS Outcome 1: Improved quality of life and development-driven resilience for all   GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</li> <li>COJ Priority 7: Safer City   COJ Priority 8: Active and engaged citizenry</li> </ul>														
Service level standards achieved	1	Percentage achievement of service level standards <sup>20</sup>	100%	100%	100%	100%	100%	100%	100%	100%	-	-	Service Level Standards Report	COO, Artistic Director
Arts and culture festivals and themed productions	2	Number of arts and culture programmes held (in-house and through partnerships)	61	35	40	50	15	20	30	35	-	R28 million (For KPI 2 and 3)	Contracts Show reports or web ticket reports	COO, Artistic Director

<sup>20</sup> 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

Joburg City Theatres Business Plan for 2024/25 Financial Year



Key Performance Area	KPI #	Key Performance Indicator	Baseline	Annual Performance Targets (MTREF)			2024/25 Quarterly Performance Targets and Project Budgets				2024/25 Budget		Means of Verification	Responsible (Lead)
			2022/23	2024/25	2025/26	2026/27	Q1	Q2	Q3	Q4	Capex	Opex		
hosted and produced	3	Number of youth and community development, and emerging voices, supported through partnerships	New indicator <i>(split with indicator 2)</i>	65	70	75	20	30	50	65	-		High impact/development selection criteria checklist	COO, Artistic Director
Joburg Ballet and Johannesburg Philharmonic Orchestra integrated into the group offering	4	Number of Joburg Ballet seasons	4	4	4	4	1	2	3	4	-	R10.3 million	SLA between JCT and Joburg Ballet Quarterly Report	COO, Artistic Director
							R2.581 million	R5.091 million	R7.636million	R10.1 million	-	R10.1 million		
	5	Number of Philharmonic Orchestra seasons	4	4	4	4	1	2	3	4	-	R10.6 million	SLA between JCT and Orchestra Quarterly Report seasons	COO, Artistic Director
							R2.625 million	R5.250 million	R7.876 million	R10.5 million	-	R10.5 million		
JCT touring circuit implemented	6	Number of JCT productions touring nationally/internationally	4	3	4	4	1	-	2	3	-	R2.0 million	Business case/SLA	COO, Artistic Director
							R1.0m	-	R2.0m	-	-	R2.0 million		
Annual Legends Tribute	7	Number of Annual Legends	3	4	4	4	-	2	-	4	-	R1.5 million	Contracts with artists/creatives	COO, Artistic Director

Joburg City Theatres Business Plan for 2024/25 Financial Year



Key Performance Area	KPI #	Key Performance Indicator	Baseline	Annual Performance Targets (MTREF)			2024/25 Quarterly Performance Targets and Project Budgets				2024/25 Budget		Means of Verification	Responsible (Lead)	
			2022/23	2024/25	2025/26	2026/27	Q1	Q2	Q3	Q4	Capex	Opex			
Programme implemented		productions implemented						-	R0.750 million	-	R1.5 million	-	R1.5 million	Close-out Report	
<b>JCT Strategic Objective – SO2: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs, contributing to:</b> <ul style="list-style-type: none"> <li>GGT2030 Priority 1: Economy, jobs and infrastructure</li> <li>GDS Outcome 3: An inclusive, Job intensive, resilient, competitive and smart economy that harnesses the potential of citizens</li> <li>COJ Priority 6: Job Opportunity &amp; creation</li> </ul>															
Work opportunities created at JCT	8	Number of Expanded Public Works Programme (EPWP) work opportunities created at JCT	237	250	275	300	50	150	200	250	-	R1.4 million	Employment contracts	CFO	
							R0.350 million	R0.70 million	R1.05 million	R1.4 million	-	R1.4 million			
Youth developed in arts and theatre	9	Number of youths attending arts programmes	883	500	550	600	400	400	500	500	-	R3.0 million	Attendance registers Tutor reports on programme content/summary	COO, Artistic Director	
							R0.472 million	R0.721 million	R1.485 million	R0.321 million	-	R3.0 million			
<b>JCT Strategic Objective – SO3: Affordable access to and use of theatres by communities, contributing to:</b> <ul style="list-style-type: none"> <li>GGT2030 Priority 4: Safety, social cohesion and food security</li> <li>GDS Outcome 1: Improved quality of life and development-driven resilience for all   GDS OUTCOME 3: An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens   GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</li> <li>COJ Priority 7: Safer City   COJ Priority 8: Active and engaged citizenry   COJ Priority 11: Smart City</li> </ul>															

Joburg City Theatres Business Plan for 2024/25 Financial Year



Key Performance Area	KPI #	Key Performance Indicator	Baseline	Annual Performance Targets (MTREF)			2024/25 Quarterly Performance Targets and Project Budgets				2024/25 Budget		Means of Verification	Responsible (Lead)
			2022/23	2024/25	2025/26	2026/27	Q1	Q2	Q3	Q4	Capex	Opex		
Audiences developed and venues accessed	10	Number of attendees to JCT theatres	193 677 attendees	200 000 attendees	250 000 attendees	275 000 attendees	50 000	130 000	150 000	200 000	-	-	Ticket reports	COO, Artistic Director
School setwork offerings provided across all 3 theatres	11	Number of school setwork programmes implemented	3	4	6	8	1	-	3	4	-	R1.550 million	Contracts with artists/ creatives Close-out Report	COO, Artistic Director
							R0.400 million	-	R1.250 million	R1.550 million	-	R1.550 million		
City-wide integrated activations implemented	12	Number of city-wide integrated activations using the Mobile Theatre Truck	8	8	10	12	2	4	6	8	-	R0.600 million	Annual calendar Job card/ Booking form	COO, Artistic Director
							R0.200 million	R0.200 million	R0.100 million	R0.100 million	-	R0.600 million		
<p><b>JCT Strategic Objective – SO4: Good governance, financial sustainability and sound management, contributing to:</b></p> <ul style="list-style-type: none"> <li>GGT2030 Priority 5: Building a capable, ethical and developmental state</li> <li>GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</li> <li>COJ Priority 1: Good governance   COJ Priority 2: Financial sustainability</li> </ul>														
Financial management and sustainability	13	Proportion of earned income against total revenue including subsidy	20%/80% Earned: R51 799 million Total revenue:	21%/79% Earned revenue 54 161million Total revenue R259 519 million	16%/84% Earned revenue R43 352 million	16%/84% Earned revenue R45 082 million Total revenue	18%/82% Earned revenue R11 160 million Total revenue	31%/69% Earned revenue R22 977 million Total revenue	41%/59% Earned revenue R36 107 million Total revenue	21%/79% Earned revenue 54 161 million	-	-	Financial statements Income reports	CFO

Joburg City Theatres Business Plan for 2024/25 Financial Year



Key Performance Area	KPI #	Key Performance Indicator	Baseline	Annual Performance Targets (MTREF)			2024/25 Quarterly Performance Targets and Project Budgets				2024/25 Budget		Means of Verification	Responsible (Lead)
			2022/23	2024/25	2025/26	2026/27	Q1	Q2	Q3	Q4	Capex	Opex		
			R252 981 million		Total revenue R268 270 million	R277 351 million	R62 500 million	R74 317 million	87 447 million	Total revenue R259 519 million				
	14	Percentage spent on operating budget against approved operating budget	119%	100%	100%	100%	15%	50%	75%	100%	-	R259 519 million	Opex Report Financial statements	CFO
	15	Percentage spent on capital budget against approved capital budget	100%	100%	100%	100%	10%	30%	70%	100%	R20 088 million	-	Capex Report Financial statements	CFO
							R2.008 million	R8 035 million	R12 053 million	R20 088 million				
Financial management and sustainability	16	Repairs and maintenance as a percentage of property, plants and equipment (carrying value)	30%	8%	8%	8%	3%	5%	8%	8%	-	R4.150 million	Expenditure Report Financial statements	CFO
	17	Percentage reduction in unauthorised, irregular, fruitless, and wasteful expenditure incurred	100%	50%	50%	50%	10%	20%	30%	50%	-	-	Expenditure Report Supply Chain Management Report Financial statements	CFO
	18	Percentage of valid invoices paid within 30 days of	100%	100%	100%	100%	100%	100%	100%	100%	-	-	Expenditure Report	CFO

Joburg City Theatres Business Plan for 2024/25 Financial Year



Key Performance Area	KPI #	Key Performance Indicator	Baseline	Annual Performance Targets (MTREF)			2024/25 Quarterly Performance Targets and Project Budgets				2024/25 Budget		Means of Verification	Responsible (Lead)
			2022/23	2024/25	2025/26	2026/27	Q1	Q2	Q3	Q4	Capex	Opex		
		invoice/statement date											Financial statements	
Governance, internal controls, performance and risks managed	19	AGSA audit opinion	Unqualified with no material findings	Clean audit	Clean audit	Clean audit	-	Clean audit	-	-	-	-	External (AGSA) audit opinion and report Annual financial statements	CFO
	20	Percentage resolution of AGSA findings (of prior year)	100% of 2021/22 findings were resolved	100%	100%	100%	10%	30%	70%	100%	-	-	Quarter reports/ evidence files	CFO
	21	Percentage resolution of Internal Audit findings (of prior year)	100% of 2021/22 findings were resolved	100%	100%	100%	10%	30%	70%	100%	-	-	Quarter reports/ evidence files	CFO
	22	Percentage of the strategic risk management action plans implemented	100%	100%	100%	100%	10%	30%	70%	100%	-	-	Quarter reports/ evidence files	CFO
	23	Percentage of predetermined objectives achieved	95%	85%	85%	85%	-	85%	-	-	-	-	Quarter reports/ evidence files	CFO

Joburg City Theatres Business Plan for 2024/25 Financial Year



Key Performance Area	KPI #	Key Performance Indicator	Baseline	Annual Performance Targets (MTREF)			2024/25 Quarterly Performance Targets and Project Budgets				2024/25 Budget		Means of Verification	Responsible (Lead)
			2022/23	2024/25	2025/26	2026/27	Q1	Q2	Q3	Q4	Capex	Opex		
Small businesses supported through B-BBEE and preferential procurement	24	Number of SMMEs supported	302	260	275	300	50	150	200	260	-	R39.289 million	Procurement reports	CFO
	25	Percentage of procurement spend on SMMEs against total procurement expenditure	70%	60%	70%	80%	60%	60%	60%	60%	-	R39.289 million		CFO
							R9.82 million	R9.82 million	R9.82 million	R9.82 million	-			
							R2.84 million	R2.84 million	R2.84 million	R2.84 million	R11.35 million		-	
	26	Percentage of procurement spend on B-BBEE against total procurement expenditure	84%	75%	75%	75%	75%	75%	75%	75%	-	R98.2 million	Procurement reports	CFO
							R24.5 million	R24.5 million	R24.5 million	R24.5 million	-	R98.2 million		
R2.84 million							R2.84 million	R2.84 million	R2.84 million	R11.35 million	-			

**Strategic Objective – SO5: Implement the COJ’s Climate Action Plan at JCT facilities and use theatre to promote a low carbon economy, contributing to:**

- GGT2030 Priority 7: Sustainable development for future generations
- GDS Outcome 2: Provide a resilient, liveable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy
- COJ Priority 3: Energy mix

JCT’s climate action plan developed	27	JCT’s climate action plan approved by the board	New indicator	JCT’s climate action plan approved by the board	JCT’s climate action plan implemented	JCT’s climate action plan implemented	Infrastructure assessments	Infrastructure assessments	Benchmarking and consultations	JCT’s climate action plan approved by the board	-	-	Approved CAP	COO
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**Strategic Objective – SO6: Mobilisation of partners to support the mandate, and improved brand recognition and awareness of JCT, contributing to:**

- GGT2030 Priority 1: Economy, jobs and infrastructure | GGT2030 Priority 4: Safety, social cohesion and food security | GGT2030 Priority 5: Building a capable, ethical and developmental state



## Joburg City Theatres Business Plan for 2024/25 Financial Year



Key Performance Area	KPI #	Key Performance Indicator	Baseline	Annual Performance Targets (MTREF)			2024/25 Quarterly Performance Targets and Project Budgets				2024/25 Budget		Means of Verification	Responsible (Lead)
			2022/23	2024/25	2025/26	2026/27	Q1	Q2	Q3	Q4	Capex	Opex		
<ul style="list-style-type: none"> <li>GDS Outcome 1: Improved quality of life and development-driven resilience for all   GDS OUTCOME 3: An inclusive, job-intensive, resilient, competitive and smart economy that harnesses the potential of citizens   GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</li> <li>COJ Priority 1: Good governance   COJ Priority 7: Safer City   COJ Priority 9: Sustained economic growth</li> </ul>														
Stakeholders and partners mobilised and managed	28	Number of strategic partnerships created	23	25	28	30	5	15	20	25	-	-	Signed MOA/ MOU/ contract	COO
Theatre-specific media messages monitored and disseminated	29	Percentage positive and neutral media coverage	New indicator	≥80%	≥80%	≥80%	≥80%	≥80%	≥80%	≥80%	-	R0.240 million	Media Monitoring Report (External provider)	COO
	30	Number of sector-specific positive messages shared on COJ's social media channels	New indicator	12	12	12	3	6	9	12	-	-	Postings on COJ social media platforms	COO

