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JOHANNESBURG ROADS AGENCY SOC (LTD)

Reg. No. 2000/028993/30

Q4 PERFORMANCE REPORT FOR THE PERIOD APRIL TO JUNE 2024

In terms of Section 121 of the Municipal Finance Management Act 56 of 2003 (as amended),
Section 46 of the Municipal Systems Act, 32 of 2000 (as amended) and the Companies Act.


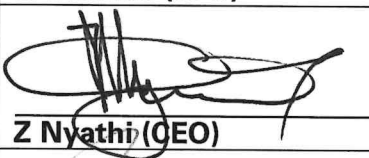

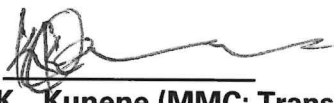
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Company Information

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Bankers:	Standard Bank of SA Limited
Auditors:	Auditor General South Africa (AGSA)

Approval

 L. Mashau (SFO)	Date: <u>25/07/2024</u>
 Z Nyathi (CEO)	Date: <u>25/07/2024</u>
 Dr Ravendran Govender (Board Chairperson)	Date: <u>25/7/2024</u>
 K. Kunene (MMC: Transport)	Date: _____

Vision

The best city roads authority
that enables economic growth
and sustainability

Mission

We commit to provide quality
roads that are accessible,
safe, and liveable for us
Communities.

CHAPTER 1: LEADERSHIP AND CORPORATE PROFILE

Section 1: Chief Executive Officer's Report



This report presents the performance of the Johannesburg Roads Agency for the period April to June 2024 (Quarter 4) as required by Section 52 (d) of the MFMA. It reports on the implementation of the 2023/24 Business Plan and Budget, including mid-year adjustments as approved.

Service Delivery Performance

The JRA participated in the Mayoral Accelerated Service Delivery Programme, the Buccleuch Ridge Sod Turning, and the Launch of the Rehabilitation of Lillian Ngoyi Street. The JRA also launched the new branding for JRA Fleet in the period under review.

The JRA participated in the Mayoral Accelerated Service Delivery Programme, the Buccleuch Ridge Sod Turning, and the Launch of the Rehabilitation of Lillian Ngoyi Street. The JRA also launched the new branding for JRA Fleet in the period under review. Year-to-date, the JRA has resurfaced a total of 152.84 lane km against a target of 1451km, upgraded a total of 7.76 km gravel roads to surfaced standard against a target of 13 km while a total of 1.905km of open stormwater channels have been converted to covered channels against a target of 1.5km. 10160 potholes were repaired during the quarter under review. In terms of other road maintenance, a total of 588 kerb inlets (KI) were unblocked and cleared. Furthermore 42 manhole covers including 488 KI tops were replaced and 353m of guardrails were replaced.

In relation to traffic signals, achieving 93.82% year to date on resolving traffic lights technical faults reported within 24 hours of being reported (*See Chapter 3*).

Support to SMMEs and EPWP

The JRA has also supported 127 SMMEs against a target of 90 and created 219 EPWP work opportunities were created against a target of 150 (*See Chapter 3*).

Clean Audit Process and Risk Management

Management resolved 20% (57% year-date) of due Internal Audit Findings and 64% of due AG Findings (*See Chapter 6*). The JRA is on track to implementing the Risk Management Action Plan (*See Chapter 2*).

Challenges

Theft and vandalism of infrastructure remains a challenge for the JRA and contributes to increased spending to replace damaged and stolen infrastructure. The JRA continues to work with law enforcement to reduce incidents of theft and vandalism.

Appreciation

I would like to express my gratitude to the Board and the MMC for their guidance and oversight as well as the JRA employees that have enabled the JRA to meet key targets in the quarter.



Z. Nyathi
Chief Executive Officer

Section 2: Chief Financial Officer Report



The purpose of this report is to present the high-level 2023/2024 fourth quarter draft financial performance for the Johannesburg Roads Agency for the period ending 30 June 2024. The detailed financial performance information is contained in Chapter Five of this report and in Annexures C to F. As a service delivery entity, the JRA strives to balance the attainment of liquidity and profitability ratios with the attainment of key service delivery targets.

In 2023/24 financial year, JRA has an approved Operating budget of R1, 475 billion which was subsequently reduced by R139 million during the adjustment budget to R1,335 billion. As at 30 June 2024, the Company had an Operating Expenditure and Income of R1,360 billion and R1,485 billion, respectively. This represents Income exceeding Expenditure by R 124,139 million at the end of June 2024. The Operating Expenditure is therefore 96.46% of the total Budget.

The JRA has a Capital Budget of R 809,234 million for 2023/24 financial year. As of 30 June 2024, the entity spent an actual of R 731,556 million, including accruals and commitments, which is 90% (refer to Chapter 5 and Annexure E for details of expenditure).

The Table 1 below illustrates Five 2023/24 key ratios for the period ending 30 June 2024 that are in line with the Financial Development Plan (FDP) of the City of Johannesburg.

Table 1: Summary Ratios

KEY RATIO	Target FDP	Marc 2023 (2023/24)
Current ratio	1	0.88
Solvency ratio	2	0.99
Accumulated Surplus	R50M	(418,493)
Cash on hand	R50M	616,251
Salaries ratio	35%	28.46%
Repairs & Maintenance ratio	7%	4.33%

The entity has a positive 2023/24 current ratio at the end of 30 June 2024, and the ratio is slightly below the FDP target in the year. The current ratio measures the company's ability to pay its short-term obligations. With the current ratio of 0.88, this means that JRA's current assets slightly exceed current liabilities however remains below 1 by 0.12.

The 2023/24 solvency ratio for the period ending 30 June 2024 is below the FDP target of 2. The solvency ratio measures the company's ability to meet its long-term debt obligations. The entity's ratio which is currently 0.99 indicates that JRA's cash flow is insufficient to meet its long-term liabilities. JRA remains technically insolvent for the period ending 30 June 2024. If the ratio is 1.5 or below indicates that the company will have difficulty meeting the interest on its debts.

The JRA's Remuneration to Operating Expenditure Ratio for the period ending 30 June 2024 is 28.46%. The total employee cost is 933 million which is inclusive of 545 million of the salaries paid to Regional Operations and Mobility which in the final report will be deducted to account for the cost of road maintenance. When the 545 million of salaries incurred Regional Operations and Mobility is deducted from the total employee cost we remain with 387 million worth of employee

related cost that leads to a Remuneration to Operating Expenditure Ratio of 28.46% and this means JRA within the FDP target of 35%.

The JRA intercompany Sweeping Account has a favourable balance of R 176,151 million at the end of June 2024. The Sweeping Balance represents a loan to Shareholders in the Statement of Financial Position. Developers Contribution Account has a balance of R440,099 million as of 30 June 2024 (with the new accounting policy). Therefore, the total Cash on hand for the period ending 30 June 2024 amounts to R 616 million.

The total amount owed by related parties' debtors was R410 million in 2022/2023, which represented 89% of the total debtors increased by 6%. The related parties have increased from R410 million to R432.9 million in the 2023/2024 when compared with the previous financial year.

JRA is progressively improving the financial controls and it is envisaged that the entity will meet all the financial ratio targets as set by the Shareholder (CoJ). Based on the year-to-date performance, the Company remains solvent and will meet its financial obligations.



Lufuno Mashau
Chief Financial Officer

Section 3: Corporate Profile and Overview of the Entity

The Johannesburg Roads Agency (JRA) (the Company / Entity/MoE) is an entity of the City of Johannesburg (CoJ). It was established in 2001 to design, construct and maintain roads and stormwater infrastructure on behalf of the CoJ Metropolitan Municipality. The JRA delivers on this mandate through a staff compliment of over 1 500 employees operating in seven regions of (CoJ).

Section 4: Strategic Objectives

Alignment between JRA programmes and institutional strategic plans is demonstrated below.

Table 1.1: JRA alignment to CoJ Priorities and Outcomes

Mayoral Priorities	JRA Programmes/Projects
P1: Good Governance	i. Ethical Governance; Clean Audit; Board of Directors Training – IODSA
P2: Financial Sustainability	i. Operation Clean Audit and management of audit outcomes; ii. MSCoA Programme; iii. Cash Flow Management Programme and Payment Plan
P3: Energy Mix	i. Implementation of the Energy Supply mix to traffic signals network; ii. Alternative power sources & ITS
P4: Sustainable Service Delivery:	i. Repair of damaged/missing road barriers or guardrails programme; ii. Blocked storm water repairs programme; iii. Replacement of manholes covers programme; iv. Regulatory Road Traffic Signs programme; v. Potholes repairs programme; vi. Traffic Signal Maintenance programme; and vii. Repair of damaged traffic light poles programme
P5: Infrastructure Development and Refurbishment	i. Road Network Programme: Road Upgrades; Guardrail Upgrades; ii. Resurfacing Programme: Kilometres of road resurfaced or resealed; iii. rehabilitation & Reconstruction Programme: Kilometers of road reconstructed; iv. Mobility (Traffic Lights) Programme: Installation of new warranted traffic signals; Alternative power sources & ITS; UPS; Traffic lights upgrades; and Controller upgrades and phasing; v. Bridges Programme: Bridge Rehabilitation; Bridge Management System; Bridge Replacement; iv. Stormwater Rehabilitation Programme: Stormwater Conversion; Stormwater Masterplans; Rehabilitation of open channels; Emergency stormwater improvements;
P6: Job Opportunity and Creation	EPWP programme; Employment Equity Plan; SMME’s support programme
P7: Safer City	Number of initiatives implemented to combat vandalism and theft of road infrastructure (Awareness and ownership campaigns); Number of inspections to improve safety on our roads (Wayleave management; Proactive maintenance)
P8: Active and Engaged Citizenry	Media Relationship programme: Ward based communication; Road users / public relations programme
P9: Sustained Economic Growth	Improved turnaround times for statutory development planning processes - Standard engineering applications and approvals; Implementation of Freight deliveries support through freight related signage and markings; Strategic partnerships
P10: Green Economy	Recycling of asphalt; Replacement of LEDs with new technology; Third Party Traffic Lights back-up power Programme; Adaptive control programme
P11: Smart City	Traffic Management Control Centre; Adaptive Control Signaling prioritising public transport and critical intersections; Collection, Analysis of road network data; Dissemination of traffic information; Implement Infrastructure Standards to support Advanced Driver Assistance Systems (ADAS); High-tech roads infrastructure maintenance methodologies; Remote Traffic signal monitoring system; SMART infrastructure security systems.

CHAPTER 2: CORPORATE GOVERNANCE

Section 1: Composition, Key Activities and Remuneration of Board of Directors

Corporate governance provides a framework through which the company objectives are set implemented, monitored, and evaluated. In the JRA corporate governance sets out relationships between the Company's Management, the Board, and Shareholders.

The Board and Management of the JRA are committed to the standards of corporate governance as promoted by the King Committee's Code of Corporate Practices and Conduct (KING IV). Having examined the controls, the Board is satisfied that Management endeavours to comply with all material aspects of the King Report and relevant legislation.

Board members are remunerated in line with the City of Johannesburg Group Shareholder Policy of Governance of the Group Advisory Committee, Municipal Entities Board of Directors, and Independent Audit Committees (Annexure A)- titled fees schedule.

JRA Board Committees

The current JRA Board of Director was appointed at the Annual General meeting of 01 March 2023 for a period of three (3) years renewable annually at the discretion of the Shareholder. The JRA Board has three Committees, namely, Audit Finance, Risk and Information Technology, Remuneration and Social Ethics and Service Deliver Committees. The mandates of these committees are summarised below.

Table 2.1: Board Committees and Summary of Terms of Reference

Committee	Reporting Element	Mandate
AFRIT	<ul style="list-style-type: none"> Financial management Risk management and ICT governance. Internal and external audit functions 	<ul style="list-style-type: none"> Oversight of matters relating to financial accounting, accounting policies, reporting and disclosure Oversight on risk management issues, identifying material risks and mitigation actions. Oversight over ICT governance as envisaged in King Code IV Overseeing internal and external audit policy, including activities, scope, adequacy and effectiveness of the internal audit function and audit plans. Review or approval of external audit plans, findings, problems, reports and fees.
REMSEC	<ul style="list-style-type: none"> Governance Remuneration 	<ul style="list-style-type: none"> Oversight of compliance with corporate practices and code of ethics Oversight over inter alia remuneration policies, remuneration packages and all other matters relating to human resources and /or labour related matters.
SDC	<ul style="list-style-type: none"> Strategy development, implementation and organisational 	<ul style="list-style-type: none"> Oversight over strategy development and approval, organisational performance measurement, identification of the appropriate indicators and targets and relevant reporting and accountability in support of the service delivery mandate.

	performance management • Stakeholder engagement relationships	and • Oversight over effective stakeholder engagement and responsiveness.
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After the resignation of the Chairman, Mr Ewan Botha in February 2024, the Board of Directors appointed Dr Ravendran Govender as an Interim Chairman until the next Annual General Meeting of 26 July 2024.

Key Board Activities in Quarter 4

- The Board of Directors approved the appointment of Mr Zweli Nyathi as the JRA CEO for a period of five (5) years.
- The recruitment process for the position of Operations Manager Internal Audit, Head of Department: Corporate Services and Head of Department Regional Operations commenced in May 2024. The recruitment plans and job adverts were approved by the Board.
- The Board rescinded the resolution taken on 27 July 2023, where the Board of Directors resolved that: The Head of Department: Regional Operations position be re-advertised once the organisational review and or redesign has been finalised.
- The Board approved the compliance policies, being, Code of Ethical Conduct, Fraud and Prevention Policy and Plan, Whistleblowing Policy, and Protection of Personal Information Policy. Further policies approved by were Finance policies, namely Debtors Management Policy, Assets Management Policy, and Revenue Management Policy.
- The Board approved the AFRIT recommendation on UIFW for 2023/2024.

Section 2: High-Level Organisational Structure

The high-level organisational structure of the JRA is illustrated in the figure below.

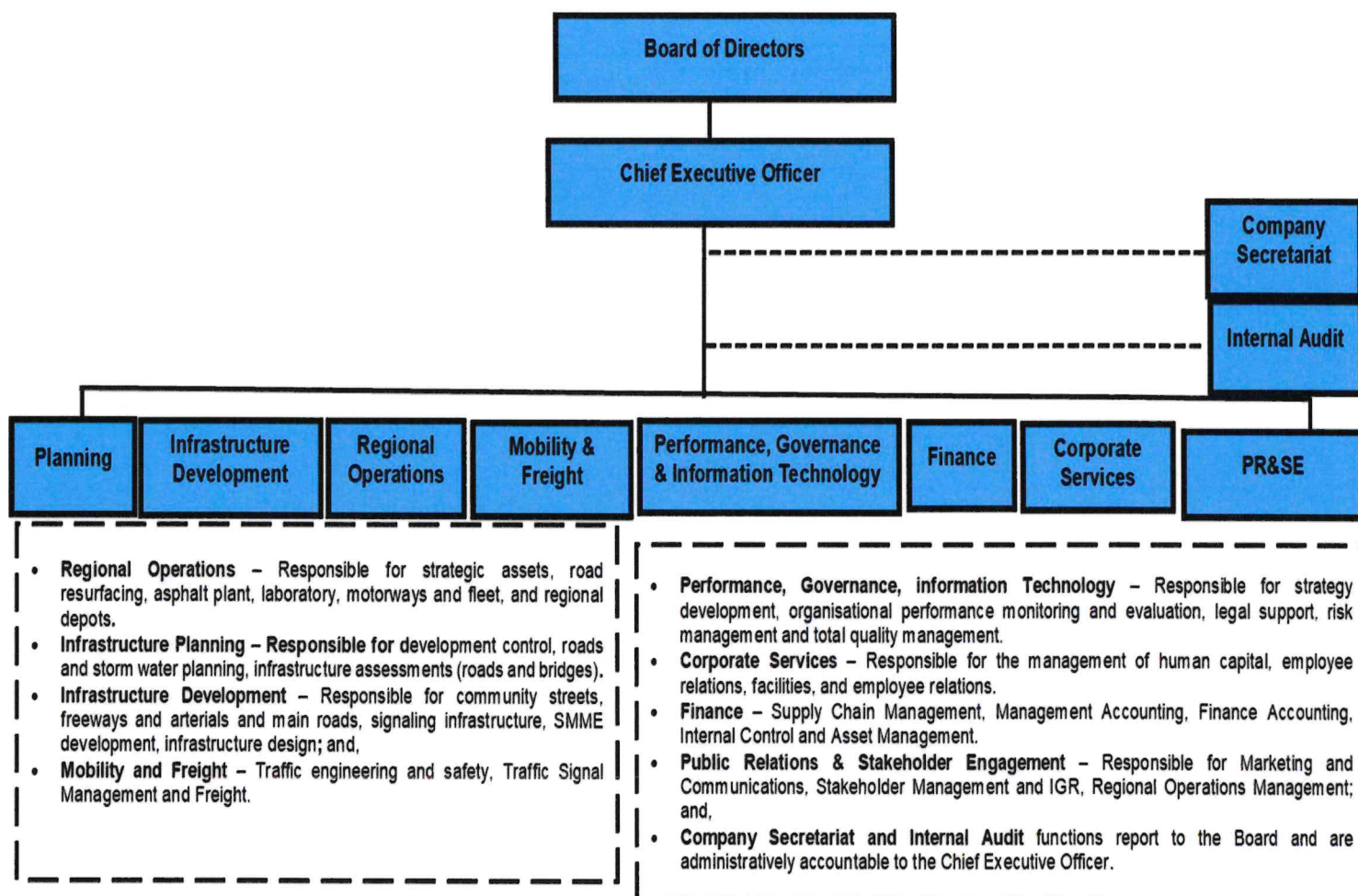


Figure 1.1. High level organisational structure of the Johannesburg Roads Agency

Executive Management Team (EMT)

The JRA Executive Management Team in Q4 is reflected in Table 1.1 below

Department	Appointee	Status
Chief Executive Officer	Zweli Nyathi	Substantive
HOD: Infrastructure Development	Kwazelela Mcetywa	Substantive
HOD: Planning	Musa Mkhacane Pr. Eng.	Substantive
HOD: Mobility & Freight	Sipho Nhlapo	Acting
HOD: Performance, Governance, and Information Technology	Sekati Mangena	Substantive
HOD: Regional Operations	Khayaletu Gqibitole	Acting
Chief Financial Officer	Lufuno Mashau	Substantive
HOD: Corporate Services	Puleng Hlatshwayo	Acting
HOD: Public Relations and Stakeholder Management	Ayanda Ntshingila	Substantive

Department	Appointee	Status
Operations Manager: Internal Audit	Hemmy Malebati	Acting
Company Secretary	Phumla Majola	Substantive

Section 3: Good governance and Ethical conduct

The JRA views ethical behavior and leadership as significant in corporate governance and thus deems it necessary to promote it throughout the organization. During quarter under review:

- The Ethics Management Forum meeting held resolved that EMF members should be reappointed for the 2024/25 Financial Year, this was after members accepted the reappointment proposal.
- On 04 June 2024 the Ethics Management Forum conducted an Ethics Risk Assessment through the use of a survey questionnaire. The objective behind the survey was to assist the forum to identify the ethics risks in existence within the company and strategize on how the ethics control environment can be strengthened. It was evident from the Ethics Risk Assessment outcome that more needs to be done in educating our employees about the importance of behaving and acting in an ethical manner in the organization. Thus, the forum will be partnering with other stakeholders such as the COJ Ethics Office and GFIS, including the Ethics Institute in the 2024/25 financial to drive ethics awareness campaigns throughout the organization.