### 9.3.1. CIRCULAR 88 INDICATORS

Table 21: 2024/25 Circular 88 Output Indicators

C88 Outcome	C88 Ref. No.	C88 Output Indicator	Baseline	Annual Targets	2024/25 Quarterly Targets and Budgets				2024/25 Total Budget		Means of Verification	Responsible (Lead)
			2022/23	2024/25	Q1	Q2	Q3	Q4	Capex	Opex		
<b>JCT Strategic Objective – SO4: Good governance, financial sustainability and sound management, contributing to:</b> <ul style="list-style-type: none"> <li>▪ GGT2030 Priority 5: Building a capable, ethical and developmental state</li> <li>▪ GDS Outcome 4: A high-performing metropolitan government that proactively contributes to and builds a sustainable, socially inclusive, locally integrated, and globally competitive Gauteng City Region</li> <li>▪ COJ Priority 1: Good governance   COJ Priority 2: Financial sustainability</li> </ul>												
FM3. Improved liquidity management	FM3.11	Cash/Cost coverage ratio	30-90 days	30-90 days	30-90 days	30-90 days	30-90 days	30-90 days	-	-	Opex Report Financial statements	CFO
	FM3.12	Current ratio	1.46:1	1.5-2 :1	1.5-2 :1	1.5-2 :1	1.5-2 :1	1.5-2 :1	-	-	Opex Report Financial statements	CFO
	FM3.13	Trade payables to cash ratio	1.45:1	2:1	2:1	2:1	2:1	2:1	-	-	Opex Report Financial statements	CFO
FM3. Improved liquidity management	FM3.14	Liquidity ratio	1.46:1	1:1	1:1	1:1	1:1	1:1	-	-	Opex Report Financial statements	CFO
FM6	FM6.12	Percentage of awarded tenders [over R200k], published on the entity website	90%	90%	90%	90%	90%	90%	-	-	Quarter reports/ evidence files	CFO

Joburg City Theatres Business Plan for 2024/25 Financial Year



C88 Outcome	C88 Ref. No.	C88 Output Indicator	Baseline	Annual Targets	2024/25 Quarterly Targets and Budgets				2024/25 Total Budget		Means of Verification	Responsible (Lead)
			2022/23	2024/25	Q1	Q2	Q3	Q4	Capex	Opex		
GG1. Improved municipal capability	GG1.21	Staff vacancy rate	7%	10%	10%	10%	10%	10%	-	-	Human Resource reports	CFO

## 9.4. SERVICE STANDARDS CHARTER

Table 22: Services Standards

CORE BUSINESS	SERVICE LEVEL STANDARD
1. Theatres accessible to persons 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

## 9.5. TECHNICAL INDICATOR DESCRIPTIONS

Table 23: 2024/25 Corporate Scorecard Technical Indicator Descriptions

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
1	Percentage achievement of service level standards	Measures JCT's performance against standards that are set by the COJ to enhance competitive service level standards	Contributes to: <u>COJ Priorities:</u> 8: Active and engaged citizenry <u>JCT Strategic Objective:</u> SO1: Quality performing arts and entertainment experiences and facilities	Service level standards report	Average achievement against set standards <sup>21</sup> : 1. Accessibility 2. In-house productions commence within 15 min. as per schedule 3. Compliance to H&S legislation	None	Non-cumulative	Quarterly	No	Achievement of the desired performance	COO, Artistic Director
2	Number of arts and culture programmes held (in-house and through partnerships)	Measures the number of high impact arts and culture themed productions and festivals held. It includes in-house and partnership	Contributes to: <u>COJ Priorities:</u> 7: Safer City <u>JCT Strategic Objective:</u>	Contracts / partnership agreements Show reports or web ticket reports High impact / developmental	Simple count	Excludes developmental door deal productions	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO, Artistic Director

<sup>21</sup> 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

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KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
	<i>(High impact projects depended on budget)</i>	productions but excludes developmental door deal co-productions.	SO1: Quality performing arts and entertainment experiences and facilities	productions selection criteria checklist							
3	Number of youth and community development, and emerging voices, supported through partnerships	Measures the number of developmental co-productions held in partnership with emerging artists.  The door deal productions are often short term, and limited run, based on JCT receiving an agreed percentage of ticket sales.	Contributes to: <u>COJ Priorities:</u> 7: Safer City 8: Active and engaged citizenry <u>JCT Strategic Objective:</u> SO1: Quality performing arts and entertainment experiences and facilities	Door deal contracts  Show reports or web ticket reports  High impact / developmental productions selection criteria checklist	Simple count	Excludes high impact productions and festivals	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO, Artistic Director
4	Number of Joburg Ballet (JB) seasons	Measures the number of ballet seasons staged by Joburg Ballet	Contributes to: <u>COJ Priorities:</u> 7: Safer City <u>JCT Strategic Objective:</u> SO1: Quality performing arts and entertainment experiences and facilities  Supports the priority of better integrating Joburg Ballet into the group offering	SLA between JCT and JB  JB Quarterly report	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO, Artistic Director
5	Number of Philharmonic	Measures the number of orchestra seasons staged by	Contributes to: <u>COJ Priorities:</u>	SLA between JCT and JPO	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted	COO, Artistic Director

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KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
	Orchestra seasons	Johannesburg Philharmonic Orchestra	7: Safer City <u>JCT Strategic Objective:</u> SO1: Quality performing arts and entertainment experiences and facilities Supports the priority of better integrating Johannesburg Philharmonic Orchestra into the group offering.	JPO Quarterly report						performance is desirable	
6	Number of JCT productions touring nationally/internationally	Measures the number of JCT productions that are toured nationally or internationally.	Contributes to: <u>COJ Priorities:</u> 7: Safer City <u>JCT Strategic Objective:</u> SO1: Quality performing arts and entertainment experiences and facilities	Business case/ SLA	Simple count	The count includes a single production or different productions taken to one or more national or international venue/s	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO, Artistic Director
7	Number of annual legends productions implemented	Measures the implementation of programmes aimed at showcasing legends of arts and theatre.	Contributes to: <u>COJ Priorities:</u> 7: Safer City <u>JCT Strategic Objective:</u> SO1: Quality performing arts and entertainment experiences and facilities	Contracts with artists/ creatives Close-out Report	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO, Artistic Director
8	Number of Expanded Public Works	Measures the number of work opportunities	Contributes to: <u>COJ Priorities:</u>	Employment contracts	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted	CFO

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
	Programme (EPWP) work opportunities created at JCT	created under the EPWP. An EPWP opportunity is paid work created for an individual on an EPWP project for any period of time. For JCT, it includes work opportunities created for arts programmes, theatre ushers, and hospitality and catering ad-hoc staff	6: Job Opportunity & creation <u>JCT Strategic Objective:</u> SO2: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	Human Resources payroll information						performance is desirable	
9	Number of youths attending arts programmes	Measures the number of young people (under the age of 35) attending arts programmes facilitated by JCT. Facilitated is defined as arts programmes hosted by JCT and those presented by theatre tenants.	Contributes to: <u>COJ Priorities:</u> 6: Job Opportunity & creation <u>JCT Strategic Objective:</u> SO2: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	Attendance registers Tutor reports on programme content/summary	Simple count: Q1 intake maintained for Q2. Additional participants added in Q3, maintained for Q4.	The count includes arts programmes hosted by JCT and those presented by theatre tenants.	Cumulative	Quarterly	No	Achievement of the desired performance: Q1 and Q2: 400 Q3 and Q4: Additional 100 bringing the cumulative total for the year to 500.	COO, Artistic Director
10	Number of attendees	Measures the total number of people that attend JCT's programmes to promote audience development.	Contributes to: <u>COJ Priorities</u> 7: Safer City 8: Active and engaged citizenry	Ticket reports	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO, Artistic Director



KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
			<u>JCT Strategic Objective:</u> SO3: Affordable access to and use of theatres by communities								
11	Number of school set work programmes implemented	Measures the number of productions provided by the 3 theatres that support school set works for educational purposes and theatre accessibility	Contributes to: <u>COJ Priorities</u> 7: Safer City 8: Active and engaged citizenry <u>JCT Strategic Objective:</u> SO3: Affordable access to and use of theatres by communities	Contracts with artists/ creatives Close-out Report	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO, Artistic Director
12	Number of city-wide integrated activations using the Mobile Theatre Truck	Measures the use of the Mobile Theatre Truck in collaboration with other city departments and entities, and corporate companies, to take arts and theatre to communities	Contributes to: <u>COJ Priorities</u> 7: Safer City 8: Active and engaged citizenry <u>JCT Strategic Objective:</u> SO3: Affordable access to and use of theatres by communities	Annual calendar Job card / booking forms	Simple count	None	Cumulative year-to-date	Quarterly	Yes	Higher than targeted performance is desirable	COO, Artistic Director
13	Proportion of earned income against total revenue including subsidy	Measures the revenue generated by JCT from arts/theatre, and hospitality and catering operations income excluding	Contributes to: <u>COJ Priorities:</u> 2: Financial sustainability <u>JCT Strategic Objective:</u>	Financial statements Income reports	Earned revenue divided by total revenue, including subsidy, expressed as a percentage in	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
		subsidy against total revenue including subsidy	SO4: Good governance, financial sustainability and sound management		relation to the subsidy						
14	Percentage spent on operating budget against approved operating budget	Measures the percentage of actual operating expenditure against the approved operating budget allocation.	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>2: Financial sustainability</p> <p><u>JCT Strategic Objective:</u></p> <p>SO4: Good governance, financial sustainability and sound management</p> <p>The objective is to improve, stabilise, and sustain a positive financial position</p>	OPEX expenditure report Financial statements	Actual costs / Allocated budget, expressed as a percentage	None	Cumulative year-to-date	Monthly/ Quarterly	No	Achievement of the targeted performance is desirable	CFO
15	Percentage spent on capital budget against approved capital budget	Measures the Capex spent on projects against the approved budget.	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>2: Financial sustainability</p> <p><u>JCT Strategic Objective:</u></p> <p>SO4: Good governance, financial sustainability and sound management</p> <p>The objective is to improve, stabilise and sustain a positive financial position</p>	Capex Report Financial statements	Actual Capex spend / Budget Capex spend, expressed as a percentage	None	Cumulative year-to-date	Monthly/ Quarterly	No	Achievement of the targeted performance is desirable	CFO
16	Repairs and maintenance as a percentage of property, plants and equipment (carrying value)	Measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>1: Good governance</p> <p>2: Financial sustainability</p> <p><u>JCT Strategic Objective:</u></p>	Expenditure Report Financial statements	Total repairs and maintenance expenditure / property, plant and equipment (carrying value),	None	Cumulative year-to-date	Monthly/ Quarterly	No	Higher than targeted performance is desirable	CFO

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KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
		interruptions to service delivery	SO4: Good governance, financial sustainability and sound management  The objective is to ensure continued provision of services		expressed as a percentage						
17	Percentage reduction in unauthorised, irregular, fruitless, and wasteful expenditure incurred	Measures the percentage reduction in unauthorised, irregular, fruitless, and wasteful expenditure compared to the previous financial year AGSA finding	Contributes to: <u>COJ Priorities:</u> 1: Good governance 2: Financial sustainability <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management  The objective is to progress to zero unauthorised, irregular, fruitless, and wasteful expenditure, after condonement	Expenditure report SCM report Financial statements	The unauthorised, irregular, fruitless, and wasteful expenditure closing balance of the current financial year against (will be compared with) the closing balance of the previous financial year, expressed as a percentage	None	Non-cumulative	Quarterly/ Annually	No	Higher than targeted performance is desirable	CFO
18	Percentage of valid invoices paid within 30 days of invoice date	Measures the percentage of valid invoices paid within 30 days as required by legislation.	Contributes to: <u>COJ Priorities:</u> 1: Good governance 2: Financial sustainability <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management  The objective is to effectively manage working capital and	Expenditure report Financial statements	Total number of invoices processed for the reporting period / Number of invoices paid within 30 days, expressed as a percentage	Valid invoices, for completed work, including all supporting documents.	Non-cumulative	Monthly / Quarterly	No	Achievement of the targeted performance is desirable	CFO

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
			ensure internal controls are in place to process payments promptly								
19	AGSA audit opinion	Measures the audit opinion expressed by the AGSA on the external audit of financial statements, predetermined objectives, and compliance with legislation (for the prior financial year)	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>1: Good governance</p> <p><u>JCT Strategic Objective:</u></p> <p>SO4: Good governance, financial sustainability and sound management</p>	External (AGSA) audit opinion and report Annual financial statements	Audit opinion for the prior financial year stated in the external (AGSA) audit report	None	Non-cumulative	2 <sup>nd</sup> Quarter, Annually	No	Achievement of the targeted performance is desirable	CFO
20	Percentage resolution of AGSA findings	Measures the number of audit findings resolved against the total number of audit findings issued by AGSA	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>1: Good governance</p> <p><u>JCT Strategic Objective:</u></p> <p>SO4: Good governance, financial sustainability and sound management</p>	Quarterly reports/ evidence files	Actual number of AGSA findings resolved divided by the total number of AGSA findings, expressed as a percentage	Internal Audit verification on resolution of findings	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO
21	Percentage resolution of Internal Audit findings	Measures the number of audit findings resolved against the total number of audit findings issued by Internal Audit	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>1: Good governance</p> <p><u>JCT Strategic Objective:</u></p> <p>SO4: Good governance, financial sustainability and sound management</p>	Quarter reports/ evidence files	Actual number of internal audit findings resolved divided by the total number of internal audit findings, expressed as a percentage	Internal Audit verification on resolution of findings	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
22	Percentage of the strategic risk management action plans implemented	Measures the percentage of strategic risk action plans implemented compared to total number of strategic risk action plans	Contributes to: <u>COJ Priorities:</u> 1: Good governance <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Quarter reports / evidence files	Number implemented strategic risk action plans divided by total number of strategic risk action plans, expressed as a percentage	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO
23	Percentage of predetermined objectives achieved	Measures the number of predetermined objectives achieved in the previous financial year (audited) as a percentage of the total number of predetermined objectives	Contributes to: <u>COJ Priorities:</u> 1: Good governance <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Quarter reports / evidence files	Number of predetermined objectives achieved divided by the total number of predetermined objectives, expressed as a percentage	None	Non-cumulative	Annually – 2 <sup>nd</sup> quarter	No	Higher than targeted performance is desirable	CFO
24	Number of SMMEs Supported	The number of SMMEs participating in JCT available job opportunities	Contributes to: <u>COJ Priorities:</u> 6: Job Opportunity & creation <u>JCT Strategic Objective:</u> SO2: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	Supply Chain Management reports	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	CFO

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
25	Percentage of procurement spend on SMMEs against total procurement expenditure	Measures the total value of JCT procurement directed to SMMEs presented as a percentage of total JCT procurement spend	Contributes to: <u>COJ Priorities:</u> 6: Job Opportunity & creation <u>JCT Strategic Objective:</u> SO2: Provision of opportunities for the youth, including future arts and theatre practitioners and entrepreneurs	Procurement reports	Total rand value of JCT procurement spent on SMMEs divided by the total JCT procurement spend, expressed as a percentage	None	Cumulative year-end	Quarterly	No	Higher than targeted performance is desirable	CFO
26	Percentage of procurement spend on B-BBEE against total procurement expenditure	Measures the total value of JCT procurement directed to B-BBEE presented as a percentage of total JCT procurement spend	Contributes to: <u>COJ Priorities:</u> 1: Good governance <u>JCT Strategic Objective:</u> SO4: Good governance, financial sustainability and sound management	Procurement reports	Total rand value of JCT procurement spent on B-BBEE enterprises divided by the total JCT procurement spend, expressed as a percentage	None	Cumulative year-end	Quarterly	No	Higher than targeted performance is desirable	CFO
27	JCT's climate action plan approved by the board	Measures the development and subsequent approval of JCT's CAP by financial year-end	Contributes to: <u>COJ Priorities:</u> 3: Energy Mix <u>JCT Strategic Objective:</u> SO5: Implement the COJ's Climate Action Plan at JCT facilities and use theatre to promote a low carbon economy	Board approved JCT CAP report	Simple count	None	Non-cumulative	Annually (Progress monitored quarterly)	Yes	Achievement of the targeted performance is desirable	COO

KPI #	KPI	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Resp.
28	Number of strategic partnerships created	Measures the total number of partnerships that are strategically intended for the benefit of JCT programmes and operations	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>1: Good governance</p> <p>7: Safer city</p> <p><u>JCT Strategic Objective:</u></p> <p>SO6: Mobilisation of partners to support the mandate, and improved brand recognition and awareness of JCT</p>	Signed MOA/MOU/contract	Simple count	None	Cumulative year-to-date	Quarterly	No	Higher than targeted performance is desirable	COO
29	Percentage positive and neutral media coverage	Measures the percentage of media coverage that is either positive or neutral against the total media coverage inclusive of negative coverage.	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>1: Good governance</p> <p>7: Safer city</p> <p><u>JCT Strategic Objective:</u></p> <p>SO5: Mobilisation of partners to support the mandate, and improved brand recognition and awareness of JCT</p>	Media Monitoring Report (External provider)	Sum of positive and neutral media coverage for the reporting period / Total of all media coverage for the reporting period, expressed as a percentage	Appointment of an external service provider to provide the media monitoring service	Cumulative year-end	Quarterly	Yes	Higher than targeted performance is desirable	COO
30	Number of sector-specific positive messages shared on COJ's social media channels	Measures the number of theatre-specific messages disseminated on the COJ social media platforms	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>1: Good governance</p> <p>7: Safer city</p> <p><u>JCT Strategic Objective:</u></p> <p>SO6: Mobilisation of partners to support the mandate, and improved brand recognition and awareness of JCT</p>	Postings on COJ social media platforms	Simple count	None	Cumulative year-to-date	Quarterly	Yes	Higher than targeted performance is desirable	COO

**Table 24: 2023/24 Services Standards Technical Indicator Descriptions**

SS #	Service Standard	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Service Standard	Desired Performance	Indicator Resp.
1	Theatres accessible to persons with disabilities (PWDs)	Measures the extent to which JCT theatres meet the minimum identified requirements for accessibility to theatres by PWDs	<p>Contributes to:</p> <p><u>COJ Priorities</u></p> <p>8: Active and engaged citizenry</p> <p><u>JCT Strategic Objective:</u></p> <p>SO3: Affordable access to and use of theatres by communities</p>	JCT PWD report produced by the OHS Manager	Number of PWD accessibility standards complied with / Total number of PWD accessibility standards identified for the three theatres, expressed as a percentage	Setting of applicable PWD accessibility standards	Cumulative, year-end	Quarterly	No	Achievement of targeted performance is desirable	CFO
2	Production start times	Measures the percentage of inhouse productions that commence within 15 minutes of the scheduled start time.	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p> <p>7: Safer City</p> <p><u>JCT Strategic Objective:</u></p> <p>SO1: Quality performing arts and entertainment experiences and facilities</p>	Show reports	Number of theatre productions commencing within 15 minutes of the scheduled start time / Total number of productions commencing within and after 15 minutes of the scheduled start time, expressed as a percentage	None	Cumulative, year-end	Quarterly	No	Lower than targeted performance is desirable	COO
3	Safety to patrons	Measures the compliance with health and safety	<p>Contributes to:</p> <p><u>COJ Priorities:</u></p>	Health and safety compliance report	Percentage compliance with health and safety	None	Cumulative, year-end	Quarterly	No	Achievement of targeted	CFO



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SS #	Service Standard	Short Definition	Purpose / Importance	Source/Collection of Data	Method of Calculation	Data Limitation	Calculation Type	Reporting Cycle	New Service Standard	Desired Performance	Indicator Resp.
		legislation at JCT theatres.	7: Safer City <u>JCT Strategic Objective:</u> SO1: Quality performing arts and entertainment experiences and facilities		standards outlined in JCT's health and safety checklist					performance is desirable	

## 10. FINANCIAL IMPACT

### 10.1. BUDGET AND SOURCES OF FUNDING

Table 25: Revenue by Source for the Medium-Term Revenue and Expenditure Framework

Description R thousand	Ref	2020/21	2021/22	2022/23	Current year 2023/24			Medium-Term Budget 2023/24 - 2025/26		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Draft Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27
<b>REVENUE by source</b>	1									
Rental of facilities and equipment		-1 869	-4 645	-6 368	-4 942	-4 942	4 942	-5 179	-5 413	-5 657
Interest earned - external investments		-3 133	-4 015	-5 776	-4 919	-4 919	-4 919	-5 155	-5 387	-5 629
Other revenue		-201 146	-243 406	-274 714	-253 303	-243 120	-243 120	-249 185	-257 470	-266 065
<b>TOTAL REVENUE excluding capital grants/contr.</b>		<b>-206 463</b>	<b>-252 066</b>	<b>-286 858</b>	<b>-263 164</b>	<b>-252 981</b>	<b>-252 981</b>	<b>-259 519</b>	<b>-268 270</b>	<b>-277 351</b>

### 10.2. OPERATIONAL EXPENDITURE

Table 26: Operational Expenditure Budget for the Medium-Term Revenue and Expenditure Framework

Description R thousand	Ref	2020/21	2021/22	2022/23	Current year 2023/24			Medium-Term Budget 2024/26 - 2026/27		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Draft Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27
<b>EXPENDITURE by type</b>										
Employee related costs		95 089	104 987	115 575	112 610	115 123	115 123	118 236	123 556	129 117
Debt impairment		1 919								
Depreciation and asset impairment		1 900	1 504	1 712	2 703	2 703	2 703	2 858	2 987	3 121
Inventory consumed		41 508	72 848	94 186	69 450	56 899	56 899	58 037	59 198	60 382
Contracted services		1 316	1 703	1 331	1 988	1 843	1 843	1 880	1 918	1 956
Transfers and subsidies paid		21 512	22 884	22 551	19 737		19 737	20 684	21 615	22 588
Other expenditure		37 047	33 588	48 309	56 676		56 676	57 824	58 996	60 187

Description R thousand	Ref	2020/21	2021/22	2022/23	Current year 2023/24			Medium-Term Budget 2024/26 - 2026/27		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Draft Budget 2024/25	Draft Budget 2025/26	Draft Budget 2026/27
TOTAL EXPENDITURE		200 291	237 514	283 665	263 164	252 981	252 981	259 519	268 270	277 351
OPERATING (SURPLUS) / DEFICIT		-6 172	-11 135	-11 135	-	-	-	-	-	-
Taxation		1 324	3 670	915	-	-	-	-	-	-
OPERATING (SURPLUS) / DEFICIT for the year		-4 848	-10 882	-2 278	-	-	-	-	-	-

### 10.3. CAPITAL EXPENDITURE

Table 27: Capital Expenditure Budget as Registered in the JSIP for 2024/25 – 2025/26

DETAILED MEDIUM-TERM CAPITAL BUDGET 2024/25 - 2026/27					
Joburg City Theatres	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget Over 3 Years
	R 000	R 000	R 000	R 000	R 000
Project Name					
Roodepoort Theatre - Upgrading of technical equipment (sound and lighting)	1 609	579	623	658	1 860
Joburg Theatre - Building Renovations and upgrades	3 426	2 850	5 420	5 725	13 995
Joburg Theatre - Upgrade of stage machinery Renewal Plant and Equipment	6 324	11 708	12 004	12 703	36 415
Soweto Theatre - Upgrading of Technical Equipment (sound and lighting)	1 089	1 035	1 114	1 177	3 326
Soweto Theatre - Building Renovations and upgrades	582	1 376	1 482	1 566	4 424
Roodepoort Theatre - Building renovations and upgrades	1 346	454	489	517	1 460
Joburg City Theatres - Acquisition of IT Hardware & Software	1 098	1 043	809	1 186	3 038
Joburg Theatre - Technical Equipment (sound and lighting)	2 098	1 043	1 125	1 186	3 354
Amphitheatre - Upgrading of Technical Equipment (sound and lighting)	4 000				
<b>Total Capex</b>	<b>21 572</b>	<b>20 088</b>	<b>23 066</b>	<b>24 718</b>	<b>67 872</b>