Section 4: Risk Management

The JRA Board has delegated the monitoring of risk in the JRA to the Audit, Finance, Risk and Information Technology Committee (AFR&IT). Risk assessments are conducted, appropriate responses developed, and their effectiveness assessed regularly and reported to the Shareholder’s governance structures. In the period under review 100% of all activities on the risk management implementation plan were achieved. The Company assessed its 2023/34 Strategic Risks as reflected in the table below.

No	Strategic Risk	Q1 Residual Risk Exposure	Q2 Residual Risk Exposure	Q3 Residual Risk Exposure	Q4 Residual Risk Exposure
1.	Governance failures	High	High	High	High
2.	Failure to recruit, promote growth and retain skilled personnel	High	High	Very High	Very High
3	Insufficient funding for capex & opex projects	High	High	High	High
4	Unreliable power supply	High	High	High	High
5	Road Infrastructure Failure (roads, bridges, stormwater, traffic signals)	High	High	High	High
6	Delayed implementation & completion of projects	High	High	High	High

No	Strategic Risk	Q1 Residual Risk Exposure	Q2 Residual Risk Exposure	Q3 Residual Risk Exposure	Q4 Residual Risk Exposure
7	Inability to maximise asphalt plant	High	High	High	High
8	Fraud, theft and corruption	Very High	Very High	Very High	Very High
9	Cyber-attack, data fraud and data theft	High	High	High	High
10	Dissatisfied Stakeholders	High	High	High	High
11	Environmental hazards	High	High	High	High
12	Failure to conduct research, development and application of innovation	Very High	Very High	Very High	High
13	Ineffective Business Continuity Management system	High	High	High	High

Section 5: Anti-corruption and Fraud Investigations

The Johannesburg Roads Agency (JRA) is committed to the fight against fraud and corruption which represent a significant potential risk to the JRA's assets, service delivery efficiency and reputation. Working together with the Ethics Management Forum and Group Forensic and Investigation Services consequence management to all finalised cases is implemented. To mitigate against the occurrence or reoccurrence of corruption and fraud instances, the Entity carries out an awareness campaign through posters prompting Good and Ethical Governance that are erected throughout the JRA building and depots. On a quarterly basis a compliance report is prepared and submitted to the Remunerations and Social Ethics Committee. Concluded forensic investigations received from Group Forensic Services are administered by the JRA management.

Section 6: Compliance with Laws and Regulations

In terms of percentage compliance with laws, the impact thereof and mitigating actions on non-compliance areas, in total there are 50 legislations the entity reports on annually. The primary, secondary and general regulatory provision(s). However, in the fourth quarter under review, the compliance universe is summarized as follows and should be read in conjunction with mitigations measures contained in Annexure H is the Compliance Universe for the JRA.

AREA	TOTAL	COMPLIANT	NON-COMPLIANT
Companies Act	6	5	1
Labour Relations & Employment Laws	10	6	4
Finance Tax	7	5	2
Environmental	3	2	1
Fraud Corruption Ethics and Compliance	5	5	0
Road and Traffic Management Act	3	2	1
ICT	1	1	0

AREA	TOTAL	COMPLIANT	NON-COMPLIANT
Capital Projects Requirements	2	1	1
General – MFMA & MSA	13	13	0

During the quarter under review the JRA Compliance Office in partnership with Group Compliance conducted an awareness workshop relating to the Occupational Health Safety Act, where SHE representatives in all departments (including senior management and depot management) were present.

6.1. Declaration of Interests

Summary of Declarations forms JRA employees

JRA staff component	Total number of signed declarations forms	Total number of employees who have declared interest	Total number of employees with no interest to declare	Total number of outstanding declaration of interest
1553	1228	30	1198	325

All Board and Independent Audit Committee members have signed the code of ethical conduct and declaration of interest forms for the 2023 / 2024 financial year.

6.2. Gifts and Favours

JRA staff component	Total number of signed gift and favours forms	Total number of employees who have declared gifts and favours
1553	92	0

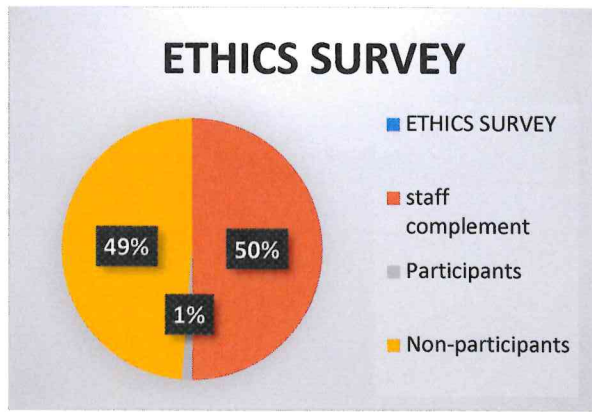
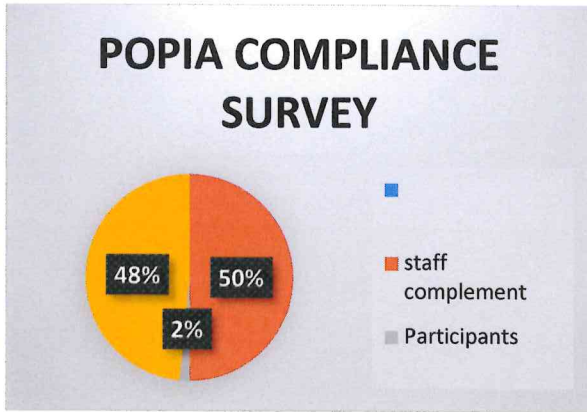
6.3. Compliance with Protection of Personal Information Act

Compliance with Protection of Personal Information Act

6.1.3. Compliance with Protection of Personal Information Act

The Company deems compliance with regulatory requirements to be of paramount importance, thus during the quarter under review the Compliance Office conducted a POPIA compliance assessment through a survey to determine the level of the Company's compliance to the Act.

The outcome of the survey was significant as it reflected an understanding of the key provisions relating to POPIA. The Compliance Office plans to strengthen awareness around POPIA in the 2024/25 Financial Year. In mitigating low participation in compliance and ethical survey, the Compliance Office is working with ICT to ensure we strengthen participation assuring employees that the surveys are independent.



Section 7: ICT Governance.

The Company operates based on an approved IT Governance Policy Framework which identifies key elements for the effective management of information and technology. This ensures that company information and ICT systems are secure, protected, tested, controlled, developed and maintained in line with the company’s objectives and response to emerging technological trends. In Q4 the following milestones were achieved: JDE (ERP) system availability remained at acceptable levels, improved network connectivity and improved incident management (service desk). ICT function is faced with several challenges which hinder its ability to offer better support, including the following with recommendations to mitigate:

Challenge	Recommendations
1. High level of manual business processes	Digitalization should be made a strategic objective and driven at that level
2. Aging IT Infrastructure	Investments need to be made to upgrade the current IT equipment as it has reached its lifespan

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Section 1: Highlights and Achievements

The performance report has been prepared against the JRA's 2023/24 Business Plan and approved deviations. The following are the highlights of the third quarter. As at Q4 and YTD the following can be highlighted;

- The JRA **has resurfaced** a cumulative total of **152.84 lane km** against an annual target of **145 lane km**. The programme suffered from **inadequate budget allocations**; however, additional budget was allocated during mid-term budget adjustment.
- A cumulative total of **7.76km** gravel roads have been **upgraded to surfaced roads** against the cumulative target of 13 km;
- A cumulative total of **1.905km** of open stormwater channels have been converted to covered channels against a cumulative target of **2.5km**.
- A cumulative total of **127 SMMEs** were supported as at Q4 against the target of **90 SMMEs**;
- A cumulative total of **219 EPWP** work opportunities have been created against a target of **150**.
- In relation to traffic signals, the JRA has achieved both service delivery KPI's, achieving 93.82% year to date on resolving traffic lights technical faults reported within 24 hours of being reported.

Section 2: Service Delivery Challenges.

In Q4 the JRA experienced some challenges.

Challenges	Mitigations
<p>The following challenges were incurred:</p> <ul style="list-style-type: none"> - The underperformance of contractors has attributed in underachievement of kilometres of gravel roads upgraded to surfaced standard roads - Delays in finalization of designs due to the bulk stormwater issue that was applicable to all Orange Farm wards including Drieziek gravel roads upgrade projects. 	<ul style="list-style-type: none"> - The contractor was terminated and supply chain process for the replacement contractor has been initiated. - Streets were reprioritized due to the bulk stormwater unavailability for the discharge of stormwater. Construction is in progress in Orange Farm with three contractors appointed for Ward1, Ward 3 and Ward 131.
<p>In this quarter theft and vandalism of the traffic infrastructure continues to affect the</p>	<p>The department continues to work with enforcement agencies towards</p>

Challenges	Mitigations
optimization of our traffic light systems.	identifying our stolen assets that leads towards successful convictions of the perpetrators.
The continuous requests from the community for the JRA to resolved faulty traffic signals that belongs to province.	The department has had 3 meetings with the Province this quarter, to resolve this matter. This is critical as it begins to streamline the communication between the JRA and Province.

Section 3: Response to Strategic Direction

The JRA implements key programmes to respond to the strategic priorities of the Shareholder (CoJ) and the Entity.

i. Roads Resurfacing Programme.

Cumulatively, as at Q4 the JRA resurfaced 152.84 lane kilometres against an annual target of 145 lane km. The roads have been resurfaced in Q4 largely City Wide are in wards that include Wards 102 and 113 (Region A), Ward 88 and 117 (Region B), Wards 71,44,50,129, and101 (Region C), Ward 11 (Region D), Wards 75,76,77 and 108 (Region E)and Ward 60 (Region F), Wards 1,18 and 131. The programme has suffered from inadequate budget allocations; however, adequate budget was allocated during md-term budget adjustment and the target was achieved.

Gravel Road Upgrade Programme

The JRA also upgrades gravel roads into surfaced roads mostly in marginalized areas across Johannesburg. Cumulatively, as at Q4 the JRA upgraded 7.76km to surfaced standard. The bulk of the work was undertaken in Klipfonteinview View, and Doornkop/Thulani, Braamfischerville, Ivory Park (2 projects), Diepsloot (2 projects), Mayibuye, Kaalfontein, Tshepisoong and Orange Farm (3 projects).

ii. Bridges Management Programme

There are currently 68 bridges that require urgent rehabilitation and or reconstruction across the City of which fourteen were elevated as high priority. Year-to-date, the JRA has undertaken on-going upgrading/rehabilitation on the following ten bridges; Buccleuch bridge (High Level) in Region E, ward 32, Kilburn Bridged in Region C, ward 84, Canterbury in Region E ward 10 and Maphumulo Street Culvert in Region D, ward 46. Designs are underway for Moroka Nancefield, Ndaba Bridges, Phakoe bridge, Mastiff bridge and West Road Culvert bridge.

iii. Open Drains Conversions

The JRA embarked on a programme of converting open storm water channel systems into underground pipe and or culvert systems. During the 2023/24 financial year the focus is on Braamfischerville, Orange Farm, and Ivory Park. Year-to-date, cumulatively

the JRA has converted 1.905km of open channels to underground systems in Orange Farm.

iv. Infrastructure Planning (IP)

a. Strategic and Annual Business Planning

The final 2024/25 business plan was finalized and submitted to the CoJ Council for approval in May 2024 and same has since been approved. All departments were consulted before the approval with each HoD signing off on their respective KPI's.

b. Road Asset Management System (RAMS) Visual Condition Assessments (VCA/VCI) and GIS

During Q1 to Q4, a service provider was tasked with conducting Visual Condition Assessments (VCAs) on Class 5 and 6 roads. The service provider is presently conducting inspections on-site in Region E (Alexandra). Alexandra was prioritized following a Council resolution to concentrate efforts on this area. As of now, around 1550 kilometers have been inspected in Region E. Quality Assurance Inspection for Region E was completed during Q4, the verification comprised 359 segments amounting to just over 87 km approximately 8.19% of the Region E network.

c. Bridge Management System (BMS)

Four (04) Bridge/Culvert inspections were conducted in Q4. The involved the inspection of the project site, including structural analysis and damage assessment, preliminary investigation, route location, planning, and a level of design appropriate to allow decisions on feasibility and developing and defining the scope of work where required. The inspections were at; Blue Hills Bridge, Founders Hill Bridge, Sandton Drive link Bridge and Africa Drive Bridge.

d. Development Control (Private and Public)

Private – In Q4 493 town planning applications, 424 correspondence submissions, 381 building plan submissions were received while the value of construction work undertaken by the developers in the 4th quarter amounted to R 61,873,710.98.

Public – In Q4 7 town planning applications, 130 correspondence submissions, 5 building plan submissions were received, while the value of construction work undertaken by the developers in the 4th quarter amounted to 5 R 49,385,777.28

e. Stormwater Masterplanning

The table below gives a summary of progress on the eight (08) sub-catchments that were prioritized for Stormwater Master Planning (SMP) studies for the fiscal year 2023/24.

Project Name:	Region	Ward	Deliverables in the Current Financial Year	% Progress	Comments
Cosmo City	C	100	Stormwater asset survey, Stormwater Masterplan, flood lines, inclusive of risk assessment, prioritization, and costing	100%	PSP is within schedule and cost. Expected deliverable for 100% completion expected at the end of the financial year 23/24.
Lenasia and Extensions	G	8,9,10	Stormwater asset survey, Stormwater Masterplan, inclusive of risk assessment, prioritization, and costing	75%	The Modelling tasks were delayed by survey tasks which were impacted by a blocked stormwater system. The success rate also depended on regional operations teams' assistance for clearing blocked systems. The PSP is not performing at the expected level. Progress is slow and the PSP will be submitted for performance management to CMU. The previous 3 months have been consecutively poor performance.
Greater Lombardy and Rembrandt Park	E	81	Stormwater asset survey, Stormwater Masterplan, flood lines, inclusive of risk assessment, prioritization, and costing	20%	The PSP is not performing at the expected level. Progress is slow and the PSP will be submitted for performance management to CMU. The previous 3 months have been consecutively poor performance.
Greater Beuzidenhout Valley Area	F	66	Stormwater asset survey, Stormwater Masterplan, flood lines, inclusive of risk assessment, prioritization, and costing	100%	Project Deliverables to be completed 100% by 05 July 2024
Greater Ennerdale	G	122	Stormwater Masterplan, flood lines, inclusive of risk assessment, prioritization, and costing	10%	PSP has been appointed and Inception phase is expected to be completed by end of FY 23/24
Localized SMP for Dennis Road in Athol	E	91	Stormwater Asset survey and visual inspection, Hydrological and hydraulic studies	100%	Studies completed 100%
Orlando West Flooding Intervention and Alleviation	D	38	Hydrological and Hydraulic studies and Preliminary and detail designs	75%	Project delayed due to hydrological studies. The revised PDR has been submitted for review and acceptance. The project was halted following the Q3 budget adjustment. Stage 3 and 4 commence in the 24/25FY.

Project Name:	Region	Ward	Deliverables in the Current Financial Year	% Progress	Comments
Norwood Hydroopedology	E	73	None. study halted	0%	Study was halted to await completion of other commenced areas. It shall be noted that only two service providers were appointed to a panel for SMP studies. Therefore, the intended scope not realised. Study to commence in 24/25FY
North Riding	C	:101	Inception, Modelling, Draft Road Master Plan Road Master Plan	30%	PSP was appointed December 2023. Inception Report was approved. PSP is busy with Data collection, and TIA. Project is on programme and within budget.

f. Dams

There are seven (07) registered dams in the City that are deemed at risk according to the National Water Act. These dams are classified as Category II dams. Since 2019, IP has completed 13 detailed dam designs in the City. However, due to budget constraints on other projects, it was decided to reallocate the implementation budget for dams to these other projects. As a result, no dam projects were implemented in the 2023/24FY.

g. Rehabilitation of Aged and Incapacitated Stormwater

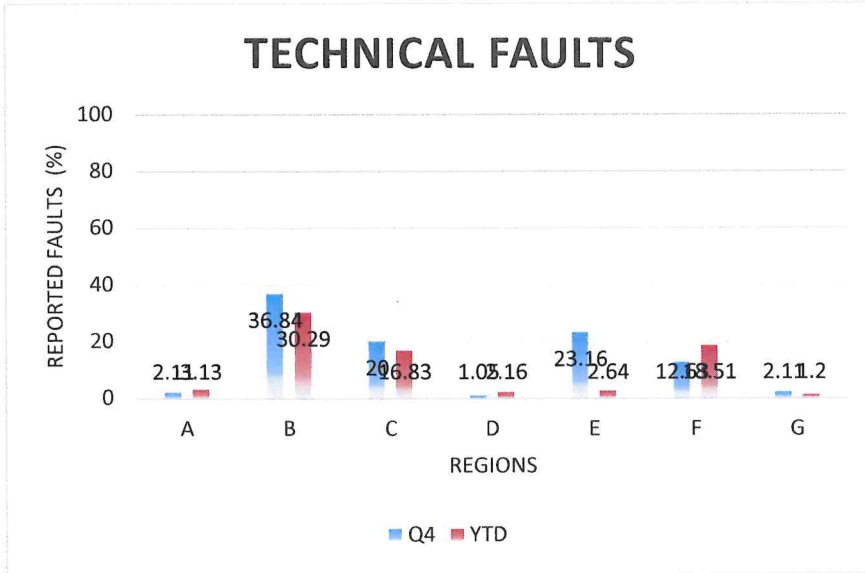
Due to the rapid urbanization and aging stormwater infrastructure in the city, there is an increased demand to review both local and bulk stormwater systems to ensure they meet capacity requirements and are in good condition. The areas of focus for the 2023/24 financial year were determined based on this need for review.