## 11. MANAGEMENT AND ORGANISATIONAL STRUCTURES

### 11.1. JOBURG CITY THEATRES GOVERNANCE ARRANGEMENTS

#### 11.1.1. CORPORATE GOVERNANCE STRUCTURE

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

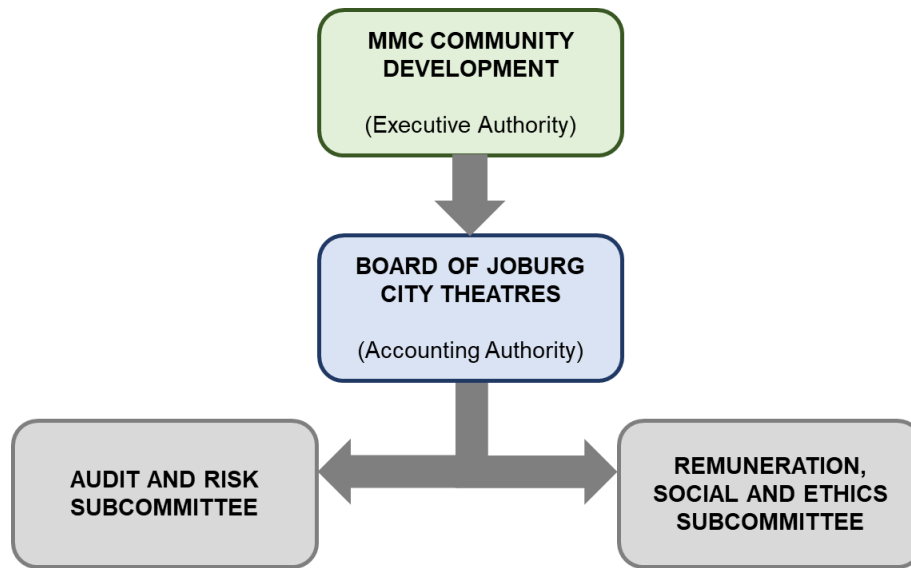
The board meets quarterly and retains full control over the company. The board and directors act in the best interests of the company and form the focal point of corporate governance, with responsibilities extending to accountability to the City of Johannesburg Metropolitan Municipality, the sole shareholder,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

The board consists of the following members:

- ❖ Godfrey Katsana (Chairperson and Non-Executive Director (NED))
- ❖ Bonga Kweyama (NED)
- ❖ Orapeleng Ramagaga (NED)
- ❖ Delisiwe Mabena (NED)
- ❖ Sibusiso Xaba (NED)
- ❖ Ben Mothupi (NED)
- ❖ Thembinkosi Mbeda (NED)
- ❖ Pamela Ndhlovu (NED)
- ❖ Ziyanda Mncanca (NED)
- ❖ Thapelo Chokobane (NED)
- ❖ Johanna Mapeko (NED)
- ❖ Ms. Xoliswa Nduneni (Chief Executive Officer and Executive Director)
- ❖ Mr. Solomon Mphakathi (Chief Financial Officer and Executive Director)

The following figure reflects the corporate governance structure of JCT.

Figure 8: Joburg City Theatres Governance Arrangements



## BOARD COMMITTEES:

The following committees have been established:

### Audit and Risk Committee:

The role of the Audit and Risk Committee 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 Audit and Risk Committee 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 Audit and Risk Committee 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 advises the board on remuneration policies, remuneration packages, and other terms of employment for all directors and senior executives. Its terms of reference also includes recommendations to the board on matters relating *inter alia*, general staff policy remuneration, bonuses, executive remuneration, directors remuneration and fees, service contracts and retirement funds. The independent professional advisors advise the committee when necessary.

Furthermore, the role of the Remunerations, Social and Ethics Committee is:

- 1) To monitor the company's activities with regard to the following 5 areas of social responsibility:
  - a) Social and economic development
  - b) Good corporate citizenship
  - c) The environment, health, and public safety
  - d) Consumer relationships; and
  - e) Labour and employment
- 2) To draw matters within its mandate to the attention of the board as required.
- 3) To report to the shareholders at the company's annual general meeting on the matters within its mandate.

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

### 11.1.2. GOVERNANCE AND OVERSIGHT

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

- 1) Outline and strengthen the accountability of the board of directors to the Shareholder with respect to the service delivery mandate of the company.
- 2) Promote transparency.
- 3) Promote good governance in line with the applicable laws and regulations, service delivery agreements, and the Service Standards Charter that bind the company; and

- 4) Set out the mandated key performance measures and indicators to be attained by the company, as agreed to between the city, as the shareholder, and the board of directors as the Accounting Authority.

An annual Service Delivery Agreement is concluded in accordance with the provisions of the Municipal Systems Act, which governs the entity's relationship with the COJ. The board then provides quarterly, biannual, and annual reports on its service delivery performance to the COJ, as prescribed in the Service Delivery Agreement, the Municipal Finance Management Act, and the Municipal Systems Act.

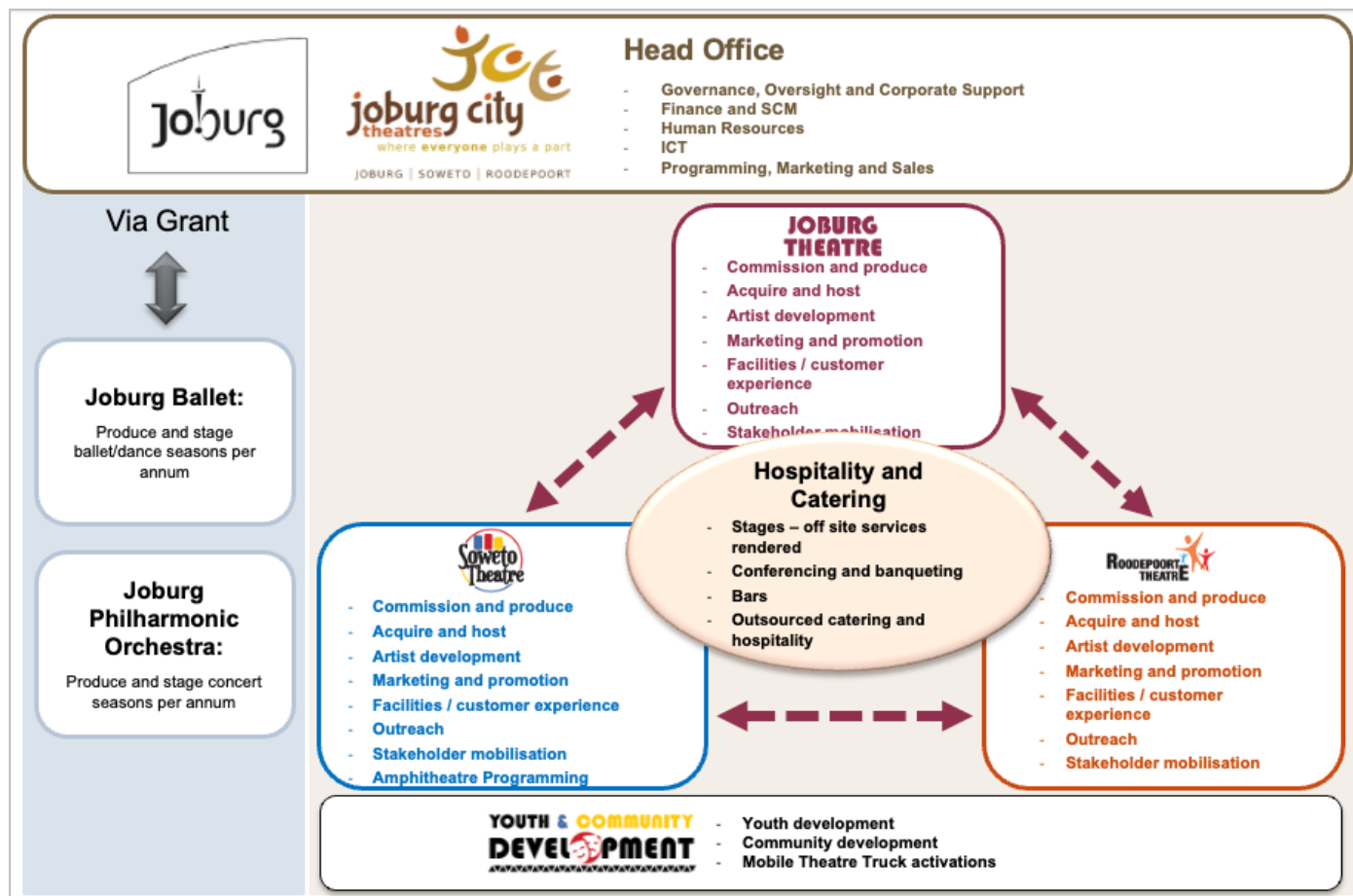
Board members have unlimited access to the Company Secretary, who acts as an advisor to the board and its subcommittees on matters, including compliance with company rules and procedures, statutory regulations, and best corporate practices. The board, or any of its members, may, in appropriate circumstances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

## **11.2. JOBURG CITY THEATRE'S OPERATING MODEL**

### **11.2.1. OPERATING MODEL**

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

Figure 9: Joburg City Theatres Operating Model (2024/25 Update)



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

Table 28: Aim and Focus of Joburg City Theatres’ Six Operating Divisions

AIM AND FOCUS OF JCT’S SIX OPERATING DIVISIONS/CORE FUNCTIONS	
<b>1. Head Office Operations:</b>	
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"> <li>1) Provide an enabling environment in support of all 5 strategic objectives through the provision of effective leadership, strategic management, and corporate support within JCT, in fulfilment of its mandate and mission</li> </ol>



**AIM AND FOCUS OF JCT'S SIX OPERATING DIVISIONS/CORE FUNCTIONS**

	<ol style="list-style-type: none"> <li>2) Ensure effective systems of governance and compliance to relevant regulations, standards, and guidelines</li> <li>3) Secure sound and sustainable management of JCT financial affairs. Maintain effective and efficient transparent systems of financial risk and financial control. Ensure that irregular, unauthorised, or fruitless and wasteful expenditure and other losses are prevented</li> <li>4) Ensure effective and consistent human resources management and development across JCT</li> <li>5) Promote the provision of accessible, universal, affordable, reliable, modern, and high-quality levels of ICT facilities and services</li> </ol>
<p>Integrated Programming, Marketing and Sales</p>	<p><u>Aim:</u></p> <ol style="list-style-type: none"> <li>1) Produce and present innovative and relevant indigenous and international entertainment programmes that promotes diversity and social cohesion. Programming comprises of an inclusive mix of genres, theatre (musicals and drama), poetry, comedy, dance, educational programmes, events, and festivals</li> <li>2) Create brand awareness campaigns. Increase the number of people who make a purchase by attracting them to the theatre; expose customers to who we are, what we have, and what we do; and contributing to the theatres in creating a sustainable revenue growth</li> <li>3) Increased ticket sales</li> </ol> <p><u>Focus areas:</u></p> <ol style="list-style-type: none"> <li>1) Identify acquire, host, commission, and produce relevant and sustainable programming</li> <li>2) Attract and sustain diverse patrons and external stakeholders</li> <li>3) Create brand awareness, build a loyal audience, manage the customer experience and services</li> <li>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; and contributing to the theatres in creating a sustainable revenue growth</li> </ol>

**2. Joburg Theatre**

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

Focus areas:

**AIM AND FOCUS OF JCT'S SIX OPERATING DIVISIONS/CORE FUNCTIONS**

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

**3. Roodepoort Theatre**

Aim:

To reignite and cultivate new ways of being relevant by producing and presenting diverse programmes for the benefit of communities through relevant art forms.

Focus areas:

- 1) Become a theatre venue that will attract prominent artists
- 2) Provide opportunities for new producers (emerging/entrepreneurial individuals and groups) to stage productions
- 3) Produce work in a variety of genres to attract diversified audiences
- 4) Produce work that will attract external funding
- 5) Partner 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 and street theatre)
- 6) Curate programmes targeting youth development in the arts
- 7) Develop and maintain diverse audiences

**4. Soweto Theatre**

Aim:

To curate a dynamic township theatrical experience, which is relevant and meaningful to society, and recognised as a place of gathering in lifestyle entertainment

Focus areas:

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

**AIM AND FOCUS OF JCT'S SIX OPERATING DIVISIONS/CORE FUNCTIONS**

- 5) Curate programmes targeting youth development in the arts
- 6) Develop and maintain diverse audiences

**5. Hospitality and Catering**

Aim:

To add value to JCT operations through hospitality and catering services, and to generate revenue by being the preferred hospitality and catering provider for the City of Joburg, its entities and departments.

Focus areas:

- 1) Provide food and beverage services:
  - Stages restaurants and bars within all 3 theatres
  - Stages restaurant, canteen, bar, entities in the CoJ and corporates
  - Two restaurants in the Joburg Zoo
- 2) Provide hospitality venues:
  - 6 hospitality venues in the Joburg Theatre
  - 1 hospitality venue in the Roodepoort Theatre
  - 2 flexible hospitality venues in the Soweto Theatre
- 3) Provide external catering:
  - Strong relationships within the Metro Centre, COJ departments, and entities who procure bulk catering services
- 4) Establish and operationalise an accredited culinary training academy

**6. Youth and Community Development**

Aim:

To develop emerging arts practitioners and entrepreneurs, through technical training, as well as education and support programmes.

Focus areas:

- 1) Capacitate emerging arts practitioners and entrepreneurs through structured programmes focused on education, education support, and community participation
- 2) Monitor and evaluate the effectiveness of current programmes, introduce new developmental programmes, and capacitate exchange programmes through partnerships
- 3) Increase utilisation of the Mobile Theatre Truck as part of outreach programmes
- 4) Foster partnerships with institutions of higher learning to address formal training requirements
- 5) Providing Space.com at Joburg Theatre, Basement at Roodepoort Theatre, Yellow Theatre at Soweto Theatre as venues for development programmes

**AIM AND FOCUS OF JCT'S SIX OPERATING DIVISIONS/CORE FUNCTIONS**

**7. Via Grant**

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

### 11.3. ORGANISATION STRUCTURE AND HUMAN CAPITAL MANAGEMENT

The JCT 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 complement is made up of historically disadvantaged individuals and 37% are female.

As at 30 June 2023, JCT's staff complement comprised 472 employees, as follows:

- ❖ 262 approved positions, of which 235 were occupied, 21 vacant, and 6 positions deferred.
- ❖ 220 temporary staff.
- ❖ 17 interns / learners.
- ❖ Vacancy rate of 8%.

The majority of the temporary employees are working in the Hospitality and Catering Department (146). They are contracted and required to work and/or are called per show, for which they are paid an hourly rate. Temporary employees in the Hospitality and Catering Department consist of waitresses, scullers, bartenders, commie chefs, kitchen staff, banqueting staff, and general assistants, etc.

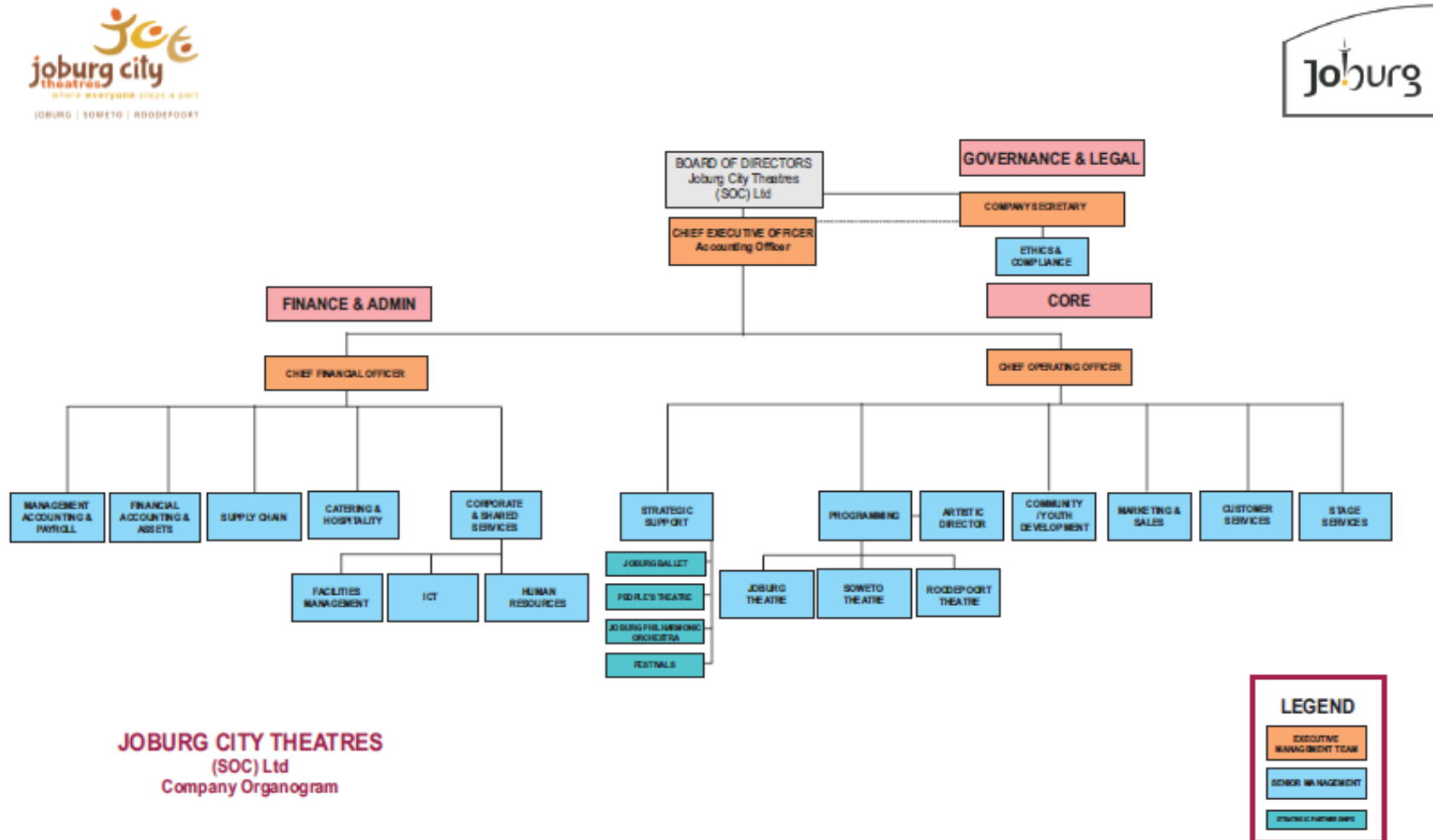
The company is divided into eight departments:

- ❖ The Governance Department works with the company's Chief Executive Officer in various governance, compliance, finance roles, and youth development to effectively operate the 3 theatres. The Finance office manages all day-to-day, weekly, monthly, and annual financial aspects of the company, including SCM and compliance.
- ❖ Roodepoort Theatre operates the day-to-day activities at the theatre, including the general maintenance of the stage machinery and its assets setting and maintaining world class operating standards in both customer and client services.
- ❖ 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 world class operating standards in both customer and client services.
- ❖ The Building and Security Department is responsible for the ongoing maintenance, cleaning, safety, and security of the over 50-year-old building, operating 24 hours per day.
- ❖ The Customer Services Department services the interests and needs of the tenants utilising various areas of the theatre: medium term - such as stage tenants; and long term - such as The South African Ballet Theatre, and The Peoples Theatre Company. This Department also services the interests and needs of the patrons using the buildings, offering frontline service and ticket sales.
- ❖ The Stage Department provides the services of skilled stage, sound, lighting, and wardrobe technicians to assist the clients of the theatre and to maintain strict schedules of the day-to-day usage of the many stages within the theatres.

- ❖ The Client Services Department is responsible for marketing and publicity, strategic relationships, planning and programming.
- ❖ The Hospitality and Catering Department is responsible for all aspects of hospitality within Joburg Theatre, Roodepoort Theatre, Soweto Theatre, Joburg Zoo, and all external events and functions for the COJ.

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.

Figure 10: The Current Approved Joburg City Theatres Organisational Structure:



## 11.4. CAPACITY ANALYSIS

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

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

Compliance to the Skills Development Act is ongoing. The implementation of the Workplace Skills Plan is on track. All grants due to JCT are claimed and received annually from CATHSSETA. 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.

## 11.5. 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.

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

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

The theatre's 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. During the year under review, historically disadvantaged individuals accounted 95% of the permanent staff compliment, 30% youth and 37% female.

JCT's human capital objective is to have a workforce profile reflective of the demographics of South Africa and the Gauteng region. JCT is committed to appointing a fair representation of employees in terms of race and gender in order to comply with its Employment Equity Plan. The employment equity is profiled according to gender, disability, race, and by occupational levels. The employment equity targets are aligned to the country's Economically Active Population percentage distribution within the Gauteng region. The Economically Active Population includes people from 16 to 65 years of age who are either employed or unemployed and seeking employment and is used to assist



employers in the analysis of their workforce to determine the degree of under-representation of the designated groups. It is important to note that the analysis of the section of this report focuses on the Economically Active Population as depicted in the tables below.

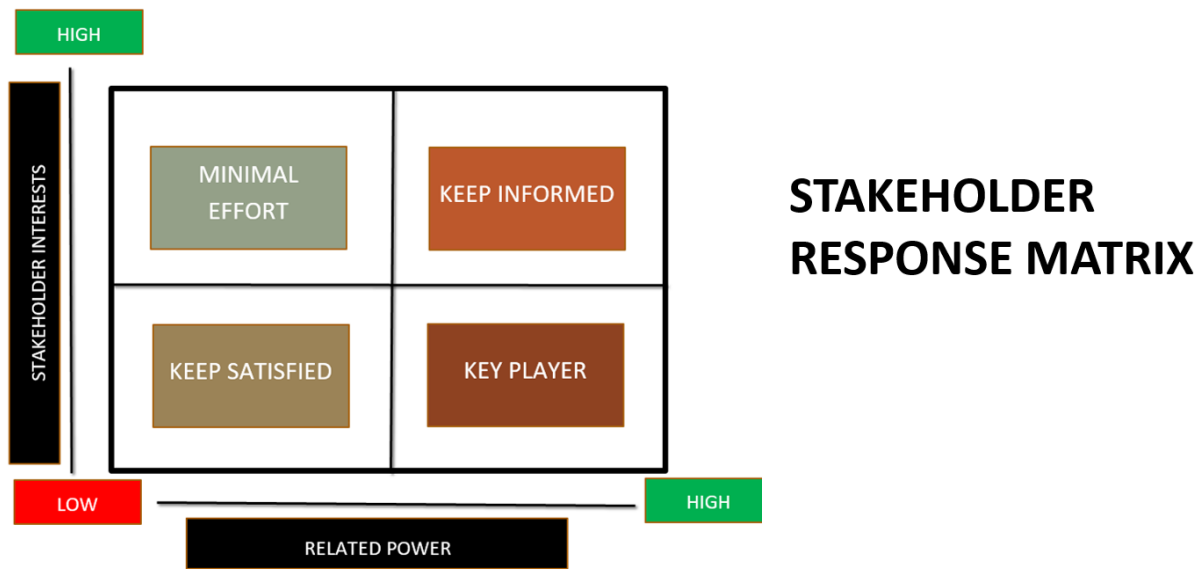
**Persons with Disabilities:**

Despite all the efforts to increase the employment of people with disabilities, the company does not receive responses from persons 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 disability target for employment of persons with disability is 2%, which should be achieved against the institution’s entire staff compliment. JCT achieved the disability targets in the 2022/23 financial year, at 2% (5 employees).

**12. COMMUNICATION AND STAKEHOLDER MANAGEMENT**

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

**Figure 11: Stakeholder Response Matrix**



**12.1. STAKEHOLDER MATRIX**

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

Key stakeholder considerations informing 2024/25 planning are as follows:

**Table 29: Joburg City Theatres Stakeholder Management**

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
<b>External Stakeholders:</b>		
Artists, practitioners, and organised performing arts bodies	<ul style="list-style-type: none"> <li>▪ Opportunities to create work and/or perform</li> <li>▪ Increasing access to live performance experience – market and audience development</li> <li>▪ Opportunities to perform, record, and live stream</li> <li>▪ Assist with production funding</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increase accessibility to facilities and infrastructure</li> <li>▪ Facilitate partnerships and co-production opportunities</li> <li>▪ Assist with marketing and publicity to attract a better deal, which brings more income</li> <li>▪ Incubate youth projects addressing:                             <ul style="list-style-type: none"> <li>○ unemployment</li> <li>○ development programmes</li> </ul> </li> </ul>
Patrons/audiences	<ul style="list-style-type: none"> <li>▪ Value for money</li> <li>▪ Provide programming that appeals to diverse Johannesburg audiences - different from the “usual”</li> <li>▪ A holistic and quality “evening out” experience</li> <li>▪ Safety and security while watching productions</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensure clean, attractive and safe facilities.</li> <li>▪ Ensure accessibility for persons living with disabilities and other targeted groups</li> <li>▪ Diversify our productions by staging a variety of programmes, e.g. musicals, dramas, comedies, school networks, arts and crafts, ballet/dance, pantomimes festivals, concerts; operas, poetry, etc.</li> </ul>
Communities	<ul style="list-style-type: none"> <li>▪ Accessibility to JCT facilities</li> <li>▪ Contribute to improve livelihoods and job opportunities – youth and community development, enterprise development, etc.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Taking theatre to communities using the Mobile Theatre Truck</li> <li>▪ Identify and implement community participation programmes – markets, open and national days, festivals, etc.</li> </ul>
Schools	<ul style="list-style-type: none"> <li>▪ School packages and special discounts</li> <li>▪ Safety and security around the theatre</li> </ul>	<ul style="list-style-type: none"> <li>▪ Most of JCT productions offer special school packages</li> <li>▪ Schools networks, such as Sizwe Banzi is Dead, The Island, MacBeth,</li> </ul>