Project	Status
Denver open stormwater channel through the informal settlement (Service Provider Appointed)	The project was resuscitated in Q3 following a lengthy contract extension process. Stage 2 and Technical Assessments were taken. Stage 3 – Detail Design and Stage 4 will be completed in 2024/25 FY
Aged Stormwater culvert within Roedebeek School Parktown (Service Provider Appointed)	Inception Report Completed. The project was suspended due to budget constraints as the Orange Grove Project was expected to proceed to Detail Designs.
Turffontein West, collapsed stormwater channel (Service Provider Appointed),	The project was suspended due to budget constraints as the Orange Grove Project was expected to proceed to Detail Designs. Feasibility was suspended due to excessive costs expected by the Service provider. Negotiations to commence in 2024/25 FY
Orange Grove collapsed stormwater culvert (litigation ongoing).	Designs submitted to Complainant and her legal team as per court order. Comments still awaited. Legal intervention to be initiated for project progression.

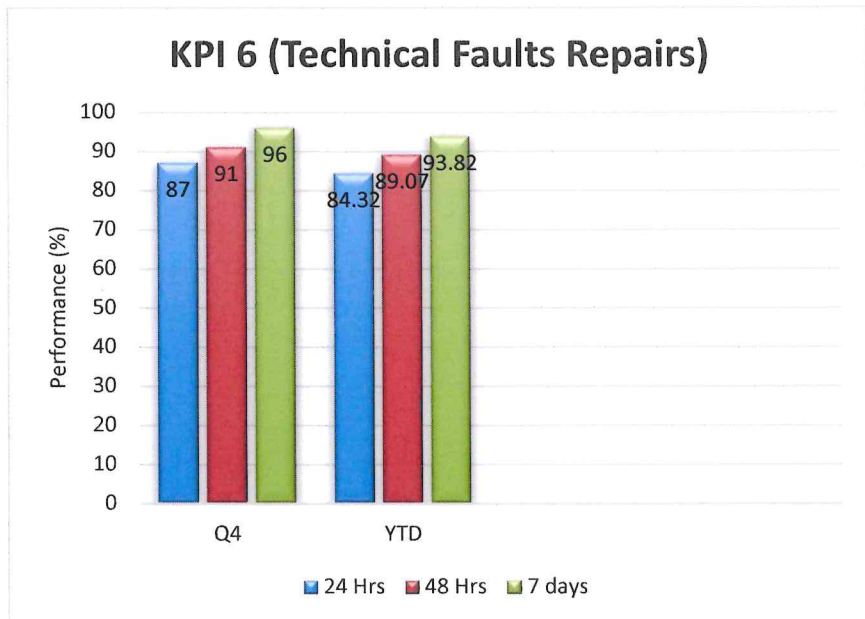
v. Mobility and Freight (MF)

During the 4th quarter (Q4) of 2023/24 financial year, the following key service delivery highlights and milestones were achieved.

- As of the 21 June 2024, 87% of 100 technical faults service requests, from 77 signalized sites, have been resolved within 24 hours. The figure below shows the affected regions and the extent thereof.

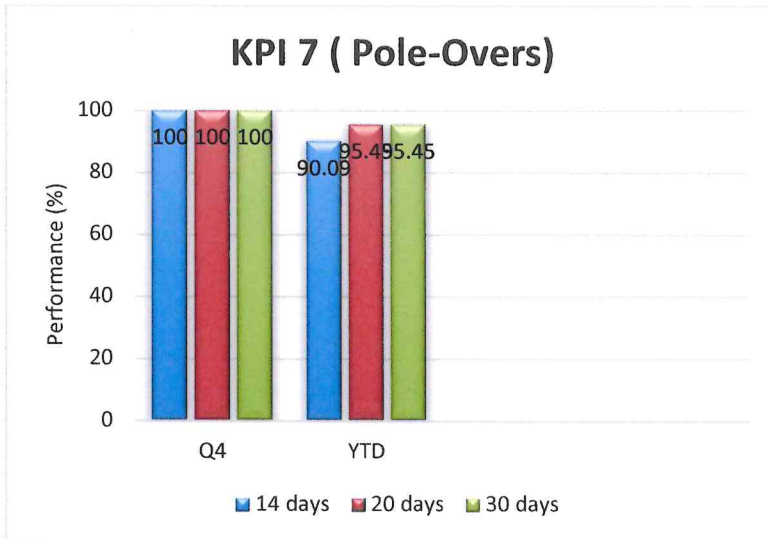


Q4 performance contributed to 84.32% performance of YTD technical faults repairs which were resolved within 24 hours, It is worth noting that JRA's remote monitoring systems (RMS) contributes over 85% of the reports from about 95% coverage, making it quicker for the maintenance teams to respond. The graph below gives further illustration in line with the business plan.



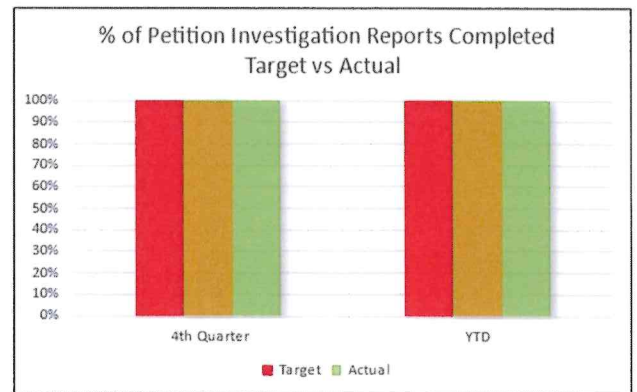
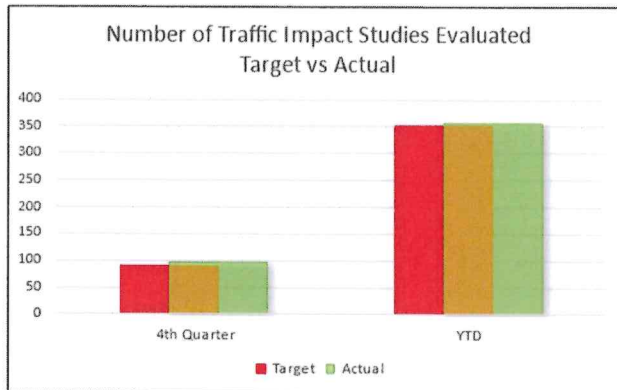
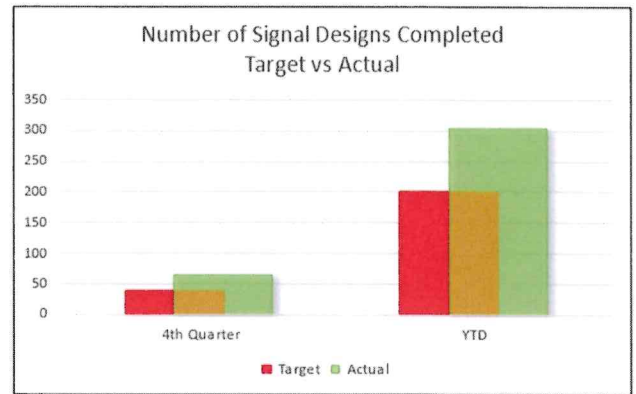
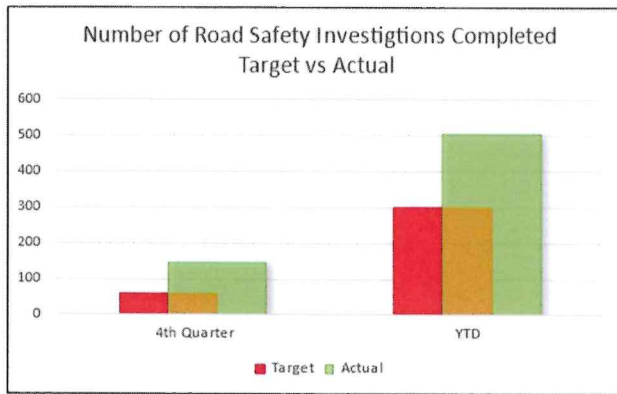
Power utility companies' load management initiatives continue to affect mobility systems optimization. In addition to the impact of such initiatives, about 37% of reported faulty signaled sites were affected by electrical power related challenges. City Power and ESKOM remain the primary power suppliers and JRA continues to liaise with them to restore power at signaled sites of concern.

- To reduce the impact of load management initiatives and power outages, the Department keeps the window opened for installation of backup power from 3rd parties, in addition to over 120 intersections which are already adopted.
- The unavailability of critical spares and tools still impacts on performance. It is worth noting that the applicable SLAs from the original equipment manufacturers (OEMs) have recently been concluded.
- 100% of pole-over service requests have been resolved in less than 14 days of each report, in Q4, as illustrated in the figure below, also in line with the company's business plan.



Theft and vandalism of signals infrastructure remain a serious challenge. 72 reports have been captured, on partial to complete destruction of the infrastructure, from 69 signalized sites. This contributed to 531 reports YTD, from 420 signalized sites. Almost 42% of the reports were captured from region F, while about region B and D equally shared about 33% and region C and E also equally shared about 22% of the captured impact.

- The JRA is always called in to verify if the cables belong to the JRA, because it could be City Power, Eskom or Transnet. Where the evidence points to JRA cable the JRA team works with the police towards conviction of those found guilty. The recent conviction was in June where the perpetrator was handed an 8 year sentence. The case was registered in July 2023.
- The JRA revised and designed new traffic signal timings at 65 intersections during Q4 to improve mobility and reduce congestion against a target of 40. Year to date, 304 new and revised traffic signal designs have been completed against a target of 200.



- In Quarter 4, 12 petitions were received for which all investigation reports were completed. YTD 31 petitions have been received of which all investigations reports were completed.
- The company undertook 146 road safety investigations against a target of 60 during Q4. Year-to-date, 505 safety investigations have been completed against a target of 300.
- The company evaluated 96 traffic impact assessments against a target of 90 during Q4. Year to date 357 evaluations have been completed against a target of 350.
- The Department concluded 5 power connections on the backup power initiative with private companies. With the loadshedding been reduced in this quarter the department still get requests from private companies to connect the traffic signals to their back up power. The department had planned to connect 35 sites by the end of the year. The actual intersections connected 70 sites connected, commissioned and being monitored.

vi. Infrastructure Maintenance

The JRA, through its maintenance department, is responsible for both proactive and reactive maintenance of the road network within the City of Johannesburg. The activities include inter alia, different methodologies of routine maintenance, 13618 potholes were repaired during the quarter under review. In terms of other road maintenance, a total of

817 kerb inlets (KI) were unblocked and cleared. Furthermore 36 manhole covers including 488 KI tops were replaced and 22m of guardrails were replaced

vii. **Support to SMMEs and EPWP**

- a. **SMMEs Supported** – The JRA has a programme to support SMMEs and to create Expanded Public Works Programmes opportunities. In relation to SMME support, cumulatively, as at Q4 the JRA has supported 127 SMMEs against a cumulative target of 90.
- b. **EPWP Jobs Created** – In relation to EPWP opportunities created, cumulatively, as at Q4 the JRA has created 219 EPWP opportunities against a cumulative target of 150. The numbers are linked to the implementation of capital projects in the JRA.

viii. **Public Relation and Stakeholder Engagements**

Regional Stakeholder engagements were held in all seven regions of Johannesburg as part of various interventions including ribbon-cutting ceremony along Nancy Ndamase Street and the Doornkop/ Thulani and Sod Turning.

The MMC for Transport led the **#OperationRestore** program as part of efforts to tackle service delivery backlogs. **The #KleenaJoburg Campaign**, spearheaded by the MMC for EISD geared towards ensuring visible service delivery was also supported. This included unblocking stormwater drains, clearing illegal dumping sites, repairing street lights, and educating the community on best practices for maintaining cleanliness.

PR&SE also supported the branding for the Career Expo at the Grace Bible Church and the CEO’s Connect Roadshows amongst other stakeholder engagements. In relation to customer relations management, the JRA also recorded the following customer relations issues.

Number of queries logged in Q4				
Issue	April. 24	May. 24	June. 24	Q4Total
Potholes	2 060	1 973	1 248	5 281
Blocked Stormwater	490	540	412	1 442
Manhole Cover	53	68	62	183
Reinstatement	357	292	299	948
Road Markings	66	80	39	185
Pole Overs	17	25	19	61
Traffic Signals	570	412	444	1 426
Other: [bollards, guardrails, etc.]	200	196	147	543

The JRA saw trends across the regions based on different road-related defects:

- Potholes reporting remains high in Region C, B and F
- Loadshedding was suspended most of this quarter however Traffic signal queries remained high, assumption is that the high query rate is due to the theft and vandalism of our traffic signals

- Storm water queries are high in Region F, D and E
- Region B is the highest followed by Region F

IGR – Petitions Management - Currently, there are one thousand five hundred and eleven (1511) petition requests received through the Speaker’s Office dating back from 2010. Ninety-five percent of these petition requests relates to traffic calming measures while 5% pertains to various capex projects, such as requests pedestrian foot bridges, storm water drainage system or upgrade for gravel roads. There were fourteen petitions received between April and June 2024 and thirteen investigated petition reports. The table below reflects the number of petition requests received to date and those received between April – June 2024:

Update on management of petitions		
Total number of petitions received from 2010 - 2024 = 1511		
New petitions received between April - June 2024 = 14		
Investigated report between April - June 2024 = 13		
Region	Received Apr - Jun	Investigated Reports
A	2	1
B	1	2
C	1	1
D	2	4
E	2	2
F	2	1
G	4	2
	14	13

Due to budget unavailability, no petitions were implemented or closed in the period under review.



Section 4: Performance Against Service Standards.

The JRA achieved 21 (100%) against 21 targets. For details, please see Annexure G.

Section 5: Performance Against Pre-Determined Objectives

There are 32 KPIs on the JRA Business Plan. Three of these KPIs were not due at Q4. In the quarter the JRA achieved 19 (65.52%) and failed to achieve 10 (34.48%) of the due KPIs. Year-to-Date the JRA has achieved 66.66% of its targets. This is reflected in the table below.

JRA Programmes	No. of KPIs	Achieved	Not Achieved	Not Due	%age
Institutional SDBIP KPIs	3	1	2	0	33.33%
Entity Scorecards KPIs	9	6	1	2	85.71%
Gatekeeper KPIs	10	5	4	1	55.56%
Circular 88 Indicators	10	7	3	0	60%
Total Q4	32	19	10	3	65.52%
Total Year-to-Date	32	20	10	2	66.66%

Table 5.1 Performance On Institutional SDBIP Indicators

KPI No.	KPI	2023/24 Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	YTD
1	Number of lane kilometres of roads resurfaced.	145L/km	N/A	45 L/km	75.64 Lkm	120 Lkm	94.20 Lkm	145 Lkm	100.12 Lkm	145 Lkm	152.84 L km	Additional budget was requested during mid-term and approved, work resumed during Q4 and a set target was exceeded.	N/A	152.84 L km
2	Number of kilometres of gravel roads upgraded to surfaced roads	13km	N/A	0	0.073 km	3 km	2.15 km	5km	4.02km	13 km	7.76 km	<ul style="list-style-type: none"> Contractor underperformance Delays in finalization of designs due to the bulk stormwater issue (Orange Farm & Drieziek) 	<ul style="list-style-type: none"> Termination of Contract (Braamfischerville). Streets were reprioritized due to the bulk stormwater unavailability. Construction is in progress in Orange Farm with three contractors appointed (Wards 1, 3 and 131). 	7.76km
3	Number of kilometres of storm water drains converted to underground systems – Braamfischer ville	2km	2.5km	0.5km	1.134km	1km	1.43km	1.5km	1.55km	2.5km	1.91 km	<ul style="list-style-type: none"> The alignment of the business plan targets with the SDBIP targets increased the target without commensurate budget allocation. The targets were set prior the budget approval however, the allocated budget was lower than anticipated. 	<p>The alignment of SDBIP and business plan target for 2024/25 has been done. The allocated budget for the new financial year is adequate to achieve the target as the backlog remains high.</p>	1.91 km

Table 5.2 Performance On Entity Scorecard Indicators

KPI No.	KPI	2023/24 Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	YTD
4	Km of surface roads rehabilitated and reconstructed	6km	N/A	0	0km	2km	0km	0	0 Not Due	N/A	N/A	N/A	N/A	N/A
5	Number of bridges (Pedestrian & Vehicular) being reconstructed (replacement) and or rehabilitated	10	N/A	1	4	2	7	6	7	10	10	N/A	N/A	10
6	Number of SMMEs supported	90	N/A	25	34	50	77	60	93	90	127	The target was exceeded due to projects progress that have accelerated, resulting in SMME sub-contractors appointed earlier than anticipated.	N/A	127
7	Number of signalised traffic intersections upgraded	95%	35	10%	20.06%	30%	55.32%	15	19	35	44	Due to the urgency to re-cable traffic signals the contractors were requested to prioritize the project, good	N/A	44