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
	<ul style="list-style-type: none"> <li>▪ Introducing the youth to theatre that is child friendly and that provides edutainment</li> </ul>	<p>Woza Albert, The Caucasian Chalk Circle, Shakespeare Schools Festival, Sophiatown, Ubhuku lwamanqe, My Children! My Africa!</p>
Pensioners	<ul style="list-style-type: none"> <li>▪ Special packages and discounts</li> <li>▪ Safety and security around the theatre</li> <li>▪ Compassionate environment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Pensioner prices</li> <li>▪ Wheelchair-friendly environment</li> <li>▪ Staff and security assistance by JCT personnel</li> </ul>
Media	<ul style="list-style-type: none"> <li>▪ Media packages with appealing content</li> <li>▪ Payment for media space and adverts</li> </ul>	<ul style="list-style-type: none"> <li>▪ Theatre programme booklet followed by regular media statements</li> <li>▪ Creation of part cost and part commercial partnerships with barter deals created in exchange for media</li> <li>▪ Budget for marketing purposes on various different media platforms</li> </ul>
National and provincial departments of Arts and Culture	<ul style="list-style-type: none"> <li>▪ Alignment to national and provincial priorities</li> <li>▪ Preservation of arts, culture, and heritage</li> <li>▪ Programming that contributes to national days and festivals</li> </ul>	<ul style="list-style-type: none"> <li>▪ To produce programmes that speak to and address sustainable economic activity, social issues, societal transformation and social cohesion</li> <li>▪ Community development and in-house programmes</li> <li>▪ Leverage off national days of commemoration and align our production calendar</li> </ul>
Donors and sponsors/funders	<ul style="list-style-type: none"> <li>▪ Brand value and mileage</li> <li>▪ Sound governance and internal controls</li> </ul>	<ul style="list-style-type: none"> <li>▪ Programmes that add value to their social corporate investments and contribute to their marketing activities</li> <li>▪ Well-defined and articulated opportunities</li> <li>▪ Responsive and well-managed internal systems and processes</li> </ul>

Key Stakeholder Group	What are their Expectations?	What interventions are required to meet their expectations?
Events companies	<ul style="list-style-type: none"> <li>▪ Quality service, facilities, space, and quality hospitality and catering</li> </ul>	<ul style="list-style-type: none"> <li>▪ To provide them with good service, the space or facilities, and hospitality and catering</li> </ul>
Business community	<ul style="list-style-type: none"> <li>▪ Joint activations to enhance their brand value</li> </ul>	<ul style="list-style-type: none"> <li>▪ Formalise partnerships with the surrounding business community</li> <li>▪ Develop activations as long-term programmes/create industrial theatre programmes specific to their environment</li> </ul>
Professional service providers, contractors, and suppliers	<ul style="list-style-type: none"> <li>▪ Improve contract negotiation, management and reporting</li> <li>▪ Fair and transparent processes</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strengthen enterprise development focus and support</li> <li>▪ Improve contract negotiation, management and reporting</li> <li>▪ Consistency in application of norms and standards</li> <li>▪ Timely payment</li> </ul>
<b>Internal (COJ) Stakeholders:</b>		
COJ Human and Social Development Cluster	Programmes that support mutual priorities	<ul style="list-style-type: none"> <li>▪ Engagement and coordination on joint community outreach projects</li> <li>▪ Opportunities to leverage joint funding</li> <li>▪ Enhancement of key programmes of other departments/entities through themed productions</li> <li>▪ Play a meaningful role in the planning and processes of the Human and Social Development Cluster</li> </ul>
Other city departments and municipal-owned entities	<ul style="list-style-type: none"> <li>▪ Education and communication of key messages</li> <li>▪ Conferencing/hospitality opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Implementation of other departments/entities programmes/events because of the JCT's expertise and agility</li> <li>▪ Programmes targeting city and entity employees</li> </ul>

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

## 12.2. COMMUNICATION PLAN

The Marketing and Communications functions are used to achieve objectives stipulated in the Marketing and Communications Strategy, which includes the use of various methods, such as *public relations, branding, and*

*advertising, events and sponsorships, and digital marketing (digital branding and social media)*, in order to deliver on the marketing and communication requirements of the business.

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

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

## **MARKETING AND COMMUNICATION STRATEGY:**

- 1) Create brand association and reaching the JCT target markets with specific messages that will have a positive impact on their attitude and/or feeling towards the JCT brand.
- 2) Be consistently visible to the JCT consumers 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 JCT even during price hikes and recessions.
- 4) Increase the number of people who make a purchase by attracting them to the theatre, expose customers to who we are, what we have, and what we do.

## **SPONSORSHIPS AND PARTNERSHIPS:**

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

### **Partnerships:**

- 1) COJ partnership: Create strategic partnerships with COJ and its entities to leverage on the existing resources specifically regarding media and advertising - billboards, newspapers, rate bills, Jozi Net, brochures and mall containers - the city owns many resources that we can leverage on.
- 2) Media partners: JCT maintains relationships with various media houses on a trade exchange basis and continues to build relationships to secure media coverage for programmes, productions, or events.

- 3) Distribution point partners: JCT aims to publicise and notify as many customers as possible about productions, shows, events, hospitality, and catering offerings.
- 4) Special projects partnerships: JCT creates specific relationships with identified partners, who will only be relevant and add value for that specific project, show, event or production.
- 5) Research partnerships: Partnerships with academia to conduct research on JCT operating context, programmes, and strategic outcomes.

## 13. AUDIT RESOLUTION

The tables below show the status on the resolution of the internal and external audit findings raised by the Group Risk Assurance Services (internal auditors) and the AGSA (external auditor). The status is as at the end of the third quarter of the 2024/25 financial year.

**Table 30: Summary of Analysis of Internal Audit Findings**

Description	Findings Raised During 2022/23	Findings Raised During 2023/24	Total Findings	Total Resolved as per Management	Total Resolved as per IA Verifications	% Resolved as Management	% Resolved as per IA Verifications
Internal Audit findings	29	3	32	32	32	100%	100%

The table below provides details of the findings raised to date and action plans implemented to mitigate the risks raised by internal Auditors. The auditors’ recommendations have been implemented to ensure that findings do not recur.

**Table 31: Progress on the Resolution of Internal Audit Findings**

No	Department	Finding	Due Date	Action Implemented	Status
1	Mobile Theatre Truck	Internal audit could not trace information of site visits prior to events taking place. Internal audit could not review the number of paid or unpaid City’s Outreach programmes where the Mobile Theatre was used.	19 December 2022	Management created a checklist that goes with the booking information which includes record of site visit conducted for all bookings.	Resolved
2	Marketing Management	When performing an audit review of the Marketing Management, Internal Audit noted that the position of the Marketing Manager has not been filled yet.	30 June 2023	The position was re-advertised in Nov/Dec 2022 and interviews were conducted on 2 February 2023.	Resolved

No	Department	Finding	Due Date	Action Implemented	Status
3	Leave Management	When reviewing the termination process as part of Leave Management Audit review, Internal Audit noted that Mr IS Nhlengethwa had resigned on the 02/09/22. As a participant of the subsidised education, he had an outstanding debt of R79 000.00 which to date has not been recovered. He had 10.5 days of leave prior to his resignation.	02 February 2023	JCT has recovered the money from the employee. Innocent Nhlengethwa signed an agreement with JCT whereby the full amount owed will be recovered over a period of 12 months as per the Training and Development Policy's Agreement. R4,517 was recovered via leave due to him in February. Innocent made a once off payment of cash deposit of R44 834.00 in February 2023. The balance is being paid off in equal monthly instalment of R2 470.00  <b>Internal Audit Comments</b>  The 12 months recovery agreement only caters for the current employees and not for ex-employees. For example, the employee may renege on the debt recovery arrangements. Management will not have any recourse to demand payment.	Resolved
4	Recruitment and Selection	When performing an audit review on Recruitment and Selection, Internal Audit noted that a written motivation and request to fill vacant or new posts were not placed in the Recruitment and Selection files of all new recruited employees.	13 February 2023	A written motivation and request to fill the vacant or new posts are placed in individual files.	Resolved
5	Recruitment and Selection	When reviewing the Recruitment and Selection files, Internal Audit noted that interview panel did not consist of employment equity or trade union representatives.	13 February 2023	The two duties are separated when conducting an interview and comply with Section 16 (1) (a) of the Employment Equity Act.	Resolved
6.	Recruitment and Selection	When reviewing the Recruitment and Selection files, Internal Audit noted there were documents that were not signed by relevant HODs. Documents, such as job description and performance evaluation.	13 February 2023	All documents were signed by relevant HODs effective 13 February 2023. We have ensured that the required documents were signed and filled accordingly.	Resolved
7.	Recruitment and Selection	When reviewing Recruitment and Selection files, Internal Audit noted that there were critical documents that were not in the files.  Requirements of the advert were not fully adhered to in some posts as requested documents were not submitted	13 February 2023	We have already placed the documents in each employee's file. We have also created a checklist to be used in all future recruitment.  <b>Internal Audit Comment</b> Independent service providers must conduct their business in	Resolved



No	Department	Finding	Due Date	Action Implemented	Status
		as it states, “interested persons are required to send their cover letter, detailed CV, recently certified copies of their qualifications and identity documents not longer than three months, quoting the relevant reference number to Mr. Thomas Sadiki, the Human Resources Manager, Joburg City Theatres, via email”.		accordance with the applicable laws and regulations. The services of the independent service provider must be monitored in terms of the Local Government: Municipal Systems Act 32 of 2000 (3) (g), under <b>Executive and legislative authority</b> , “monitoring and, where appropriate, regulating municipal services where those services are provided by service providers other than the municipality.”	
8.	Recruitment and Selection	<p>Internal Audit requested an approved budget for trainings to be conducted for the period under review and were provided with just a figure of R2 034 849 by human resource management. We couldn’t assess if the amount was approved as no documentation was provided.</p> <p>Furthermore, Internal Audit also noted that human resource management does not keep records of trainings attended. When information was requested, the unit passed the request to employees who attended the training. As a result, Internal audit was provided with only TS Trainer training register, which also wrongly indicated a three-day training as a one-day training.</p>	13 February 2023	Management ensures that attendance registers are filled accordingly. The movement of budget is monitored with the cost of each training.	Resolved
9.	Recruitment and Selection	During the audit of Recruitment and Selection, Internal Audit observed that some appointments were made more than four months after interviews and there was no proof that the positions were readvertised.	13 February 2023	<p>JCT has appointed the following service providers on tender 00258/22</p> <p>Appointment of service provider for the provision of recruitment services on an as and when basis: Affirmative Portfolios (Pty) Ltd, Makhado Consulting (Pty) Ltd, Pinpoint One Human Resources (PTY) LTD, and Multi Lead Consulting Services commencing on 22 March 2023 for a 36-month period. With the appointment of the above service providers there should not be any delays in the Recruitment and Selection processes.</p>	Resolved
10.	Recruitment and Selection	When reviewing the Recruitment and Selection files, Internal Audit noted that scores on the candidates score sheets	13 February 2023	Management has noted minor human errors in the calculation of scores on the candidates score sheets by panel members. We have	Resolved

No	Department	Finding	Due Date	Action Implemented	Status
		by panel members were inaccurately calculated.		since rectified the incorrect calculation of scores on the score sheets of the identified files.  We have also introduced a checklist which will be signed by two different individuals after recalculations, checking the accuracy and completeness of the score sheets.	
11.	Recruitment and Selection	When reviewing the Recruitment and Selection files, Internal Audit noted that there were no indications that unsuccessful candidates were notified in writing.	13 February 23	We have since filled all regret letters in the file of the appointed employee.	Resolved
12.	Governance and Ethics	Governance Framework for JCT is not in place, including the Standard Operating Procedure (SOP) for governance processes.	30 June 2023	JCT has drafted an internal governance framework. Governance cuts across several areas and processes in different departments and therefore it will not be practical to draft a standard operating procedure for governance. For example, the administering and implementation of policies is governance so there can't be one SOP for all policies.	Resolved
13.	Governance and Ethics	Notwithstanding several requests made, Governance and ethics information required for audit purposes was not provided by the auditee at the time of the audit; certain reviews could therefore not be performed or corroborated with the required audit evidence.		There are minutes of special meetings. There is no policy requirement for the Chairperson to approve a special meeting. Approval is sought from Group Governance should the meetings exceed three (3) as per the CoJ Governance Policy. Attached reference paragraph 9.3. This finding has no basis in law.  <b>Internal Audit Comment</b>  Management comment noted, however the finding stands as "paragraph 7.1 Number of meetings of ARC Terms of Reference "states that a minimum of four (4) meetings shall be held during each financial year (one meeting per quarter).  Special meetings may be convened on good cause shown and with chairperson's approval as well as in accordance with the City of Johannesburg Group Policy on the Governance of group advisory committees, interim municipal entities board of directors and Independent Audit Committee or its successive policy.	Resolved