KPI No.	KPI	2023/24 Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	YTD
8	Number of EPWP jobs created	150	N/A	40	20	90	96	120	130	90	219	progress was achieved The progress achieved in the gravel roads upgrade programmes resulted in higher number of EPWP job opportunities created	N/A	219
9	Kilometres of stormwater pipes installed for stormwater master planning projects	95%	1.45km	10%	0%	30%	0%	0.1km	0km	1.45km	0km	The underperformance on this KPI is attributed to the delays due to Joburg water pipes in construction vicinity.	Construction commenced in the upper stream while JW procured for a contractor to remove their pipe. The budget was not allocated by the City during mid-term budget adjustment as requested for this KPI.	0km
10	Number of lane kilometres of roads resurfaced on M1 Motorway	95%	21km	10%	0%	30%	0%	0km	0km Not Due	21km	3.221km	N/A	N/A	3.221km
11	Number of lane kilometres of roads resurfaced on M2 Motorway	95%	21km	10%	0%	30%	0%	0km	0km Not Due	21km	3.581km	N/A	N/A	3.581km
	Number of	95%	21k	10%	0%	30%	3.03%	01km	0 km	01km	01km	N/A	N/A	N/A

KPI No.	KPI	2023/24 Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	YTD
12	lane kilometres of roads resurfaced on M70 Motorway (Soweto Highway)								Not Due		Not Due			

Table 5.3 Gatekeeper Key Performance Indicators

KPI No.	KPI	2023/24 Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	(YTD)
13	Percentage spent on operating budget against approved operating budget	95%	N/A	25%	21%	50%	46,59%	75%	77,22%	95%	96,46%	N/A	N/A	96,46%
14	Percentage spent on capital budget against approved capital budget	90%	N/A	22,5%	21%	45%	46%	67,5%	66,67%	90%	90%	N/A	N/A	90%
15	Percentage reduction in unauthorized, irregular, fruitless and wasteful (UJFW) expenditure incurred	50%	N/A	40%	0%	30%	0%	20%	0%	50%	61%	N/A	N/A	61%

KPI No.	KPI	2023/24 Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	(YTD)
16	Percentage of valid invoices paid within 30 days of invoice date	100%	N/A	100%	94.47%	100%	93,33%	100%	91.63%	100%	74%	Not Achieved due to cash flow constraints. Payments have consistently declined from Quarters 1 to 4.		89.08%
17	Percentage resolution of Internal Audit findings	95%	N/A	10%	47%	30%	47%	70%	50%	95%	57%	Resource constraints e.g. budget & human resources (infrastructure related corrective actions)		57%
18	Percentage resolution of AG findings	85% ¹	N/A	10%	20%	30%	20%	70%	67%	85%	64%	Complexity of issues (management of interdependence s to resolve complex audit findings) Inadequate systems (Implementation of SAP could resolve some HCM findings)	Regular EMT engagements, and monthly quarterly monitoring and reporting	64%
19	Audit Outcome	Unqualified without material finding	N/A	Not Due	Not Due	Unqualified	Unqualified	Not Due	Not Due	Unqualified without material finding	Not Due	N/A	N/A	Unqualified
20	Percentage	80%	N/A	20%	21%	40%	43%.	80%	82%	80%	100%	N/A	N/A	95%

¹ In 2021/22 the AG raised 26 Audit Findings

KPI No.	KPI	2023/24 Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	(YTD)
	implementation of the strategic risk management action plan													
21	Percentage achievement of service standards	75%	N/A	75%	100%	75%	95.23%	75%	90.48%	75%	90%	N/A	N/A	90%
22	Percentage of predetermined objective achieved	75%	N/A	80%	62.06%	80%	48.38%	80%	50%	75%	65.52%	The reasons for underperformance include budgetary constraints, project management and contractor performance amongst others	Action plans for improved performance have been provided for each under achieved KPI	66.66%

Table 5.4 Performance On Circular 88 Indicators

KPI No.	KPI	2023/24 Annual Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement and or exceeding target	Action plan to improve performance	(YTD)
23	Percentage of unsurfaced roads graded	50% (720km / 1440km)	50% (659km / 1318km)	12.5% (180km)	24.11% (173.62 km)	25% (360km)	41.24% (296,95km)	37.5% (494km)	35.38% (466.43 km)	50% (659km / 1318km)	51% (674km)	The programme progressed faster than anticipated.	N/A	51% (674km)
24	Percentage of municipal road lanes which has been resurfaced and resealed	2.75% (*110/4000km)	3.65% (*62/1711km)	0.6%	1.89% (75.64 / 4000)	1.4%	2.12% (84.75 / 4000)	2.5% (43km)	2.50%	3.65% (*62/1711 km)	8.93%	The denominator (total length) for calculating percentage achieved was		8.93%

KPI No.	KPI	2023/24 Annual Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement and or exceeding target	Action plan to improve performance	(YTD)	
25	KMs of new municipal road network	20km	26km	4km	0.146 km	10km	4.16 km	12 km	8.04km	26km	27.7 km	Km taken over from Developers and capitalized during the 2023/24.	N/A	27.7 km	
26	Percentage of reported potholes complaints resolved within standard municipal response time	80% Within 30 days as per service charter	40% within 14 days	80%	Total repaired within 30 days: 1055 (87.59%)	Total repaired within 30 days: 7210 (83.67%)	40% within 14 days	64.98%	40% within 14 days	60% within 20 days	60% within 20 days	80.80%	Focus on backlog created and improved planning and efficiency by depots	N/A	70.84 %
												87.30%			75.97 %
												93.00%			82.40 %
27	Staff vacancy rate	10%	N/A	5%	12.5%	N/A	11.7%	7.5%	13.12%	10%	13.12%	A moratorium on filling of vacant positions has been instituted within the organization and therefore	Line Managers are employed to initiate motivation to the A/CEO requesting approval to authorize the recruitment for critical positions.	13.12 %	

KPI No.	KPI	2023/24 Annual Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement and or exceeding target	Action plan to improve performance	(YTD)
28	Percentage of vacant posts filled within 3 months	1%	N/A	0.5%	0.6%	0%	1.4%	0.75%	0%	1%	0%	recruitment is only subjected to the approval of the CEO. A moratorium on filling of vacant positions has been instituted within the organization and therefore recruitment is only subjected to the approval of the CEO.	Only positions that have been approved by the CEO subject to motivation from line managers are filled due to the moratorium instituted.	1.4%
29	Number of active suspensions longer than three months	≤ 28	- N/A	13	7	10	13	7	17	≤ 28	22	N/A	N/A	22
30	Quarterly salary bill of suspended officials	≤ R12,000,000	N/A	R 3,000,000	R1,113,958.99	R 3,000,000	R813,056 .16	R6,000,000.00	R3,565,416.00	≤ R12,000,000	R4,091,143.50	N/A	N/A	R4,091,143.50
31	Number of repeat audit	2	N/A	7	4	5	3	Not Due	Not Due	2	3	Resource constraints e.g. budget & human	Regular EMT engagements, monthly and quarterly monitoring and reporting	3

KPI No.	KPI	2023/24 Annual Target	Mid-Year Adj.	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Target	Q3 Actual	Q4 Target	Q4 Actual	Reasons for non-achievement and or exceeding target	Action plan to improve performance	(YTD)
	findings ²											resources (infrastructure related corrective actions) <ul style="list-style-type: none"> Complexity of issues (management of interdependencies to resolve complex audit findings) Inadequate systems (Implementation of SAP could resolve some HCM findings)		
32	Number of potholes reported per 10kms of municipal road network	-	53	-	-	-	-	Not Due	Not Due	53	2	N/A	N/A	2

² In 2021/22 Audit the AG raised 10 repeat findings. (i. Commitments; ii. Differences in Related Figures and Schedules; iii. Related Party Disclosure; iv. Irregular Expenditure not Prevented as Required by MIFMA; v. High Vacancy Rates; vi. Financial Instruments Disclosure; vii. Policies not reviewed / outdated; viii. Validity and Completeness of Indicator; ix. Cashflow Statement; x. Leave pay charge and performance bonus.

CHAPTER 4: HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT

Section 1: Employee Remuneration Highlights and Achievements

Table 4.1: Total employee costs

Category	Amount (R)
Executive Management	R 9,947,939.91
Senior Management	R 15,765,916.86
Professionally qualified and experienced specialists and mid-management	R 64,515,405.90
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	R 36,819,636.30
Semi-skilled and discretionary decision making	R 18,444,837.00
Unskilled and defined decision making	R 26,123,186.05
Total	R 171,616,922.02

Table 4.2 Staff cost as a percentage of adjusted operating budget.

R	Quarter 1 to 4
Total Salary Cost	925,058,000
Operating Budget 2023/24	1,445,980,000
% of Salary to Operating Budget	63.97%

Please note that included in the salary cost are the cleaning and security staff, that are paid by COJ and charged to JRA.

Section 2: Key Vacancies

Table 4.3: Progress in relation to the filling of key vacant posts

Vacant Post	Progress
Chief Executive Officer	Recruitment process for the position of the CEO has been completed and the CEO is to assume the responsibilities effective from 1 July 2024.
Head: Corporate Service	Readvertised
Head: Regional Operations	Readvertised
Regional Operation Manager: Region D and E	Readvertised

Vacancy Rate

This section provides information about rate of vacancies against the total population of funded posts within the approved organisational structure. The company has **2523** authorised positions on the approved structure of which **1898** positions are funded and **625** are unfunded. Of the **1898** funded positions, **1567** are filled as of 30 June 2024. There are currently **113** active funded vacancies in the process of being filled.

Of the 331 positions, 233 positions were previously authorised to be processed, budgeted for, but somehow lost funding as the years progressed due to non-filling of vacancies because several reasons including a moratorium on recruitment, rebasing of operational budget, or lack of provision for funding. The status thereof is recognised as the unfunded positions. Further positions that were never filled since the approval of the structure lost their status within the approved structure and have not been considered to form part of the vacancies to be filled soon.

Table 4.4: Vacancy ratio

Grade / Level	Authorised Complement	Number of funded Vacancies	
		Q4	% Vacancies
Executive Management + HODs	9	9	4
Senior Management	36	36	7
Professionally qualified and experienced specialists and mid-management	100	100	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	218	218	38
Semi-skilled and discretionary decision making	944	944	50
Unskilled and defined decision making	1216	1216	11
Total	2523	2523	117

Staff Turn-Over

The total percentage of staff turnover versus the authorized staff numbers for the 4th quarter is 0.38%) as illustrated in the table below:

Table 4.5: Staff Turnover

Turnover (Reason)	Staff Leaving JRA	
	Q4	Total
Resignation	5	5
Death	4	4
Dismissal	0	0
Medical Boarding	0	0
Retirement	12	21
Contract Termination	0	0
Total	21	21

Staff Movement

The below table provides an illustration of the staff movement recorded during this reporting period. Of interest to note is that the staff movement numbers are concentrated around African male employees.

Table 4.6: Staff Movement

Staff Movements	African		Coloured		Indian		Whites	
	Male	Female	Male	Female	Male	Female	Male	Female
Appointments						-	-	-
Recruitments	-	-	-	-	-	-	-	-
Resignations	2	1	-	1	-	-	1	-
Death	4	-	-	-	-	-	-	-
Dismissals		-	-	-	-	-	-	-

Staff Movements	African		Coloured		Indian		Whites	
	Male	Female	Male	Female	Male	Female	Male	Female
Retirements	11			-	-	-	1	-
Medical Boarding	-	-	-	-	-	-	-	-

Section 3: Employment Equity

There were no Employment equity activities during the 4th quarter, this is primarily because there is no dedicated official within the JRA appointed to deal with EE, the last Equity committee was schedule for 2nd quarter. Temporary measures were put in place to ensure compliance purposes. Issues related to EE raised by the members were reported to management for input and consideration. These measures will be actioned in consultation with the committees and as per an annual schedule that is reflected in the EE Plan.

Number of JRA Employees as of June 2024

OCCUPATIONAL LEVEL (High Level)	MALE				FEMALE				TOTAL
	A	C	I	W	A	C	I	W	
Top Management	4			1	1				6
Senior Management	15		1	3	7			2	29
Professional Qualified	105	5	4	11	82	4	3	4	221
Skilled Technical	304	4	1	6	186	5		8	518
Semi-Skilled	512	3	3	6	259	2	1	3	797
Unskilled									
Temporary									
TOTAL	940	12	9	27	533	11	4	17	1553

JRA Workforce Profile during Q4 of 2023/2024

Description	MALE				FEMALE				TOTAL
	A	C	I	W	A	C	I	W	
Province population	45.30%	1.30%	1.90%	7.40%	35.70%	1.30%	1.00%	6.10%	
Current no employees	940	12	9	27	533	11	4	17	1553
Required no of employees to EAP	745	21	31	121	587	21	16	100	
Gap	-195	9	22	94	51	10	12	83	
Current %	62.40%	0.70%	0.40%	2%	32.50%	0.60%	0.10%	1.20%	100%
Gap %	-17%	0.6%	1.5%	5.4%	3.2%	0.7%	0.9%	4.9%	
Representation status	over	under	under	under	under	under	under	under	

Section 4: Skills Development and Training

Table 4.8: Status of skills development at JRA

Training Provided to Address EE Under Representation

Occupational Level	Age Group	MALE				FEMALE				TOTAL
		A	C	I	W	A	C	I	W	
Top Management	18-34	0	0	0	0	0	0	0	0	0
	>35	4	0	0	0	1	0	0	0	5
Senior Management	18-34	0	0	0	0	0	0	0	0	0
	>35	1	0	0	0	1	0	0	0	2
Professional Qualified	18-34	7	0	0	0	4	0	0	0	11
	>35	5	0	1	0	5	0	0	0	11
Skilled Technical	18-34	2	0	0	0	2	0	0	0	4
	>35	4	0	0	0	5	0	0	0	9
Semi-Skilled	18-34	2	0	0	0	2	0	0	0	4
	>35	1	0	0	0	11	0	0	0	12
Unskilled	18-34	0	0	0	0	2	0	0	0	2
	>35	2	0	0	0	4	0	0	0	6
Temporary	18-34	0	0	0	0	0	0	0	0	0
	>35	0	0	0	0	0	0	0	0	0
TOTAL	18-34	11	0	0	0	10	0	0	0	21
	>35	17	0	1	0	27	0	0	0	45

Section 5: Performance Management

Management gave the go-ahead for submission of all overdue performance management documents as there were employees that were still experiencing difficulties with completing and signing off their performance management documents due to various reasons. The submission due date for all overdue performance management documents was 28 June 2024. The Performance Management unit is currently in the process of conducting quality checks on the submitted performance management documents and capturing on the PMD tracking register. Please see the attached overall summary table for submission statistics as of 1 June 2024.

Departments	PA and BSC submitted	Half Yearly Reports submitted	Total Number of Employees	BSC submission stats per dept	Half Yearly submission stats per dept
CEO's Office	9	8	11	81.8181818	72.7272727
Infrastructure Development	32	30	31	103.225806	96.7741935
Mobility and Freight	125	121	130	96.1538462	93.0769231
Planning	42	41	41	100	97.6190476
PR & Stakeholder Engagement	33	32	33	100	96.969697
Finance	99	95	111	89.1891892	85.5855856
Corporate Services	83	83	95	87.3684211	87.3684211
PG&IT	33	32	40	82.5	80
Regional Operations	814	784	1012	80.4347826	77.4703557

Section 6: Disciplinary Matters and Outcomes

Disciplinary Cases conducted and finalized.

There are currently twenty-two (22) recorded cases of employees that are currently being conducted. The table below reflects the circumstances and duration of each of these cases.

Table 4.10 Suspensions at the JRA

There are currently twenty-two recorded cases of employees that are being conducted whose details are contained in the table below.

SUSPENSIONS						
Employee Level	Position	Date Suspended	Category of Violations	Details of Disciplinary Action taken or status of case	Legal fees incurred	
Level 4	IT Manager	2022.10.03	Gross Negligence	The matter was postponed to 11 and 12 July 2024 for legal representation and for the employer to add further charges.	No legal fees. Internal process – Chaired by both CoJ employees.	
Level 9	General worker	2022.06.01	Alleged theft	Matter has been finalised, termination letter issued to the employee on Wednesday, March 13, 2024	No legal fees. Internal process – Chaired by JRA employee	
Level 3	Ops Manager: SCM	2023.01.26	Alleged dishonesty by soliciting bribes from appointed contractors	Waiting for the Investigation report from GFIS in the 4 th Quarter of the FY	No legal fees incurred yet.	
Level 9	Cleaner	24.04.2023	Alleged theft of laptops	Disciplinary hearing set to take place during the 1 st quarter of 2024.25	No legal fees incurred yet.	
Level 9	Cleaner	24.04.2023	Alleged theft of laptops	Disciplinary hearing set to take place during the 1 st quarter of 2024.25	No legal fees incurred yet.	
Level 4	Manager: ER	21.09.2023	Alleged misconduct	F Disciplinary hearing set to take place on the 16 th July 2024	No legal fees incurred yet.	
Level 2	Head: Mobility & Freight	13.10.2023	Alleged misconduct	Both parties agreed to separate on a mutual agreement	No legal fees incurred yet.	
Level 4	Manager: Internal Audit	19.10.2023	Alleged misconduct	Disciplinary set to take place on 17,18 & 19 July 2024	No legal fees incurred yet.	
Level 4	Manager: Internal Audit	23.10.2023	Alleged misconduct	Disciplinary hearing in process, matter postponed, Prosecutor to provide the date of the next sitting after having consulted with all parties on Tuesday, 12 March 2024	No legal fees incurred yet.	
Level 9	Supervisor	28.11.2023	Alleged misconduct	Matter finalised, final written warning issued, employee returned to work on 01 March 2024	No legal fees incurred yet.	
Level 5	Assistant Manager: Wellness	28.11.2023	Alleged misconduct	Disciplinary set to take place on the 10 &11 July 2024	No legal fees incurred yet.	
Level 6	Secretary	05.12.2023	Alleged misconduct	Disciplinary hearing set to take place on the 12 th July 2024	No legal fees incurred yet.	
Level 3	Regional Ops Manager	26.01.2024	Alleged misconduct	Under investigation	No legal fees incurred yet.	
Level 5	Assistant Manager: Fleet	13.02.2024	Alleged misconduct	Under investigation	No legal fees incurred yet.	
Level 3	Regional Ops Manager	26.02.2024	Alleged misconduct	Under investigation	No legal fees incurred yet.	
Level 6	Foreman	20.03.2024	Theft	Under investigation	No legal fees incurred yet.	
Level 6	Foreman	20.03.2024	Theft	Under investigation	No legal fees incurred yet.	
Level 6	Team Leader	20.03.2024	Theft	Under investigation	No legal fees incurred yet.	
Level 6	Team Leader	20.03.2024	Theft	Under investigation	No legal fees incurred yet.	
Level 6	Team Leader	20.03.2024	Theft	Under investigation	No legal fees incurred yet.	
Level 6	Team Leader	20.03.2024	Theft	Under investigation	No legal fees incurred yet.	
Level 6	Team Leader	20.03.2024	Theft	Under investigation	No legal fees incurred yet.	
Level 6	Team Leader	20.03.2024	Theft	Under investigation	No legal fees incurred yet.	
Level 3	Operations Manager: Facilities	20.05.2024	Alleged Misconduct	Under investigation	No legal fees incurred yet	
Level 4	Depot Manager:	14.06.2024	Alleged Misconduct	Under investigation	No legal fees incurred yet	

Conciliations, Arbitrations, and Grievances

The below conciliations and arbitrations are currently being conducted as reflected in the table below. Table 4.11: Conciliations, Arbitrations, and Grievances are currently being conducted

Disciplinary Cases:

DISCIPLINARY CASES CURRENTLY CONDUCTED		
Nature of Case	Number of employees	Outcome/Status
Absenteeism	2	1 Disciplinary hearing sat on March 25, 2024, postponed to first quarter of 2024/2025 financial year. 1 Hearing registered, awaiting the letters from the Norwood Depot
Gross Negligence and dereliction of duty	1	Refer to matter number one on the above table.
Attempted theft	4	There was an issue of jurisdiction, which the City clarified, JRA is in the process of appointing Chairperson and the Presiding Officer to resume with the hearings.
Theft	10	7 New cases registered; 1 Hearing finalised awaiting sanction. Landlord is not willing to testify in the hearing, matter to be escalated for decision by Management
Misconduct	11	11 New cases registered ;4 Attorney firms appointed: investigations underway; 3 Internal Investigations; 4 Cases ongoing
	28	

Section 7: Leave & Productivity Management

A summary of the leave provisions during the 4th quarter is presented below.

Figure 4.12: Leave and productivity management.

Category	Number of leave days
Annual leave	1250
Sick leave	795
Family Responsibility leave	156
Study leave	4
Long service leave	5
Extended sick leave	0
Unpaid leave	25
Leave encashment	610

Section 8: Employee Wellness

The table below provides information on Health and Wellness programmes that were embarked upon during May 2024.

Counselling services

- i. The Employee Health and Wellness register has fifty-five (55) active cases of which twelve (12) were referrals received during the 4th quarter of the financial year.

- ii. One hundred and six (106) counselling sessions from the new and old referrals were conducted, twenty-seven (27) were telephonic and seventy-nine (79) were face-to-face.
- iii. Eight (8) external referrals were made to the external service provider during the 4th quarter.
- iv. One (1) matter was finalized.
- v. Thirty-two (32) counselling sessions were conducted by the service provider and only two (02) sessions were not adhered to by the referred officials during the 4th quarter.

Other Wellness unit activities:

The following Employee Health and Wellness programmes and activities were embarked upon during the 4th quarter of the financial year.

- i. Health Screenings drives were conducted on all the Depots and Head Office from 09 to 25 April 2024. Wellness screenings serve as a cornerstone of preventive healthcare, promoting early detection, intervention, and education to support individuals in maintaining optimal health and well-being. The drive was a success although some officials without medical aid were left out since other services had financial implications.
- ii. JRA sports lovers participated in the Employee Engagement Day on 26 April 2024 and two sporting codes - Netball and Volleyball outshined all City entities and placed JRA in the spotlight by attaining 1st runner-up in Netball and 2nd runner-up in Volleyball.
- iii. The blood donation drive was conducted on 27 May at Head Office and six (6) employees donated blood.
- iv. Training on Basic Counselling Skills was conducted on 3 and 4 June 2024 where appointed Wellness Champs were trained on required skills as an entry point at the depots on wellness issues.
- v. Wellness in partnership with SHE embarked on awareness/roadshows from 05 June 2024 to end on 04 July 2024 to educate employees about mental health, Employee Assistance Program – how employees can benefit from the program, and two burning issues identified - absenteeism and substance abuse to all the depots and Head Office. A total number of 470 employees attended and participated. There has been an increased number of referrals since the inception of awareness, and this indicates that employees are becoming aware of the EAP and utilize the program.
- vi. Infographics and write-ups to educate and raise awareness on different disorders and diseases were communicated to all JRA employees.

Section 9: Employee Benefits

As prescribed in the Basic Conditions of Employment Act (BCEA) the employees are provided with a range of employment benefits by the company through membership in the following accredited funds:

Table 4.14: Pensions and Medical Aid Funds

		Name of the Medical Aid	No of employees
MEDICAL AID		Bonitas	364
		Key Health	116
		Sizwe Hosmed	56
		LA Health	292
		SAMWU Med	165
		Non members	696
		Total	1513
PENSION FUNDS		Name of Fund	No of employees
		E-Joburg	1318
		City of Johannesburg Pension Fund	125
		Municipality Gratuity & Pension Fund	68
		National Fund for Municipal Workers	1
		Employees who were given the option to have their own Retirement Annuity when employed by JRA	1
		Total	1513

Section 10: Occupational Health and Safety Programmes

Injury incidents at the company are reported using Disabling Injury Frequency Rate (DIFR) values. DIFR is defined as the number of disabling injuries per 200 000 employees' hours worked over a 12-month period (an accident resulting in the loss of one or more shifts). The acceptable and recommended best practice DIFR value is one (1). It is important to manage injury incidents to levels below the value of one. In the fourth quarter, nine (9) disabling occupational accidents were reported.

Table 4.15: Injuries on Duty

	Activity	Q1		Q2		Q3		Q4		Target / Comment
		22/23	23/24	22/23	23/24	22/23	23/24	22/23	23/24	
Injuries on Duty	Injuries on Duty (No of reportable cases)	8	13	8	12	7	8	7	9	The acceptable and recommended best practice DIFR value is a value of one.
	Reportable Cases Rate (DIFR)	0,670	0,486	0,852	0,936	1,10	1,12	1,33	1,36	

The table denotes that the DIFR is below the value of one (1) and is currently standing at 1,36, which exceeded the acceptable level of one (1). Table 4.15 demonstrates Q 4 recorded nine (9) occupational accidents higher than (7) of the last financial year (2022/23). Recorded occupational accidents during Q 4 are as follows i.e. RSD (3), Benrose (1) and a fatality(1), Midrand (1), Traffic Signals (1), Motorway fatality (1), Norwood (1) and Hamberg (1).

Current implemented mitigating measures

The Safety and Health Environment (SHE) Unit recommended that an action plan be developed by Mobility & Freight as well as Regional Operations Departments to ensure that the depot managers responsible for RSD (3), Benrose (1) and a fatality (1), Midrand (1), Traffic Signals (1), Motorway fatality (1), Norwood (1) and Hamberg (1).to investigate these accidents. Departments should implement planned preventative measures to reduce the high levels of occupational accidents at the depots and Head Office.

Table 4.16: Summary of Occupational Accidents ((April – June 2024)

# Injuries	Depots	Cause of Accident	Days lost	Recommended Mitigation
June 2024				
2	RSD	<ol style="list-style-type: none"> An employee was driving back from site to the depot when the vehicle overturned due to wet and slippery road surface, he sustained body injury. An employee was using a metal winder to start a pedestrian roller and it unexpectedly slips off from its position and struck the employee on the right knee. 	2	<p>The depot manager should conduct incident investigation and communicate the recommended mitigation measures to all employees to prevent recurrence of accident.</p> <p>The line manager should ensure that employees are trained on the job by their supervisors on how to start pedestrian rollers using metal winders to prevent injuries of similar nature to happen.</p>
2	Benrose	<ol style="list-style-type: none"> The employees were cleaning the KI when a drunken driver drove towards the direction of the site where employees were working (inside the KI) and knocked them down. One employee sustained a hand fracture, and the other employee was injured on the lower abdomen but later died in hospital. 	<p>Open</p> <hr/> <p>Fatality</p>	<p>The depot manager should induct safe working and barricading procedures to all employees while working on the road to prevent similar incident.</p>
May 2024				
1	Midrand	An employee got injured when he hit against the windscreen with his forehead after the JRA vehicle (that was ferrying employees from site) was knocked by a private vehicle colliding with another vehicle at an intersection.	8	The depot manager should conduct incident investigation and communicate the mitigation measures to all employees to prevent similar incident.
1	Head Office	An Employee was attending SCM policies session; while picking up her laptop bag from the chair, she missed a step and fell on the ground. She sustained injuries on her right leg and ankle.	Still open	The line manager should conduct an awareness on trip and fall hazards in the workplace to prevent injuries of similar nature to happen.

# Injuries	Depots	Cause of Accident	Days lost	Recommended Mitigation
1	Motorways	An employee was on site at M North Shakespeare, performing litter picking when the private vehicle accidentally knocked him and later died in hospital.	Fatality	The depot manager should induct all employees on safe working and barricading procedures while working on the highways and freeways to prevent similar incident.
April 2024				
1	Traffic Signal	An employee was pulling a traffic pole from the ground while standing on the boom, he fell and got injured.	1	The depot manager should induct employees on safe working procedures when replacing traffic poles to prevent recurrence of similar incident.
1	Norwood	An employee struck his index finger while closing the truck door.	0	The depot manager should conduct an awareness on safe closing of truck door to prevent injuries of similar nature to happen.
1	RSD	An employee was refilling the colas into the container from the drum, and while standing on the trailer he lost control and fell to the ground injuring his back and left hand.	Still open	The depot manager should induct employees on safe working procedures for refilling collars to the container from the drums while standing on the trailer recurrence of similar incident.
1	Hamburg	An employee was patching a pothole while loading a plate vibrator (hot) onto the truck, it burnt him, and the machine fell and injured his right leg.	Still open	The depot manager should conduct an awareness for safe loading of hot machines to trucks to prevent injuries of similar nature to happen. The incident investigation should be conducted to establish the cause of incident and recommended action plan must be implemented.

The above table demonstrates nine (9) recorded occupational accidents and two (2) fatalities as well as eleven (11) lost days due to employees being absent from work due to disabling injuries during Quarter 4. The accident investigation should be carried out by depot managers and submit recommended action plans to SHE unit for monitoring and to review the implemented recommendations.

Occupational Health Service Programmes

Table 4.16: Medical Surveillance

Pre-Employment	Depot	Total scheduled	Total completed	Total outstanding	Referrals: Suspected Noise-induced Hearing Loss (NIHL)	Referrals: Medical
	May 2024					
	Hamburg	1	1	0	0	0
June 2024						
	Dobsonville (June)	1	1	0	0	0
	Total	2	2	0	0	0
May 2024						

Exit Medicals	Hamberg	1	1	0	0	0
	Motorways	1	1			
	Avalon	2	2			
	June 2024					
	Hamberg	1	1	0	0	0
	Midrand	1	1	0	0	0
	Total	6	6	0	0	0

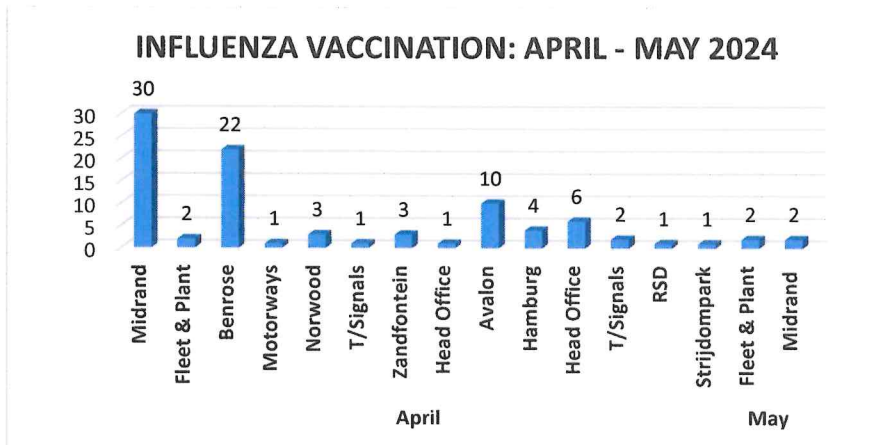
Table 4.17:

OCCUPATIONAL HEALTH AWARENESS

Occupational Health Awareness sessions conducted Quarter 4: April - May 2024			
Date (Month)	Depots	Number of participants	Theme
03/04/2024	Strijdompark	34	Epilepsy
04/04/2024	Waterval	54	
15/04/2024	Fleet & Plant	10	
16/04/2024	Zandfontein	50	
17/04/2024	Norwood	42	
19/04/2024	Midrand	57	
23/04/2024	Traffic Signals	26	
16/04/2024	Avalon	72	
17/04/2024	Benrose	55	
17/04/2024	Traffic Markings	15	
23/04/2024	Dobsonville	75	
24/04/2024	Hamburg	61	
13/05/2024	Laboratory	12	
14/05/2024	Asphalt Plant	16	
14/05/2024	Stridompark	40	
16/05/2024	Waterval	52	
16/05/2024	Motorways	45	
17/05/2024	RSD	76	
17/05/2024	Traffic Counts	18	
20/05/2024	Traffic Signals	28	
24/05/2024	Traffic Markings	16	
28/05/2024	Midrand	70	
Total		920	

The table above shows the depots and employees (920) that attended health awareness sessions.

Graph: 1 Influenza Vaccinations



The graph above demonstrates employees (91) that obtained the influenza vaccine. There were no reported complications.

Hepatitis B Second Dose Vaccinations

Depot	Date	Attendees	Side-effects Reported
Avalon	24/04/2024	17	0
Total		17	0

The above table demonstrates that seventeen (17) employees received second dose of Hepatitis B and no complications were reported.

Biological monitoring (repeat blood tests)

Depot	Total scheduled	Total completed	Total Of Outstanding employees
08/05/2024			
Laboratory	5	5	0
Asphalt	1	1	0
Total	6	6	0

The above table demonstrates that six (6) employees undergone repeated biological monitoring tests and waiting for results for analysis.

CHAPTER 5: FINANCIAL PERFORMANCE AND EXPOSURE
Section 1: Statement of Financial Position and High-Level Notes
(End of June 2024)

	2023-2024 R (000)
2023/2024 Draft Operating surplus as of 30 June 2024	R 124,139
2023/2024 Cash on hand (Developer's account and loan to COJ)	R 616,251
2023/2024 Accumulative deficit	(418,493)

(Refer to Annexure C for June 2024 Statement of Financial Position)

Section 2: Statement of Financial Performance and high-level notes for Quarter 4

Component	23/24 Opex Budget	23/24 Actual	Variance	Comment
2023/2024 Income	R'000 R 1,445,980	R'000 R 1,484,601	R'000 R -38,621	
2023/2024 Expenditure	R1,445,980	R 1,360,462	R 85,518	
2023/2024 Surplus/ (Deficit)	-	R 124,139		

Notes to financial position / performance (as of 30 June 2024):

The 2023/2024 quarter 4 cumulative Actual Income is above Budget by R 38,621million.

This is due to the following reasons:

- Jobbings, have increased and there was a small variance between budget and actual. There was interest received from bank which was not budgeted for and an increase in the sundry income which is also over budget amount.
- The 2023/2024 Cumulative Operating expenditure is below the budget by R 85,518 million this is contributed to by the following reasons:

Over/Under spending:

- The employee cost (indirect costs and internal transfers – Security and Cleaning staff paid by COJ and are charged to JRA), the employee costs for the month of May were under the monthly budget and under the budget year to date budget. Due to the change in systems and COJ now doing the salaries for JRA, figures are received later and hence the lower salary figures because a provision was used. Accruals are yet to be captured therefore its likely to increase.
- Audit fees are under budget for the month but are over budget year to date. Audit has completed and no new invoices are expected in this financial year
- Consultant fees still under budget, awaiting appointments and in other instances awaiting invoices to be submitted from business units.
- Municipal charges are over budget, this is due to the increase in municipal rates from the 1st of July'23 and charges from the landlord, Bayete, and municipal charges for the previous HO and some depots.

- Contracted services have decreased as at the end of May 24, The Contractors Outsourced are expected to increase during once accruals are captured.
- Leased Contract Services, this relates to fleet contractors that have been appointed last year and their invoices have all been paid which has now brought the year to date spend to a smaller variance. There are invoices from December which were not paid, and this will reduce the variance.
- Data Services has also increased and over the monthly budget with the Sonke invoices coming in monthly for their monthly contract fees. Also, MTN, Vodacom contract still running.
- Office Equipment, there is still no spend as invoices from Facilities have not been submitted and no indication of when they will be received but once received will be accrued.
- Legal Services have also increased due to many cases that are running within the JRA

Section 3: Cashflow Statement

Refer to Annexure D for 2023/24 Cash Flow Statement

Section 4: Capital Projects and Expenditure.