No	Department	Finding	Due Date	Action Implemented	Status
14.	Governance and Ethics	<p>a). Internal Audit noted that in the Remuneration Social and Ethics Committee (REMSEC) omitted the following critical elements pertaining to the content of the terms of references:</p> <p>Duration/term of office for REMSEC was not stated within the TOR.</p> <p>b). Furthermore, board of directors TOR omitted the following critical elements pertaining to the content of the terms of references:</p> <p>Duration/term of office for board was not stated within the TOR</p>	30 June 2023	We have reviewed the REMSEC Charter to include meeting proceedings in detail as there is a provision in the terms of reference and duration or term.	Resolved
15.	Governance and Ethics	<p>During the review of the oversight committees meeting attendance the following was noted:</p> <p><b>Social and Ethics Committee (REMSEC)</b></p> <p>Internal Audit noted that the meeting pack/materials were distributed 6 weekdays prior to the meeting as opposed to 7 weekdays prior to the meeting</p>	On-going	We had discussions with Executive management in EXCO meetings to consider closing the books early to accommodate review time for quarterly reports.	Resolved
16.	Governance and Ethics	<p>The governance and ethics review under the ethics awareness and training process the following deficiencies were:</p> <p>Awareness training/workshop program for all employees was not yet fully developed.</p> <p>Training attendance register, and the training report for fraud and ethics workshops were not developed.</p> <p>Induction training programmes material and registers for new employees was not provided.</p>	30 June 2023	<p>Ethics programmes are implemented, and they are ongoing.</p> <p>The appointment of ethics officer, ethics ambassador, and committee members are concluded.</p> <p>Workshops are monitored and enforced and are held quarterly.</p> <p>Ethics training is included on the WSP.</p>	Resolved
17.	Asset Management	Internal audit noted that there were assets from the fixed asset register, were not physical verified on the floor. From a sample of 48 at Roodepoort theatre 8 were not found on the floor.	30 June 2023	Audit finding is noted, A storage container unit is obstructing the only access door to the old storage room that is keeping redundant assets. However, the fact that they are in a storeroom, they will be written off. Alternate access door has been created for the auditors to verify the redundant assets.	Resolved

No	Department	Finding	Due Date	Action Implemented	Status
18.	Asset Management	Internal Audit noted that the additional assets barcodes were not recorded on the Asset Register, while the assets have been barcoded.	30 June 2023	All new assets have been added to the asset register.	Resolved
19.	Debtors Management/ Related Parties	Policy stipulation that states that debtors' bookings who owe for more than 60 days should not be accepted has not been implemented.	30 October 2023	The policy will be revised to consider the current arrangement with the city of Johannesburg and its MOE's.	Resolved
20.	Capex Review	Some declaration of interest by officials was not circled to choose the relevant answer of YES or NO by some officials.	30 May 2023	Going forward management will ensure completeness of declarations in the required spaces.	Resolved
21.	Business Continuity Plan	Internal noted that some emergency numbers not displayed at the control room. The safe to store guns was not operational at Roodepoort and Soweto theatres.	31 May 2023	We will ensure that emergency numbers displayed at the control room, and safe to store guns are operational.	Resolved
22.	Business Continuity Plan	During our Business Continuity Plan review at Soweto Theatre, internal  Audit noted that the Theatre gets flooded when it rains.	Immediately	Management has already done water proofing as reflected in the repairs and maintenance activities to stop the flooding in the buildings.	Resolved
23.	Cash/Revenue Management	During the audit review of Revenue/Cash Management internal audit noted that the policy was last reviewed on the 14 April 2021 (Finance Management Policy and Procedure Manual).  The policy does not accommodate the new cashless system in the stages restaurant as well as the new system of payment of tips.	30 October 2023	Updating the Cash/Revenue Policy with relevant changes N.R.O cashless system, invoicing, tips.	Resolved
24.	Audit of Predetermined Objectives (AOPO)	Three (3) of 27(11%) KPI's instance were supporting evidence submitted was not adequate to substantiate the performance reported in quarters 1, 2, and 3 quarterly performance reports (QPRs).	Immediately	Summary of all evidence for each KPI will be attached to the portfolio of evidence.	Resolved
25.	Audit of Predetermined Objectives (AOPO)	Standard Operating Procedure (SOP) that provide guidance on how to collect, collate, verify and storing information and reporting on the programme performance information for planning, implementation,	01 July 2023	Standard Operating Procedure (SOP) that provides guidance on how to collect, collate, verify and storing information and reporting on the programme performance information for planning, implementation, monitoring, and	Resolved

No	Department	Finding	Due Date	Action Implemented	Status
		monitoring, and reporting on each KPI is not in place (end to end process).		reporting on each KPI is in place. However, may not be adequate to satisfy the audit standard.  To avoid inconsistent application of processes on the KPIs. Management has embarked on a process of developing operational plans for each KPI detailing step by step activities for each KPI. Development and Implementation of Operational Plans for each KPI.	
26.	Audit of Predetermined Objectives (AOPO)	An Annual Targets from the 2022/23 JCT Business Plan is not clear. The target for the first six months was set below the baseline.	January 2024 as part of the Draft 24/25 Business Plan	KPI: Number of youths attending arts programmes.  Target setting for this KPI will be reviewed during next planning cycle.	Resolved
27.	Audit of Predetermined Objectives (AOPO)	Four (5) out of 27 (15%) KPI's instances were noted where source documents (evidence) to support the performance progress reported in the Q1-Q3 Quarter Performance Assessment Report could not be provided for audit purposes.	Immediately	Summary of all evidence for each KPI is attached to the portfolio of evidence. The finding is noted.	Resolved
28.	Information Technology	Internal Audit noted that JCT is still being serviced by Praxis Computing (Pty) Ltd, even though the contract had expired on 07 June 2022.	03 July 2023	The contract was extended for another year until 07 June 2023.	Resolved
29.	Information Technology	Formal process was not followed when creating users for the Forbtech system account on the Active Directory.  The request for new user authorisation changes form for some users was not in place.	Changes will be implemented by 31 July 2023	All new user request has been filed as hardcopies and scanned in so that there is a digital copy.  Interns must be included in the list of new staff/staff who have left- even if this list is separate from permanent staff.  Departments will be more vigilant in signing off on authorisations.	Resolved
30.	Governance and Ethics	No segregation of duties.	31 October 2023	Going forward the Committee Officer will prepare the schedule of board fees and sign it off as the preparer and the Company Secretary will sign off the board fees as the approver of the payment. In finance the CFO can sign the schedule of fees to satisfy the approval requirements from the finance department. This process can be formally recorded in the JCT's Governance framework which is currently in draft format.	Resolved

No	Department	Finding	Due Date	Action Implemented	Status
31	Governance and Ethics	Fraud Prevention Policy needs to be updated.	31 October 2023	The fraud Prevention Policy is in draft format for presentation to EXCO, upon recommendation to the Audit and Risk Committee and the board at the next Committee and board meetings in October 2023.	Resolved
32	Youth and Community Development	Artistic programming policy was not updated and approved.	20 October 2023	The policy was due for review in August 2023 and will be presented to the board meeting scheduled for October 2023.	Resolved

The table below progress against the six audit findings raised by the AGSA in the 2022/23 financial year.

**Table 32: Action Plans for External Audit Findings**

Description	Total Open Findings 1 July 2022	Findings Raised During 2022/23	Total Findings	Total resolved as per Management	Total resolved as per Internal Audit Verifications	% resolved as per Management	% Resolved as per Internal Audit Verifications
Auditor-General findings	0	6	6	6	6	100%	100%
Six findings raised by the Auditor-General in the 2022/23 external audit have been resolved							

**Table 33: Progress on the Resolution of Auditor-General of South Africa External Audit Findings**

AGSA Finding Ref	Finding heading	Management Action Plan	Status	Implementation Date
1.	Audit of pre-determined information (AOPO)	Management have corrected the error and will ensure that the annual performance report is thoroughly reviewed to minimise typos.	Resolved	20 Nov 2023
2.	Differences on the Heritage Assets disclosure note	The carrying amount disclosed reconciles perfectly to the asset register and general ledger, this is purely disclosure error that does not require any adjustments.	Resolved	20 Nov 2023
3.	Difference on current liability per segment reporting and statement of financial position.	Management have corrected the difference between the segment report and the statement of financial position.	Resolved	20 Nov 2023
4.	Details of awards to close family members of persons in service of the state not completely disclosed	Management relies on the declarations made by service providers on MBD4 form. There is currently no other system that can identify whether any of the service provider's directors are in the service of the state, however the City of Johannesburg is in the process of implementing a system to detect service providers whose directors or spouses are in the service of the state. Upon investigating this matter management discovered an oversight of disclosing the R200 000.00 production fee paid to the supplier. The annual financial statements were amended to include the aforementioned disclosure of R200 000.00.	Resolved	Immediately
5.	Municipal entity's actual spent more than the approved budget	overspending stems from the hospitality and catering trading business. Hospitality and Catering trading business is a self-sufficient business unit which has reported a profit in the current year. The following costs were incurred in the period under review which are aligned to the sales volumes: 1. Cost of Sale, 2. Staff cost, 3. Other variable cost like hiring costs.  Going forward management will use a trading account to eliminate showing overspending that stems from the hospitality and catering trading business	Resolved	31 March 2024
6.	Limitation of scope: CAATs request for the board of director's information not submitted	There was a misunderstanding on the request. The request was understood to be of the current Board members and not former Board members.  The information has since been provided.  the information requested.	Resolved	Immediately

## 14. ANNEXURE A: DRAFT DEMAND PLAN 2024/25

### OPEX DEMAND PLAN FOR THE 2024/25 FINANCIAL YEAR:

- ❖ NAME OF DEPARTMENT: JOBURG CITY THEATRES
- ❖ RESPONSIBLE OFFICIAL: XOLISWA NDUMENI NGEMA
- ❖ CONTACT DETAILS: 011 877 6800
- ❖ DATE: 1 JULY 2024 – 30 JUNE 2025

Description	2024/25 BUDGET R'000	Duration (months)	Critical delivery date / commencement	Envisaged BSC date	Envisaged advert date	Envisaged closing date	BEC Envisaged date	EAC/CAC Envisaged date	Envisaged date of award	Realistic delivery date / commencement (dd/mm/yy)	Project Managers
Repairs and Maintenance	4 150 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug- 24	23-Sep- 24	01-Oct-24	<a href="mailto:pierre@joburgtheatre.com">pierre@joburgtheatre.com</a>
Joburg - Building Plant and Machinery - lifts, technical theatre equipment, waterproofing	1 660 000,00	12	30-Jun-24	Not Required	18-Apr-24	25-Apr-24	01-May- 24	31-May- 24	14-Jun-24	30-Jun-24	<a href="mailto:pierre@joburgtheatre.com">pierre@joburgtheatre.com</a>
Roodepoort - Building Plant and Machinery - lifts, technical theatre equipment, waterproofing	830 000,00	12	30-Jun-24	Not Required	18-Apr-24	25-Apr-24	01-May- 24	31-May- 24	14-Jun-24	30-Jun-24	<a href="mailto:pirts@roodepoorttheatre.com">pirts@roodepoorttheatre.com</a>



Joburg City Theatres Business Plan for 2024/25 Financial Year



Soweto - Building Plant and Machinery - lifts, technical theatre equipment, waterproofing	830 000,00	12	30-Jun-24	Not Required	18-Apr-24	25-Apr-24	01-May-24	31-May-24	14-Jun-24	30-Jun-24	vincent@sowetothatre.com
Hospitality and Catering- lifts, technical theatre equipment, waterproofing	415 000,00	12	30-Jun-24	Not Required	18-Apr-24	25-Apr-24	01-May-24	31-May-24	14-Jun-24	30-Jun-24	branden@joburgtheatre.com
Contracted Services	1 926 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:pierre@joburgtheatre.com">pierre@joburgtheatre.com</a>
IT Consultant - IT Servers maintenance	770 400,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	justine@joburgtheatre.com
Sage Systems - Financial systems maintenance	577 800,00	12	30-Jun-24	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	justine@joburgtheatre.com
Facilities Management - Building Management system maintenance	577 800,00	12	30-Jun-24	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	pierre@joburgtheatre.com
Consumables	4 076 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:elias@joburgtheatre.com">elias@joburgtheatre.com</a>
Business Travel & Mobile Theatre Truck	1 224 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:lindiwe@joburgtheatre.com">lindiwe@joburgtheatre.com</a>
Mobile Theatre Truck - maintenance of mobile theatre truck	615 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	lindiwe@joburgtheatre.com
Business Travels - travelling of Producers, Cast, certain staff	609 000,00	12	30-Jun-24	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	lindiwe@joburgtheatre.com
Entertainment	764 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:vukani@joburgtheatre.com">vukani@joburgtheatre.com</a>