Capital Projects & Expenditure (2023/2024 CAPEX expenditure. See Annexure E)

Budget		Q1	Q2 Cumulative	Q3 Cumulative	Q4 Cumulative
2016-17 (R 1 472 946 000)	Expenditure	R 213,644 850	R 519 285 867	R 702, 044, 000	R 1, 288, 026, 000
	%	14,84 %	36,06%	47,7%	87,4%
2017-18 (R 1 121 086 000)	Expenditure	R 140 052 822	R 458 622 627	R 640 007 000	R 1,092,688,501
	%	11.5%	37,8%	57,1%	97, 4%
2018-19 (R 1 301 847 000)	Expenditure	R 162 494 005	R 494,151,605	R 681,126,046	R 1, 292, 145, 004
	%	13.5%	40,96%	52,32%	99%
2019-20	Expenditure	R 340 901 123	R 682 223 153	R 798, 736, 529	R 934, 521, 550
	%	29, 88%	59,8%	70%	82%
2020-21 (R 978 195 300)	Expenditure	R 66 059 812	R 204 845 109	R 320 170 903	R726 091 878
	%	6,38%	19,78%	30,93%	74,23%
2021-22 (R 863 707 000)	Expenditure	R147 585 152	R354 669 469	R497 382 976	R736 361 602
	%	16,96%	40,76%	57,16%	85.26%
2022-23 (R 795 214 000.)	Expenditure	R149 453 580.77	R244,774 910	R373,803,734.38	675,298,475.78
	%	14%	22%	47.01%	85%
2023-24 (809,234,000)	Expenditure	R177,323,358.73	461,849,606.55	R 539,535,410	R 731,556,222.00
	%	21%	46%	66.67%	90%

Capital Projects & Expenditure

Refer to the attached Annexure E for detail. Please note that the summary includes commitments and accruals.

Funding Sources

Table 5.1: Funding Source 2023/24

Details	Budget (R'000)	Actual (R'000)	% Spent
USDG	225,667,000	184,689,194	82%
COJ Funding	524,017,000	511,985,767	98%
MDRG	59,550,000	34,881,262	59%
Total	809,234,000	731,556,222	90%

Section 5: Ratio analysis

Table 5.2: Summary Ratios

KEY RATIO	Target FDP	June 2024 (2023/24)
Current ratio	1	0.88
Solvency ratio	2	0.99
Accumulated Surplus	R50M	(418,493)
Cash on hand	R50M	616,251
Salaries ratio	35%	28.46%
Repairs & Maintenance ratio	7%	4.33%

The 2023/24 solvency ratio for the period ending 30 June 2024 is below the FDP target of 2. The solvency ratio measures the company's ability to meet its long-term debt obligations. The entity's ratio which is currently **0.99** indicates that JRA's cash flow is insufficient to meet its long-term liabilities. JRA remains technically insolvent for the period ending 30 June 2024. If the ratio is 1.5 or below indicates that the company will have difficulty meeting the interest on its debts. Although some of the FDP targets were not met on ratios, the company is financially sound.

Cost coverage: The 2023/2024 cost coverage ratio for JRA is 6.18 Months. This is calculated based on Cash on Hand (sweeping and developers contribution) divided by average monthly operating expenditure.

If an entity has a ratio below the norm which is 1 to 3 months, it would be vulnerable and at a higher risk in the event of financial "shocks/setbacks" and its ability to meet its obligations to provide basic services or its financial commitment is compromised. The results from this ratio should be viewed along with results from analysis on Debtor Management to fully assess Cash Flow Risk. The more cash reserves a municipality or municipal entity has available the lower the risk of it being unable to fund monthly fixed operational expenditure and to continue rendering services.

Section 6: Supply Chain Management and BBBEE

Table 5.3: BBBEE Expenditure

	%
Total payments made (excluding payroll amounts) R 167,620,322.24	85.14% (% Against a target of 75% p.a.)

Capex Percentage	115,559,617.17	47.56%
Opex Percentage	91,294,015.89	37.58%

The new Preferential Procure Policy Framework Act came into effect on 1 April 2017. The B-BBEE point allocations have changed which impact future reporting. JRA reported B-BBEE spend of 77% against a scorecard target of 75% per annum.

Payment of suppliers within 30 days

	2023: Q4	Q1	Q2	Q3	2024: Q4	Target
% compliance in respect of payment of all Service Providers made within 30 days	April 94%	July 100%	October 97%	January 100%	April 100%	100%
	May 99%	August 92%	November 98%	February 75%	May 95%	
	June 100%	September 100%	December 85%	March 100%	June -%	
	Av. 97.67%	Av. 97,33%	Av. 93,33%	Av. 91,67%	Prov. Av. 74%	

The provisional 30 Days compliance rate for Quarter 4 is 74%. This is 23.67% lower than Quarter 4 for the financial year 2022/2023. This has dropped by 26% compared with the beginning of Quarter 4, (April 2024). The core reason for this non-compliance with the 100% target is cash flow constraints as highlighted throughout the financial year. The payments have consistently declined from Quarters 1 to 4.

The organization is unfortunately exposed to audit findings and is also at reputational risk due to the failure to pay service providers as guided by the MFMA s65.

Section 7: Report on Irregular, Fruitless and Wasteful Expenditure and Due Processes

Irregular expenditure – Irregular expenditure – The opening balance on the 1st of July 2023 is **R 417,706,728** and has increased as at the end of the 4th quarter, which brings the total accumulative amount of irregular expenditure to date to R 489 721 166.25. Irregular expenditure for the year is **R 72 014 438.25** and is **R 10 787 067.85** for the month of June. However, the JRA Board approved the write off **R 384,489,119.56**, this has led to the irregular balance to decrease to R 105,232,046.69.

Fruitless and Wasteful Expenditure – The Fruitless and Wasteful Expenditure incurred for in 2023/2024 is **R17, 809, 379.48** due to SARS matters (Income tax & VAT). The main contribution for the expenditure is interest and penalty from SARS and interest on late payments on Eskom accounts due to cashflow constraints.

No interest amounts were reversed or recouped to date though there is an unresolved query on Telkom interest amounting R2,002.60. Engagements were made with relevant parties to manage and prevent the recurring of the fruitless and wasteful expenditure. In addition, interest bearing accounts are prioritised for payments whenever cash is available.

The cumulative total amounts to **R 84, 442,152.16** including the opening balance of **R 66,632,772.68** from the previous financial years.

Deviations - For the Quarter 4 ending 30 June 2024, there were 7 deviation appointments of which five (5) were appointments amounted to **R 21 682 411.95** and Two (2) were appointed on rates. The total deviations approved by the Accounting Officer from 1st July 2023 to 30 June 2024 amounts to **R 94 028 155.33** and Sixteen (16) are appointed on rates.

Debtors

In the normal course of business, the JRA enters transactions with various external parties, some of whom are Related Parties, other Government Entities and Third Parties.

These transactions are deemed to be at arms' length whereby cash is paid upon exchange or payment terms are extended to the external party. In other instances, these transactions are of non-exchange nature.

The following summary of the Age Analysis for the 4th Quarter by category of Debtor:

Description	%	Open Amount	Current	31 - 60	61 - 90	91 - 120	Over 120
Related Parties	95.09%	432,913,199.60	218,254,034.33	34,573,244.67	38,025,294.39	350,526.50	141,710,099.71
Other Govt entities	4.85%	22,080,532.25	-	7.68	7.36	7.52	22,080,509.68
Third Parties	0.06%	261,833.78	99,548.00	3,275.97	3,139.96	3,261.97	152,607.88
		455,255,565.63	218,353,582.33	34,576,528.32	38,028,441.71	353,795.99	163,943,217.27

From the above table, the following observations can be made:

- I. That, the overall debtors book shows a decrease from a figure of R R461m in 2023 financial year to R455m in the financial year 2023/24. The decrease is mainly attributable to the decreased in number of claims of related parties submitted for work completed, which has led to the decrease in debtors from the previous financial year.
- II. Related Parties are those entities which fall within the ownership and control of the City of Johannesburg with whom the JRA does business. Under normal circumstances, the transactions between the entities are underpinned by the SLA failing which, a purchase order may become a trigger for doing business.

The total amount owed by related parties' debtors was R410 million in 2022/2023, which represented 89% of the total debtors increased by 6%. The related parties have increased from R410 million to R432.9 million in the 2023/2024 when compared with the previous financial year. Related Parties pose minimal risk of payment to the JRA.

The normal process requires all related entities to confirm the outstanding balances owing/owed to one another, as well as the transactions that gave rise to those balances. This process ensures that all disputes are eradicated. Furthermore, due to the austerity measures of intercompany confirmations and reporting for each quarter and monthly, management is confident that the bulk of the invoices will be settled, as the departments clear all accrued

transactions. Corporate Finance unit is continuously engaging with City of Johannesburg departments to resolve the queries being raised on old invoices.

III. Third Parties are non-government-owned and controlled entities. They account for 0.06% of the total debtors' book, a decrease of 5% from last financial year, attributed to the write-off of doubtful debtors of R2,2 million which was approved by the board of directors. Third-party debtors amounting to R66k in this category have been created because of staff that have exited the JRA system with outstanding amounts. Follow-up process on any outstanding or due amounts still to be paid is performed to ensure recovery. Interest charges have been levied in the line item at prime rate on monthly basis. A further amount of R83.9m not reflected in the age analysis is provided for against this category of debtors and related parties as at year end 30 June 2024.

IV Other Government Entities are owned and controlled by other spheres of government but fall outside the City of Johannesburg. This category of debtor's accounts for 4.85% of the overall book in the 4th quarter. These debtors are stagnant and follow-up on the over 120 days due by the DRT and IDC is being made. A commitment to settle the account was made by DRT and IDC. However, the monies have not yet been paid into our account.

V **Bad Debts Provision**

For the financial year 2023/24, provision amounting to R83,921,106.83 is disclosed against JRA debtors. All debtors are assessed monthly, and provisions made and adjusted during the Impairment & uncollectability assessment as per GRAP 104. The JRA provision is against the following debtors as per below schedule:

		Open A/R Summary
Address		
Number	Description	Amount
	JRA	
1545622	Prepayments and Developers Income	135,401.41
120624	Institute for Local Government	5,750.00
1547987	Afr-Infra Group Holdings	352,800.00
1544930	Afr-Infra Group Holdings	117,497.42
	Outstanding Metro Claims	83,309,658.00
	TOTAL	83,921,106.83

All other long outstanding amounts are being monitored closely and ongoing communication is made with debtors to recover what is being owed to JRA.

Table: Pending litigations and possible liabilities

Litigation area	Total number of cases
Contractual disputes	0
Delict (damages)	0
Labour (review applications)	0
Others (No relief sought from JRA)	0
Letters of Demand	4

Public Liability Claims

Month	Letter of Demand	Normal Claims	Summons	Total	Total amount claimed
April 2024	25	12	1	38	2 967,729.18
May 2024	41	13	2	56	9 906,687.00
June 2024	20	8	1	29	841 038.92

Total Amount for 4th quarter: R13 715,455.10

Section 9: Statement on Amounts Owed by and to Government Departments and Public Entities

Table: 9.1: Amounts Owed by and to Government Departments and Public Entities

Department of Roads and Transport	22,018,254
Industrial Development Corporation	61,500
Rand Water	778
Total	22,080,532

CHAPTER 6: INTERNAL AND EXTERNAL AUDIT FINDINGS

Section 1: Progress on Internal Audit Plan

Results of the audits completed within the 4th Quarter are presented in the table below.

Table 6.1: Progress with audit plan

Description	Total planned projects	Deferred	Planning phase	Execution phase	Reporting/ Completed	Comments
Projects completed	19				19	None
Projects outstanding	8	2	0	6	0	<p>As of 30 June 2024, the following audits were outstanding due to the following reasons:</p> <ol style="list-style-type: none"> 1. Fixed Assets : Deferred to the next financial period as per Client's request. 2. Contract Development and Management: <ol style="list-style-type: none"> a. Audit commenced late due to client unavailability. b. The Audit was split into two parts (Development and Management) across different departments, causing extended duration. c. There were delays in receiving additional information requested. 3. Costing Management and Reporting: <ol style="list-style-type: none"> a. There were insufficient resources or personnel for the Audit. 4. Review of the Interim Financial Statements: <ol style="list-style-type: none"> a. The Auditor was involved in finalising other two Audits (Inventory Audit and Contract Management and Development audit). b. This resulted in me splitting my day into Inventory/ Contract and IFS. 5. Project Management and Capex physical verification: <ol style="list-style-type: none"> a. Opening meeting commenced late due to client's PA not securing a meeting for Internal Audit b. Delays in conducting site inspection as some Project Managers have not responded. Follow-up is being made so that site inspection can be concluded before end of June. 6. Infrastructure planning (Roads Stormwater and Roads Assets Management System (RAMS): <ol style="list-style-type: none"> a. The commencement of this audit was delayed primarily because of the extended time required by the Auditor to finalize the Leave Management Audit. b. Further delays were experienced in securing a mutually agreeable date for the Opening Meeting with all relevant officials from Infrastructure Planning. 7. Fleet and Plant: <ol style="list-style-type: none"> a. Deferred to the 2024/25 financial year as a follow-up audit. b. This is because the previous audit was concluded in the 2nd quarter of 2023/24 and some action plans have not yet been implemented. 8. Corporate Governance: <ol style="list-style-type: none"> a. An audit commenced a bit late. due to the delay in obtaining signed Notification Letter and thus delayed the preliminary planning. b. Size of the audit - Substantive issues and significant volume of documents reviewed.
Total Projects	27	2	0	6	19	None
Progress (percentage)	100%	7 %	0%	22%	70%	None

Section 2: Progress on the resolution of Internal Audit findings

In the preceding quarter, Internal Audit reported and monitored a total of 62 findings, with 20 being resolved, resulting in 42 remaining unresolved. Transitioning into the fourth quarter, an additional 8 findings were added as they became due, bringing the monitored total to 50. Over the course of Q4, Management successfully resolved 11 of these findings, which accounts for 22% of the total, (58% year-to-date).

Remedial Actions undertaken by Management to address the non-achievement:

Management is responsible for implementing corrective actions to resolve audit findings. Ongoing collaboration between management and Internal Audit ensures consistent tracking and reporting of these findings. The findings are regularly discussed as a standing agenda item during Executive Management Team (EMT) meetings to maintain continuous oversight. Additionally, monthly, and quarterly reports are submitted to the city and the Audit and Finance Committee, respectively, for further review and accountability.

Additional Actions by Internal Audit

Internal Audit will undertake further actions to support the management's responsibility in implementing corrective measures. These actions include:

- **Conducting Root Cause Analysis:** Internal Audit will conduct a comprehensive analysis to ascertain the reasons behind the persistence of certain audit findings. This analysis will also assess the feasibility and practicality of the corrective actions and implementation timelines provided by management.
- **Ensuring Clear Accountability:** Internal Audit will verify whether there is clear ownership and responsibility assigned for addressing audit findings. This involves confirming whether management has designated specific individuals or teams to resolve each finding, with well-defined timelines and milestones. Additionally, Internal Audit will assess whether management has allocated sufficient resources, including technology and budget, where necessary, to effectively address audit findings.

Section 3: Progress on the resolutions of the Auditor General findings

(Categories between findings affecting and not affecting the Audit Opinion)

Description	Total	Resolved	Unresolved
Matters affecting the audit report	5	1	4
Other important Matters	5	3	2
Administrative matters	4	1	3
Total	14	5	6
Overall Performance - % Resolution of AGSA Audit Findings		36%	64%

6.3.1.1. 2022/23 AG Audit

As indicated in the table above, during the fourth quarter, there were fourteen findings that were due, and out of these, 5 were resolved which translates to 36% and 64% year-to-date.

6.3.2 2022/23 AG repeat findings

Of the three repeat findings that were due in Q4, none has been resolved in the quarter.

Section 4: Overall State of internal Controls

The overall conclusion of the state of internal controls based on the following audits completed from the 1st of July 2023 to 31 June 2024 is that controls are adequate but ineffective to provide reasonable assurance that JRA objectives will be achieved:

Table 6.3: State of internal controls

Name Audit Area	Date completed	Opinion Expressed	Original Rating	Rating (Follow up audits)
Security Services Management Audit	Quarter 1	Inadequate	Red	N/A
Public Claim Liability	Quarter 1	Inadequate	Red	N/A
Facility Management Audit	Quarter 1	Adequate but Ineffective	Yellow	N/A
Capex Verification Audit	Quarter 1	Adequate but Ineffective	Yellow	N/A
Interim Financial Statement Review Audit	Quarter 1	Adequate but Ineffective	Yellow	N/A
Audit of Performance Information (AOPO) Report Audit	Quarter 4,1 & 2	Adequate but Ineffective	Yellow	N/A
Traffic Engineering Audit	Quarter 2	Adequate but Ineffective	Yellow	N/A
Fleet and Plant Audit	Quarter 2	Inadequate	Red	N/A
SMME Audit	Quarter 2	Adequate but Ineffective	Yellow	N/A
IT Hardware and software Audit	Quarter 2	Inadequate	Red	N/A
Risk Management Audit	Quarter 2	Adequate but Ineffective	Yellow	N/A
Employee Physical verification Audit	Quarter 2	Adequate but Ineffective	Yellow	N/A
Exit Pay Audit	Quarter 2	Adequate but Ineffective	Yellow	N/A
Performance Bonus verification Audit	Quarter 2	Adequate but Ineffective	Yellow	N/A
Expanded Public Works Programme Audit	Quarter 3	Adequate but Ineffective	Yellow	N/A
Business Continuity Management Audit	Quarter 3	Inadequate	Red	N/A
Legal Services Management Audit	Quarter 3	Adequate but Ineffective	Yellow	N/A
Probity Audits	Quarter 1,2,3 & 4	Adequate but Ineffective	Yellow	N/A
RFQ closing process Q4, Q1,2&3	Quarter 4,1,2 &3	Adequate and Effective	Green	N/A
Bids closing process Q4, Q1,2&3	Quarter 4,1,2&3	Adequate and Effective	Green	N/A
Leave Management	Quarter 4	Adequate but ineffective	Yellow	
Payroll Management	Quarter 4	Adequate but ineffective	Yellow	

Name Audit Area	Date completed	Opinion Expressed	Original Rating	Rating (Follow up audits)
Expenditure Management	Quarter 4	Adequate but ineffective	Yellow	
Contract Development and Management	Quarter 4	Adequate but ineffective	Yellow	
Unauthorised, Irregular, Fruitless, and Wasteful Expenditure	Quarter 4	Adequate but ineffective	Yellow	

ANNEXURES
Annexure A: Fees Schedule
ANNEXURE A

FEES SCHEDULE

COMMITTEES	FEES PER SITTING
Board or Group Advisory Committee Chairperson Fee	R 16 000
Chairperson of Group Advisory Committees attending Mayoral Committee and/ or MPAC	R16 000
Board or Group Advisory Committee Member Fee	R 12 000
Chairperson of ME Audit and Risk Committee and when attending GACs meetings	R 10 000
Ordinary Member of Audit and Risk Committee	R 8 000
GACs Chairperson assisting City Manager or Mayor on s57 assessment	R16 000
GACs member assisting City Manager or Mayor on s57 assessment	R 12 000
Chairperson of Remuneration and Human Resources and Social and Ethics Committee	R 10 000
Ordinary Member of Remuneration and Human Resources and Social and Ethics Committee	R 8 000
Chairperson of Transactions Committee (JPC)	R 10 000
Ordinary Member of Transactions Committee (JPC)	R 8 000
Chairperson of Service Delivery Committee	R 10 000
Ordinary Member of Service Delivery Committee	R 8000

Annexure B: Attendance to Board and Board Committee Meetings for Q4

Non-Executive Directors (NEDs)	Board 26-04-2024	Special Board 14-05-2024	Special Board 14-06-2024	Special Board 21-06-2024	Remuneration, Social & Ethics Committee (REMSEC) 10-04-2024	Special Remuneration, S&E Committee (REMSEC) 14-05-2024	Service of Delivery Committee (SDC) 12-04-2024	Audit, Finance, Risk and IT Committee (AFR&ITC) 16-04-2024	Special Audit, Finance, Risk and IT Committee (AFR&ITC) 20-06-2024
Dr Ravendran Govender	✓	✓	✓	✓	✓	n/a	n/a	✓	N/A
Alvaro Francis	✓	✓	✓	✓	n/a	n/a	✓	✓	✓
Daniel Nyamazane	✓	✓	✓	✓	✓	✓	✓	n/a	n/a
Cleopatra Lourens	✓	✓	✓	✓	✓	✓	n/a	n/a	n/a
Kabelo Mofokeng	✓	✓	✓	✓	✓	✓	n/a	n/a	n/a
Bruce Nimmerhoudt	✓	✓	✓	✓	n/a	n/a	✓	n/a	n/a
Siphosethu Mtamzeli	✓	✓	✓	✓	n/a	n/a	✓	n/a	n/a
Zenzokuhle Xaba	✓	✓	✓	✓	n/a	n/a	✓	n/a	n/a
Victoria Mamogobo	✓	✓	✓	✓	n/a	n/a	✓	n/a	n/a
Sharon Kleinbooi	✓	✓	✓	✓	✓	✓	n/a	n/a	n/a
Trevor Goldsmith	✓	✓	✓	✓	✓	✓	n/a	n/a	✓
Independent Audit Committee (IAC)									
Nison Khoza	n/a	n/a		n/a	n/a	n/a	n/a	✓	✓
Derek Martin	n/a	n/a		n/a	n/a	n/a	n/a	✓	✓

✓: Present

X: Absent

N/A: Not Applicable

Annexure C: Statement of Financial Position As At June 2024

JOHANNESBURG ROADS AGENCY (PTY) LIMITED

		2024	2023
		June	June
		R'000	R'000
Assets	Notes		
Current assets		1,153,991	1,194,631
Inventories	5	69,641	47,598
Loan to Shareholders - Sweeping	15	176,151	206,578
Trade and other receivables	4	468,099	462,526
Intercompany account	12	-	-
Cash and Cash Equivalents	6	440,099	477,929
Non-Current assets		177,647	179,877
Property plant and equipment	1	126,555	126,569
Intangible Assets	2	20	516
Employee benefits investment	3	51,071	52,791
Total Assets		1,331,638	1,374,508
Liabilities			
Current Liabilities		1,305,936	1,475,920
Trade and other payables	10	1,094,055	1,089,479
Finance lease obligations	9	16,267	16,267
Operating Lease Liability	16	-	-
Loan from Shareholders - Overdraft		-	-
Taxation	14	(46,879)	101,911
Provisions	12	242,493	268,264
Non-Current Liabilities		40,714	39,357
Employee benefit obligations	8	39,357	39,357
Finance lease obligations	11	1,357	-
Total Liabilities		1,346,651	1,515,277
NET ASSETS		(15,013)	(140,768)
Equity		(15,013)	(140,768)
Contribution from owner	7	403,480	372,103
Accumulated Surplus		(418,493)	(512,871)

Annexure D: Cash Flow Statement for the Period Ended June 2024

JOHANNESBURG ROADS AGENCY (PTY) LIMITED			
		2024	2023
		June	June
		R'000	R'000
	Note		
Cash Flows from Operating Activities			
Cash used in operations	13	5,698	(21,725)
Interest income		(13,293)	(22,125)
Finance Costs		-	-
Net Cash from operating activities		(7,596)	(43,850)
Cash flows from investing activities			
Purchase of property, plant and equipment		-32,758	(30,001)
Proceeds from sale of property, plant and equipment		-	-
Increase/(Decrease) in Developers contribution		-	26,325
Decrease in Loan to shareholder		-	-
Net Cash from investing activities		(32,758)	(3,676)
Cash Flow from Financing Activities			
Decrease in shareholder's loan		-	69,697
Repayment of finance lease obligations-noncurrent		-	(15,541)
Net Cash From financing activities		-	54,156
Total Cash Movement for the period		(9,928)	6,630
Cash at the beginning of the period		477,928	471,298
Total cash at the end of the period		468,000	477,928

Annexure E: JRA CAPEX Report

Project Number	Project Description	Source of funding	Revised Budget	Actual Expenditure	Open Commitments	Accruals	YTD Expenditure	Budget Variance
50012024.24100.306	Tarring of Gravel Roads: Dieps	USDG	49,000,000	49,240,144		13,606	49,253,750	253,750
50062024.24100.306	Tarring of Gravel Roads: Mayib	USDG	10,000,000	9,962,013		77,295	10,039,308	39,308
50072024.24100.306	Tarring of Gravel Roads: Orang	USDG	20,000,000	19,212,694		181,730	19,394,424	605,576
50092024.24100.306	Tarring of Gravel Roads: Tshep	USDG	7,000,000	2,294,334			2,294,334	4,705,666
50102024.24100.306	Tarring of Gravel Roads: Kaalf	USDG	4,000,000	3,988,192			3,988,192	11,808
50152024.24100.301	Bridge Rehabilitation	EFF	18,023,000	24,942,697		6,937,196	31,879,894	13,856,894
50162024.24100.305	Bridges: Visual Condition Asse	CRR	5,030,000	4,996,788			4,996,788	33,212
50172024.24100.301	Bridges: Replacement of bridge	EFF	18,530,000	27,893,699			27,893,699	9,363,699
50242024.24100.301	Emergency Stormwater Improveme	EFF	10,000,000	9,947,330			9,947,330	52,670
50302024.24100.301	Klein Jukskei Catchment: Bond	EFF	10,000,000	10,000,000			10,000,000	-
50332024.24100.301	Conversion of Open Drains Bram	EFF	10,000,000	6,627,786		1,088,042	7,715,828	2,284,172
50352024.24100.305	Conversion of Open Drains Oran	CRR	14,000,000	13,307,607		459,526	13,767,133	232,867
50372024.24100.305	Operational Capital: Depot Upg	CRR	51,000,000	31,624,044	36,025,615		67,649,658	16,649,658
50392024.24100.305	Operational Capital	CRR	10,000,000	7,655,100	1,228,020		8,883,120	1,116,880
50422024.24100.301	Dam Safety Rehabilitation	EFF	4,215,000	2,123,533			2,123,533	2,091,467
50452024.24100.301	Integrated Roads and Stormwater	EFF	13,504,000	6,704,579			6,704,579	6,799,421
50462024.24100.305	Investigate and Design Future	CRR	4,400,000	4,348,394			4,348,394	51,606
50472024.24100.301	Emergency, Critical and Urgent	EFF	22,000,000	28,703,554		806,328	29,509,883	7,509,883
50512024.24100.305	Geometric Improvements	CRR	1,800,000	1,217,513			1,217,513	582,487
50532024.24100.305	Alternative Power Sources (LED)	CRR	2,000,000	1,977,794	17,888		1,995,682	4,318
50542024.24100.301	Alternative Power Sources (UPS)	EFF	5,000,000	3,710,570	1,257,977		4,968,548	31,452

Project Number	Project Description	Source of funding	Revised Budget	Actual Expenditure	Open Commitments	Accruals	YTD Expenditure	Budget Variance
50562024.24100.305	Installation of New Warranted	CRR	5,000,000	4,401,416	566,251		4,967,666	32,334
50582024.24100.305	Recabling of Traffic Signals	CRR	24,400,000	22,216,668	2,158,970		24,375,638	24,362
50592024.24100.305	Remote Monitoring	CRR	1,500,000	996,621	849,155		1,845,776	345,776
50602024.24100.305	SARTSM	CRR	21,000,000	20,893,155	90,320		20,983,475	16,525
50622024.24100.305	Upgrading of Traffic Signal Co	CRR	17,000,000	14,914,505	2,004,208		16,918,713	81,287
50632024.24100.305	Upgrading Controllers and Phas	CRR	4,000,000	3,752,682	1,046,834		4,799,516	799,516
50642024.24100.301	GIS Improvement	EFF	3,000,000	512,482			512,482	2,487,518
50662024.24100.305	Rehabilitation of open Channel	CRR	9,000,000	8,303,465			8,303,465	696,535
50672024.24100.305	Road Rehabilitation and Recons	CRR	7,000,000	3,232,679		604,886	3,837,564	3,162,436
50682024.24100.305	Resurfacing of M1 Motorway	CRR	5,000,000	497,242			497,242	4,502,758
50692024.24100.301	Resurfacing of M2 Motorway	EFF	600,000	579,534			579,534	20,466
50702024.24100.301	Resurfacing of Soweto Highway	EFF	649,000		166,937		166,937	482,063
50712024.24100.301	Resurfacing of Roads	EFF	86,489,000	57,667,406			57,667,406	28,821,594
50712024.24100.305	Resurfacing of Roads	CRR	52,070,000	42,239,232		537,344	42,776,576	9,293,424
50712024.24100.306	Resurfacing of Roads	USDG	25,394,000	175,776		7,031,024	7,206,800	18,187,200
50752024.24100.305	Spencer Road New Link New Road	CRR	3,000,000	272,407			272,407	2,727,593
50822024.24100.301	Bulk stormwater development/Tr	EFF	10,000,000	13,160,736			13,160,736	3,160,736
50892024.24100.305	Vorna Valley	CRR	1,800,000	1,674,140			1,674,140	125,860
50942024.24100.305	Flooding intervention and alle	CRR	8,000,000	12,312,754			12,312,754	4,312,754
50972024.24100.306	Tarring of Gravel Roads: City	USDG	60,000,000	43,673,715		5,614,998	49,288,713	10,711,287
50982024.24100.305	Rehabilitation of aged and inc	CRR	2,371,000	1,853,176		96,528	1,949,704	421,296
50992024.24100.305	River rehabilitation and erosi	CRR	3,000,000	2,954,940			2,954,940	45,060

Project Number	Project Description	Source of funding	Revised Budget	Actual Expenditure	Open Commitments	Accruals	YTD Expenditure	Budget Variance
51142024.24100.306	Ivory Park - Khosa Street	USDG	12,600,000	9,164,871			9,164,871	3,435,129
51152024.24100.306	Upgrade roads Klipfonteinview	USDG	19,273,000	19,422,815			19,422,815	149,815
51162024.24100.301	Stormwater Conversion: wards 7	EFF	5,000,000	4,867,306			4,867,306	132,694
51162024.24100.306	Stormwater Conversion: wards 7	USDG	1,000,000	106,551			106,551	893,449
51172024.24100.301	Capital Equipment New Plant an	EFF	23,000,000	23,031,768	0	31,768	23,000,000	-0
51182024.24100.306	Tarring of gravel roads: Ivory	USDG	17,400,000	14,529,436			14,529,436	2,870,564
51232024.24100.301	Intelligent Transport Systems	EFF	36,000	5,522	29,599		35,121	879
51242024.24100.305	Traffic Management Centre	CRR	7,600,000	3,178,613	5,287,100		8,465,713	865,713
51262024.24100.315	Disaster - Heiderkruin	MDRG	5,000,000	2,587,572			2,587,572	2,412,429
51272024.24100.315	Disaster - Discovery	MDRG	31,000,000	24,448,651			24,448,651	6,551,349
51282024.24100.315	Disaster - Dobsonville	MDRG	2,000,000	281,875			281,875	1,718,125
51292024.24100.315	Disaster - Nancefield	MDRG	8,200,000	4,324,601			4,324,601	3,875,399
51302024.24100.315	Disaster - Protea	MDRG	3,000,000	1,767,899		474,306	2,242,205	757,795
51312024.24100.315	Disaster - Naledi	MDRG	2,000,000	718,531			718,531	1,281,469
51352024.24100.301	Lilian Ngoyi Region F	EFF	4,000,000	1,440,555		18,819	1,459,374	2,540,626
51352024.24100.305	Lilian Ngoyi Region F	CRR	20,000,000	20,018,819		18,819	20,000,000	-
51432024.24100.315	Disaster - Albertina Sisula Ro	MDRG	3,375,000	138,776			138,776	3,236,224
51442024.24100.315	Disaster - Main Reef Road	MDRG	3,375,000	139,051			139,051	3,235,949
51452024.24100.315	Disaster - Primrose Road	MDRG	300,000				-	300,000
51462024.24100.315	Disaster -Lehae Library	MDRG	1,300,000				-	1,300,000
			809,234,000	656,936,309	50,728,873	23,891,041	731,556,222	77,677,778

Annexure F: JRA Detailed Income Statement

Description	Q4 Actual Amount	Q4 Budget Amount	Variance Amount	Variance %	YTD Actual	YTD Budget Amount	YTD Variance Amt	Prior Year's Actual Amount	Current Year Total Approved Budget
REVENUE	000	000	000		000	000	000		
RENT RECEIVED	1,019	1,016	3	0.33%	12,207	12,187	20	10,370	12,187
COJ MAINTENANCE	103,542	109,176	-5,634	-5.16%	1,310,112	1,310,112	-0	1,258,837	1,310,112
INSURANCE CLAIMS	5,229	2,256	2,973	131.80%	18,889	27,069	-8,180	14,674	27,069
TOTAL REVENUE	109,790	112,447	-2,657		1,341,207	1,349,368	-8,160	1,283,882	1,349,368
DIRECT COSTS									
MATERIAL COST	47	3,922	3,875	98.79%	65,861	47,067	-18,795	41,449	47,067
EXTRA ITEMS	-433	-	433	100.00%	-6,180	-	6,180	-31	-
STOCK ADJUSTMENT	2,967	-	-2,967	-100.00%	6,686	-	-6,686	23,478	-
TOTAL DIRECT COST	2,581	3,922	1,341		66,367	47,067	-19,300	64,896	47,067
GROSS PROFIT	107,209	108,525	-1,316		1,274,841	1,302,301	-27,460	1,218,986	1,302,301
OTHER INCOME									
DCP Testing	15	21	-6	-29.93%	41	252	-211	178	252
Insurance Claims	-	-	-	0.00%	-	-	-	13	-
Interest from Intercompany	1,050	1,872	-822	-43.90%	13,377	22,468	-9,091	21,801	22,468
Interest Received Debtor	15	21	-6	-26.98%	-84	248	-332	325	248
Jobbings	5,826	3,999	1,827	45.68%	15,568	47,994	-32,425	17,630	47,994
Recoveries Telephone Calls, Faxes	-	-	-	0.00%	-	-	-	0	-
Reinstatements	5,279	1,478	3,800	257.05%	24,233	17,742	6,491	12,721	17,742
Road Closures	107	51	56	110.39%	730	612	118	572	612
Sundry Income	-408,850	608	-409,458	-67333.58%	89,528	7,297	82,231	10,484	7,297
TOTAL OTHER INCOME	-396,558	8,051	-404,609		143,394	96,612	46,782	63,725	96,612
INDIRECT COSTS									
Advertising	-	42	42	100.00%	265	506	242	294	506

Description	Q4 Actual Amount	Q4 Budget Amount	Variance Amount	Variance %	YTD Actual	YTD Budget Amount	YTD Variance Amt	Prior Year's Actual Amount	Current Year Total Approved Budget
Auditors Remuneration Fees	-	277	277	100.00%	4,288	3,320	-969	4,017	3,320
Bank Charges	4	7	3	44.77%	84	81	-2	91	81
Finance Charges	-	28	28	100.00%	-	332	332	12,979	332
Consulting Fees	-76	855	931	108.92%	5,146	10,258	5,112	9,157	10,258
Contractors JRA	-761	2,187	2,948	134.79%	13,549	26,250	12,701	137,425	26,250
Contractors Outsourced	634	708	73	10.36%	8,097	8,490	393	3,352	8,490
Consumables	765	667	-99	-14.83%	4,562	7,999	3,437	2,272	7,999
Depreciation	2,637	5,566	2,929	52.62%	34,125	66,794	32,669	38,526	66,794
Directors Emoluments	201	198	-3	-1.70%	2,251	2,371	120	2,090	2,371
Entertainment	-	10	10	100.00%	82	121	38	66	121
Corporate Promotions	-	42	42	100.00%	261	503	242	33	503
Insurance	-	1,325	1,325	100.00%	13,920	15,900	1,980	23,001	15,900
Intercompany Charges	-	-	-	0.00%	-	-	-	14,093	-
Interest and Penalties	0	0	-0	-1060.00%	1,364	0	-1,364	-	0
Leased Contract Services	14,518	9,076	-5,442	-59.96%	108,958	108,912	-46	171,290	108,912
Offices(Parking)	600	594	-6	-0.97%	7,200	7,131	-69	6,396	7,131
Office Building(Rental)	-600	4,671	5,271	112.84%	42,047	56,055	14,008	58,659	56,055
Office Equipment	765	453	-311	-68.66%	1,775	5,440	3,665	-	5,440
Legal Expenses	54	377	323	85.68%	4,831	4,523	-308	4,438	4,523
Licenses	7	76	70	91.15%	-864	917	1,781	1,006	917
Magazines, Books and Periodicals	-	18	18	100.00%	271	214	-57	1,130	214
Municipal Services Charges	1,187	2,277	1,090	47.88%	25,937	27,321	1,384	32,603	27,321
Stationary	-12	211	223	105.63%	1,902	2,535	633	3,519	2,535
Printing	-	59	59	100.00%	5	713	708	6,318	713
Repairs & Maintenance	253	528	275	52.08%	5,482	6,332	850	6,201	6,332
Strategic Planning	-	7	7	100.00%	-	84	84	42	84
Employee & Related Costs	72,429	80,342	7,914	9.85%	925,058	964,110	39,052	918,052	964,110
Interns Stipend Cost	-	39	39	100.00%	-	463	463	147	463
Placement Fees	-	4	4	100.00%	-	47	47	-	47
Employee Wellness	60	27	-33	-122.31%	4,290	325	-3,965	603	325