Joburg City Theatres Business Plan for 2024/25 Financial Year



Official entertainment - Opening nights for shows - Opening nights catering for Stakeholders, Politicians etc	764 000,00	12	30-Jun-24	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:lindiwe@joburgtheatre.com">lindiwe@joburgtheatre.com</a>
Youth Development	2 523 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:ntsako@joburgtheatre.com">ntsako@joburgtheatre.com</a>
School Set Works - Props, costumes, technical equipment, facilitations	1 513 800,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:ntsako@joburgtheatre.com">ntsako@joburgtheatre.com</a>
Youth Artistic workshops - Props, costumes, technical equipment, facilitations	630 750,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:ntsako@joburgtheatre.com">ntsako@joburgtheatre.com</a>
Literature and Poetry - Props, costumes, technical equipment, facilitations	378 450,00	12	30-Jun-24	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:ntsako@joburgtheatre.com">ntsako@joburgtheatre.com</a>
Advertising , Publicity and Marketing	7 835 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:bongani@joburgtheatre.com">bongani@joburgtheatre.com</a>
Billboard Rentals for shows - JCDECUAQ Billboards National highways, Hi-outdoor, Arena	4 701 000,00	12	30-Jun-24	Not Required	18-Apr-24	25-Apr-24	01-May-24	31-May-24	14-Jun-24	30-Jun-24	<a href="mailto:bongani@joburgtheatre.com">bongani@joburgtheatre.com</a>
Show Signage - Signage on buildings, signage on fleet	2 350 500,00	12	30-Jun-24	Not Required	18-Apr-24	25-Apr-24	01-May-24	31-May-24	14-Jun-24	30-Jun-24	<a href="mailto:bongani@joburgtheatre.com">bongani@joburgtheatre.com</a>
Posters and Flyers for shows - Posters and flyers for all productions	783 500,00	12	30-Jun-24	Not Required	18-Apr-24	25-Apr-24	01-May-24	31-May-24	14-Jun-24	30-Jun-24	<a href="mailto:bongani@joburgtheatre.com">bongani@joburgtheatre.com</a>
Hospitality and Catering Advertising - Posters and flyers for catering department		12	30-Jun-24	Not Required	18-Apr-24	25-Apr-24	01-May-24	31-May-24	14-Jun-24	30-Jun-24	<a href="mailto:bongani@joburgtheatre.com">bongani@joburgtheatre.com</a>

Joburg City Theatres Business Plan for 2024/25 Financial Year



In-House Stage Productions - acquisition of Creative Personnel Fees, Sets, Sound And Lighting Equipment Hires, Painting, Props, Special Effects, Specialised Souvenir Programmes, Musical Arrangements And Costumes	39 601 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:lindiwe@joburgtheatre.com">lindiwe@joburgtheatre.com</a>
Ticketing Systems - Electronic ticketing systems for shows	1 313 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:justine@joburgtheatre.com">justine@joburgtheatre.com</a>
Miscellaneous	9 546 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	
Counseling and Employee Wellness	1 431 900,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:thomas@joburgtheatre.com">thomas@joburgtheatre.com</a>
Photocopy machine rentals	4 295 700,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:justine@joburgtheatre.com">justine@joburgtheatre.com</a>
Subscriptions	1 527 360,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:justine@joburgtheatre.com">justine@joburgtheatre.com</a>
Books, Magazines, Newspapers	190 920,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:justine@joburgtheatre.com">justine@joburgtheatre.com</a>
Bank charges	859 140,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:vukani@joburgtheatre.com">vukani@joburgtheatre.com</a>
Employee Uniforms	1 240 980,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:lieb@joburgtheatre.com">lieb@joburgtheatre.com</a>
Arts Alive	12 464 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:lindiwe@joburgtheatre.com">lindiwe@joburgtheatre.com</a>

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JOC Service	3 116 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:lindiwe@joburgtheatre.com">lindiwe@joburgtheatre.com</a>
Productions fees	8 101 600,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:lindiwe@joburgtheatre.com">lindiwe@joburgtheatre.com</a>
Marketing	1 246 400,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	<a href="mailto:lindiwe@joburgtheatre.com">lindiwe@joburgtheatre.com</a>

**CAPEX DEMAND PLAN FOR THE 2024/25 FINANCIAL YEAR:**

- ❖ NAME OF DEPARTMENT: JOBURG CITY THEATRES
- ❖ RESPONSIBLE OFFICIAL: XOLISWA NDUMENI NGEMA
- ❖ PROCUREMENT METHOD: TENDER PROCESS FOR ALL CAPEX PROCUREMENT
- ❖ ECONOMIC TRANSFORMATION: PROMOTION OF HISTORICALLY DISADVANTAGED INDIVIDUALS (HDIs) FOR ALL CAPEX PROCUREMENT
- ❖ CONTACT DETAILS: 011 877 6800
- ❖ DATE: 1 JULY 2024 – 30 JUNE 2025

Description	2024/25 BUDGET R'000	Duration (months)	Critical delivery date / commencement	Envisaged BSC date	Envisaged advert date	Envisaged closing date	BEC Envisaged date	EAC/CAC Envisaged date	Envisaged date of award	Realistic delivery date / commencement (dd/mm/yy)	Project Managers
Joburg Theatre - Technical Equipment - Theatre lights	1 043 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	enos@joburgtheatre.com
Joburg Theatre - Upgrade of stage machinery	11 708 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	pierre@joburgtheatre.com
Joburg Theatre - Building Renovations and upgrades -	2 850 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	pierre@joburgtheatre.com
Soweto Theatre - Building Renovations and upgrade	1 376 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	vincent@sowetotheatre.com

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Promusica Theatre - Building renovations and upgrades - renovating	454 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	prits@roodepoorttheatre.com
Promusica Theatre - Information Technology - Server upgrades for entire JCT	1 043 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	prits@roodepoorttheatre.com
Soweto Theatre - Upgrading of Technical Equipment -	1 035 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	vincent@sowetotheatre.com
Promusica Theatre - Upgrading of technical equipment -	579 000,00	12	30-Jun-25	Not Required	01-Jul-24	29-Jul-24	31-Jul-24	16-Aug-24	23-Sep-24	01-Oct-24	prits@roodepoorttheatre.com

## 15. ANNEXURE B: JOBURG CITY THEATRES STRATEGIC RISK REGISTER

Group Risk Advisory Services <span style="float: right;">GRAS Representatives: Oscar Ngakatha, Wiseman Vana and Fikile Dhlamini</span>																
Department / Entity: Risk Register																
Strategic Risk register 2024/25																
Reference No.	Objectives	Risk Name	Risk Category	Root Causes	Consequences	Inherent Risk Exposure	Current controls	Control Effectiveness	Control Effectiveness Factor	Aggregate Control Effectiveness Factor	Residual risk Rating	Residual Risk Exposure	Risk Owner	Interventions/ Actions to improve management of the risk	Action Owner	Time scale
1	Quality performing arts and entertainment experience and facilities	Business disruption	External Environment	1. Power Outages	1. Disruption of operations 2. Threat to financial sustainability due to loss of revenue 3. Destruction of property 4. Compromised service delivery 5. Reputational damage 6. Litigations	Very High	1. Backup generators 1.2 Intra departmental corporation	Partially Effective	40	51	13	High	CEO	1. To procure back up generators for ST	CFD	Sep-24
				2. Global pandemic			2. Business Continuity Plan.	None	100					2. Continuous Business plan testing	CFD	Bi-annually
				3. Budget cut			3. Mid year budget reviews	Partially Effective	40					3. Advance planning		
				4. Unrest			4. Communications with stakeholders (Communication strategy)	Less Effective	60							
				5. Natural Disaster			5. Business Continuity Plan.	Partially Effective	40							
				6. Criminality			7.1 In-sourced security 7.2 Police visibility in the precinct (IGR) 7.3 Surveillance cameras 7.4 Braamfontein Improvement district meetings	Partially Effective	40					4. Engage with Public Safety for JCT safety needs to be included in City Safety Strategy	CFD	Dec-24
				7. Water cuts			8. Water tankering in JT	Partially Effective	40					5. To procure water tanks for ST and RT	CFD	Dec-24
				2			Affordable access to and use of theatres by communities  Mobilisation of resources to support the mandate, and improved brand recognition and awareness of JCT	Inconsistent attendance at theatre show	Socio Economic					1. High cost of productions and the need to recover costs. 2. Effect of the country's economic status 3. Lack of exposure of potential audiences to the theatre experience 4. Fear of crime in the area 5. Continuous change in the market appreciation of products and generations 6. Limited funding of the marketing strategy 7. Limited public transport to the theatre at night 8. Loadshedding	Loss of revenue Lack of social cohesion Loss of theatre experience Ineffective delivery of core business objective	Very High
2. Offering a limited number of discounted and/or free tickets to the youth and senior citizens.	Partially Effective	40	1. Maintain the current controls													
3. Mobile theatre truck used to take the arts to targeted diverse communities.	Less Effective	60	1. Engage with Public Safety for JCT safety needs to be included in City Safety Strategy	CFD	Dec-24											
4.1 In-sourced security 4.2 Police visibility in the precinct (IGR) 4.3 Surveillance cameras 4.4 Braamfontein Improvement district meetings	Partially Effective	40	1. Implementation of sponsorship policy	COO	Quarterly											
5.1 Marketing plan developed for each production 5.2 Online Customer satisfaction survey 5.3 Media partners	Partially Effective	40	1. Maintain the current controls													
7. Afternoon shows	Partially Effective	40														
8. No control	None	100														

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3	Good governance, financial sustainability and sound management	Theft, fraud, and corruption	Regulatory requirement risk	1. Conflict of interest (Greed, Collusion, Bribery)	Reputational damage Finance loss Asset loss Negative audit outcome	High	11 Fraud prevention policy	Partially Effective	40	40	6	Medium	CEO	1. Testing of the Fraud hotline and armed response	COSEC	Jul-24
				12 Fraud hotline			Partially Effective	40								
				13 Declaration of Interest			Partially Effective	40								
				2. Fraud Risk Assessment conducted annually.			Partially Effective	40								
				3. Code of conduct and Gift register in place			Partially Effective	40								
				4. Ethics awareness workshops conducted (Why)			Partially Effective	40								
				5.1 Remuneration, Social and Ethics committee			Partially Effective	40								
				5.2 Job description			Partially Effective	40								
6. IT Policy in place	Partially Effective	40														
8.1 Armed response with CHUEB	Partially Effective	40														
8.2 ST relationship with SAPS	Partially Effective	40														
10. Approved Financial Management Policies	Partially Effective	40														
4	Good governance, financial sustainability and sound management	Non-compliance with applicable legislation	Regulatory requirement risk	1. Various and changing legislative requirements to be complied with	1. Negative audit outcome 2. Reputational damage 3. Penalties	High	1. Regulatory compliance register / assessment tool monitored.	Partially Effective	40	40	6	Medium	CEO	1. Maintain the current controls		
				2. Interdependency to the City with regards to requirement on MSCOA compliancy			2. SAP 4 HANA	Partially Effective	40							
				3. Inadequate assessment of compliance risk			3. Quarterly reporting to oversight committees on compliance.	Partially Effective	40							
							3.2 CRMP	Partially Effective	40							
5	Provision of opportunities for the youth, including future arts; theatre practitioners and entrepreneur	Limited programmes available for newly trained Arts Practitioners	Human Capital	1. Limited in-house production to absorb newly trained practitioners	Limited opportunities for new entrants	High	1. Applied Performing Arts and Arts Management partnership with WITS	Partially Effective	40	40	6	Medium	CEO	1. Introducing theatre to communities through outreach programs	COO	Quarterly
							2. Weekly drama workshops	Partially Effective	40					2. Identification of emerging voices		Quarterly
							3. Mentoring and upskilling of internal staff in key positioned on in-house productions.	Partially Effective	40					3. Review youth and community development strategy		Sep-24
							4. Skills transfer programme.	Partially Effective	40							
							5. Learnership programme	Partially Effective	40							
							6. Youth and community development strategy	Partially Effective	40							