Description	Q4 Actual Amount	Q4 Budget Amount	Variance Amount	Variance %	YTD Actual	YTD Budget Amount	YTD Variance Amt	Prior Year's Actual Amount	Current Year Total Approved Budget
Security	342	336	-6	-1.75%	7,509	4,029	-3,479	2,965	4,029
Telephone & Fax	-	222	222	100.00%	1,622	2,661	1,039	2,873	2,661
Training	258	379	120	31.78%	2,935	4,544	1,609	2,038	4,544
Conferences and Seminars	55	75	20	26.93%	476	903	427	616	903
Travel Expenses	-	25	25	100.00%	233	298	64	76	298
Data Services	2,109	1,861	-248	-13.31%	21,989	22,338	348	11,435	22,338
Write-Offs	-	-	-	0.00%	-	-	-	88,508	-
Realised Gains/Losses	84	3	-81	-3242.12%	351	30	-321	-	30
TOTAL INDIRECT COST	95,512	113,571	18,058		1,250,000	1,362,852	112,851	1,566,312	1,362,852
OPERATING PROFIT	-384,861	3,005	-387,867						
INTERNAL TRANSFERS									
Contractors: JRA	1,646	239	-1,407	-587.62%	2,866	2,873	7	2,424	2,873
Consulting Fees	85	609	524	86.09%	7,848	7,308	-540	6,444	7,308
Employee & Related Costs	672	672	0	0.00%	8,062	8,062	-	7,715	8,062
Intercompany Charges	1,473	894	-580	-64.86%	20,038	10,723	-9,315	2,922	10,723
Leased Contract Services	180	52	-128	-245.68%	180	626	446	599	626
Intercompany Charges for Licenses	241	508	267	52.58%	5,101	6,090	989	7,254	6,090
Legal Expenses	-	8	8	100.00%	-	94	94	-	94
Printing	-	24	24	100.00%	-	286	286	-	286
TOTAL INTERNAL TRANSFERS	4,297	3,005	-1,292		44,096	36,062	-8,034	29,024	36,062
NET INCOME BEFORE TAX	-389,158	0	-389,158		124,139	0	124,139	-312,626	

Annexure G: Q4 Performance Against Service Standards

KPI No.	Core Service	Service Level Standard Target	Q4 Actual	Reasons for non-achievement	Mitigations
1	% of damaged / missing road barriers or guardrails repaired from when a valid call is logged:	40% within 14 days	Total calls received within the period: 353 Total repaired within 14 days: 353 (100%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 353 (100%)	Target Achieved	N/A
		80% within 30 days	Total repaired within 30 days: 353 (100%)	Target Achieved	N/A
2	% of blocked Storm water kerb inlets (KI's) repaired from when a valid call is logged.	40% within 14 days	Total calls received within the period: 668 Total repaired within 14 days: 552 (82.63%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 584 (87.43%)	Target Achieved	N/A
		80% within 30 days.	Total repaired within 30 days: 588 (88.02%)	Target Achieved	N/A
3	% of missing JRA manhole covers made safe and replaced after a valid call is logged.	40% within 14 days	Total calls received within the period: 42 Total repaired within 14 days: 40 (95.24%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 40 (95.24%)	Target Achieved	N/A
		80% within 30 days.	Total repaired within 30 days: 40 (95.24%)	Target Achieved	N/A
4	% of reported damaged / missing regulatory road traffic signs replaced or repaired from the time when a valid call is logged	40% within 14 days	Total calls received within the period:215 Total repaired within 14 days: 195 (90.70%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 198 (92.09%)	Target Achieved	N/A
		80% within 30 days.	Total repaired within 30 days: 199 (92.56%)	Target Achieved	N/A
5	% of reported potholes repaired from time of recording of a genuine pothole by the JRA from all Phakama, Hotline, Urban Regional Inspectors (from Regional Directors Office)	40% within 14 days	Total received within the period: 10925 Total repaired within 14 days: 8827 (80.80%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 9537 (87.30%)	Target Achieved	N/A
		80% within 30 days.	Total repaired within 30 days: 10160 (3.00%)	Target Achieved	N/A
6	% of reported faulty traffic signals within 24 working hours	40% within 24 hours	Total received within the period: 100 Total completed within 24 hrs. 87 (87.00%)	Target Achieved	N/A
		60% within 48 hours	Total completed within 48 hrs.:91 (91.00%)	Target Achieved	N/A
		80% within 7 days	Total completed within 7 days:96 (96.00%)	Target Achieved	N/A
7	% of reported damaged traffic signal poles repaired/replaced from when a valid call is logged	40% within 14 days	Total received within the period: 02 Total completed within 14 days: 02 (100%)	Target Achieved	N/A
		60% within 20 days	Total completed within 20 days: 02 (100%)	Target Achieved	N/A
		80% within 30 days	Total completed within 30 days: 02 (100%)	Target Achieved	N/A

Annexure H: Areas of Non-Compliance and Mitigation Measures

COMPLIANCE WITH LAWS AND REGULATIONS				
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	STATUS	RISK
COMPANIES ACT NO 71 OF 2008	Register of directors and Officials	Updating of Company Directors	<p>NON- COMPLIANT</p> <ul style="list-style-type: none"> ▪ The JRA CEO was appointed with effect from 01 July 2024. ▪ The shareholder confirmed the appointment of the CEO and the CFO as that of Executive Directors. <p>PROGRESS TO DATE</p> <ul style="list-style-type: none"> ▪ Both CEO and CFO have been requested to sign the consent to be a director form and submit their satisfied ID copies. ▪ CEO documents have been submitted to CIPC and CFO documents will be submitted upon receipt 	<ul style="list-style-type: none"> ▪ Failure to comply with these requirements can lead to investigations by regulatory bodies ▪ Regulatory enforcement actions can result in fines, sanctions, or even the deregistration of a company. ▪ reputation and relationships with stakeholders.
MFMA	Section 32 of the MFMA MFMA Circular 68	Unauthorized, Irregular, Fruitless and Wasteful	<p>NON- COMPLIANT</p> <ul style="list-style-type: none"> ▪ Irregular expenditure for the year is R72 014 438.25 and is R10 787 067.85 for the month of June. ▪ Board approved the write off R384 489 119.56 which has led to the irregular expenditure to decrease to R 105 232 046.69 ▪ UIFW, incurred is R17 809 379.48, the cumulative total amounts to R84 442 152.16 including the opening balance of R66 632 772.68. 	<ul style="list-style-type: none"> ▪ Audit finding ▪ Penalties / fines / recoverability ▪ Consequence management
MFMA Section 65(2) (e)	Section 65(2) (e)	Valid invoices of Service providers must be paid within the 30-day period after its submission	<p>NON- COMPLIANT</p> <p>4TH quarter performance is at 74% against the 100% target. This is 23.67% lower than quarter 4 for the financial year 2022/2023. This has dropped by 26% compared with the beginning of the quarter 4, (April 2024)</p>	<ul style="list-style-type: none"> ▪ Non Compliance to section 65 MFMA ▪ National Treasury issued a Treasury Instruction Note Number 34: requiring departments/ entities to explain as to why invoices

COMPLIANCE WITH LAWS AND REGULATIONS			
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	STATUS
			<p>RISK</p> <ul style="list-style-type: none"> ▪ were not paid in time. ▪ Audit finding ▪ Service Providers escalations are on the increase and there is also impact on service delivery.
FINANCE MITIGATION MEASURES			
MFMA Circular 68: Irregular Expenditure	<p>Route cause or challenges</p> <ul style="list-style-type: none"> - The Regulation 32 contracts which were multiyear and continue to be spent in current financial year. - Spending on Expired contracts without extension 	<ul style="list-style-type: none"> - The JRA has issued a Moratorium to stop the use of Regulation 32 as a procurement strategy. - CMU continues to inform Client department six month prior to the expiry of the contract and no payment will be process before the relevant authority has proved the extension of contract. The JRA has reviewed and amended the BID and RFQ MBD forms to comply to Minimum threshold required. 	
MFMA Circular 68: Fruitless Expenditure	<p>Route cause or challenges</p> <ul style="list-style-type: none"> - Interest and penalty from SARS and interest on late payments on Eskom accounts due to cashflow constraints. 	<ul style="list-style-type: none"> - Engagements were made with relevant parties to manage and prevent the recurring of the fruitless and wasteful expenditure. - In addition interest bearing accounts are prioritized for payments whenever cashflow is available. 	
MFMA Section 65(2)(e): 30 Days payment	<p>Route cause or challenges</p> <ul style="list-style-type: none"> - Delay is payment on expired contract invoices. - Non-payment of invoice with outstanding documents - Submission of copy of invoice instated or original. - JDE as payroll system and report on it is a challenged 	<ul style="list-style-type: none"> - The core reason for the non-compliance to the 100% target is cashflow constraints as highlighted throughout the financial year - Timely engagement with relevant stakeholders about invoices on expired contract - Continue to workshop Client department and service providers on what's expected to process payment of the invoice. - Roll-out of SAP 	
PUBLIC ACCESS TO PERSONAL INFORMATION			
LABOUR RELATIONS			
Employment Equity Act No. 55 of 1998	<p>To achieve equity in the workplace, by</p> <ul style="list-style-type: none"> • Promoting equal opportunity and fair treatment in employment 	<p>Ensure full compliance to the EE Act (EEA) namely:</p> <ul style="list-style-type: none"> - There were no Employment Equity activity during the 4th quarter, primarily because there is no 	<p>NON – COMPLIANT</p> <ul style="list-style-type: none"> ▪ Failing to do so can lead to fines from R1.5 million or a percentage of company

COMPLIANCE WITH LAWS AND REGULATIONS				
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	STATUS	RISK
	<p>through the elimination of unfair discrimination.</p> <ul style="list-style-type: none"> Implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups (A designated group means black people, women, or people with disabilities) to ensure their equitable representation in all occupational categories and levels in the workforce. 	<ul style="list-style-type: none"> Consult (section 16 & 17 EEA) Conduct an Analysis (Section 19) Develop and Implement an EE Plan (Section 20 EEA) Report to the Department of Labour (Section 21 EEA) Duty to Inform (Section 25 EEA) <p>Assignment of Senior Management (Section 24 EEA)</p>	<p>dedicated official within the JRA appointed to deal with EE.</p> <ul style="list-style-type: none"> The last Equity committee was scheduled for the 2nd quarter. Gender split, current the staff complement is 1553 of which 988 (63.61%) are male and 565 (36.38%) are females <p>MITIGATION MEASURE</p> <ul style="list-style-type: none"> Temporary measures have been put in place to ensure compliance and these measures will be actioned in consultation with the committees and as per an annual schedule that is reflected in the EE Plan. The JRA will be measured against the plan on a quarterly basis. 	<p>turnover.</p> <ul style="list-style-type: none"> Inequality, poverty and unemployment Discrimination
Waste Act 59 of 2008	<ul style="list-style-type: none"> Protection of Health and Environment Specific Waste Management Measures Licensing and Control Remediation of Contaminated Land National Waste Information System Compliance and Enforcement 	Waste disposal	<p>NON – COMPLIANT</p> <p>MITIGATION MEASURES</p> <ul style="list-style-type: none"> All depots were inspected to assess management of accumulated waste storage, removal and disposal of landfill sites Non- Conformity notices (15) were issued to all depots that failed to adhere to waste 	<ul style="list-style-type: none"> Environmental Hazard that violates the National Waste Management Act

COMPLIANCE WITH LAWS AND REGULATIONS				
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	STATUS	RISK
Occupational Health and Safety Act No. 85 of 1993 including Construction Regulations	The Occupational Health and Safety Act	Safety incidents	<p>management requirements</p> <p>NON-COMPLIANT</p> <ul style="list-style-type: none"> ▪ nine (9) accidents were reported and four (4) cases are still open and require further medical treatment ▪ Two (2) fatalities were recorded and reported ▪ Increased number of recorded injuries leads to absenteeism, decreased productivity, increased overtime and affects staff moral ▪ Work site inspections – road signs and cones not adequate to communicate to road users. <p>MITIGATING MEASURES</p> <ul style="list-style-type: none"> ▪ Convening Health and Safety meetings ▪ Annual SHE awareness ▪ Convening of toolbox talk sessions – all depots achieved 100% participation ▪ Emergency preparedness drills are conducted on quarterly basis and 15 depots complied ▪ Formal and Informal emergency drills ▪ Health and safety inspections and audits were conducted to assess the status of compliance in terms of OHASA ▪ Two hundred and six formal inspections were carried out in quarter 4 ▪ All construction (CAPEX) sites were inspected to ensure compliance with OHASA 	<ul style="list-style-type: none"> ▪ Financial Penalties ▪ Legal Consequences and or Litigations ▪ High Injuries and fatalities ▪ Reputational Damage: ▪ Operational Disruptions ▪ Employee turnover
RECORDS MANAGEMENT				
National Archives and Records Services of South Africa Act	<ul style="list-style-type: none"> ▪ Ensure there is a records management system and documents are stored in the manner, and for the required time 	File plan approved in terms of the national archives.	<p>NON-COMPLIANCE</p> <p>MITIGATING MEASURES</p> <ul style="list-style-type: none"> ▪ Approved File Plan/not fully implemented. ▪ Gaps have been identified when implementing 	<p>Failure to adhere to the provisions of the Act can result in:</p> <ul style="list-style-type: none"> ▪ legal consequences;

COMPLIANCE WITH LAWS AND REGULATIONS			
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	RISK
	frame, as per legislation		<ul style="list-style-type: none"> ▪ loss of valuable information; ▪ erosion of public trust; and ▪ hindrance to research and decision-making processes.
		<ul style="list-style-type: none"> ▪ the file plan. ▪ Valid Record and Admin Management Policy. ▪ Dedicated records storing areas have been identified and records are being stored. This process will be monitored by corporate services to ensure that the file plan is fully functional. ▪ An assessment of records storage facilities for the organisation is being conducted considering the partitioning plans. 	
ROADS / TRAFFIC SIGNALS			
Roads / signals Road Traffic: SARTSM guideline- - National Road Traffic Act and Regulations - Chapter 6 of Volume 1 of the SADC Road Traffic Signs Manual.	<p>a) A responsible registered PROFESSIONAL ENGINEER or registered professional TECHNOLOGIST of the road authority concerned SHALL approve every traffic signal installation.</p> <p>Standard traffic signal faces, control precedence, vehicular light signals, flashing and other modes of operations, arrangement of light signals on a signal face, number and location of traffic signal faces, overhead traffic signals, traffic signal layout plans, pedestrian and pedal cyclist signals, road markings, signal phases, light signals and posts, power supply</p>	<p>Approval of every signal traffic installation for the JRA road network</p>	<p>NON-COMPLIANCE</p> <p>Not all recommended changes (non-compulsory conditions) can be implemented in a financial year due to funding constraints.</p> <p>MITIGATING MEASURES</p> <ul style="list-style-type: none"> - The Standard Operating Procedures for the Traffic Signal Division including the Traffic Engineering Section are all in full compliance with the SHALL and SHOULD conditions as set out in the manual. - The JRA also has an annual SARTSM Upgrading of Traffic Signal Capital programme that is utilised to improve the existing traffic signal system in aspects where the layout or timings can be improved to ensure better mobility or improved road safety. - Traffic engineers review the traffic signal system on a continuous basis and where improvements are identified, the capital programme is utilised to implement the recommended changes,
			<ul style="list-style-type: none"> ▪ Disabled mobility ▪ Accidents

COMPLIANCE WITH LAWS AND REGULATIONS			
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	RISK
			provided sufficient funding is available.

COMPLIANCE UNIVERSE

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
COMPANIES ACT NO 71 OF 2008						
1.	Financial Statements Sec 30	Company Secretary	Ensure that these are submitted to Registrar of companies (CIPC) together with the annual returns.	With annual returns	End Feb	COMPLIANT
2.	Directors, company name, registered office, registration number Sec 70	Company Secretary	Ensure that letter heads, website (and records with the Registrar) are up to date and that all official communication reflects this information.	Ongoing	10 days after change	COMPLIANT
3.	Register of directors and Officials	Company Secretary	Register of directors and officials to be maintained. Consent to act as director to be kept on record	Ongoing	Ongoing	NON-COMPLIANT
4.	Annual Returns to be submitted in terms of Sec 30	Company Secretary	Ensure that annual return (comprising full details of company: directors; auditors; company secretary and financial year end) is submitted to CIPC within 30 days of anniversary date of registration.	By end of the month following the anniversary of date of incorporation	End February	COMPLIANT
5.	Annual General Meetings – this is only a requirement of the Act iro Public Companies and thus there is no requirement for the JRA	Company Secretary	Ensure that: meetings take place; terms of reference are up to date and adhered to; meeting is duly constituted; all proxies received; all members are represented; minutes are taken and filed.	Within 3 months of year end	Ongoing	COMPLIANT
6.	Auditor been appointed	Company Secretary	Auditor be consent to appointment and same to be lodged with CIPC	As and When	Ongoing	COMPLIANT
CORPORATE AND HUMAN CAPITAL MANAGEMENT LAWS						
7.	Labour Relations Act No. 66 of 1995	HoD: Corporate Services	Ensure that Act is adhered to.	Ongoing	Ongoing	NON-COMPLIANT

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
8.	Basic Conditions of Employment Act No. 11 of 2002	HoD: Corporate Services	Ensure that Act is adhered to.	Ongoing	Ongoing	COMPLIANT
9.	Employment Equity Act No. 55 of 1998	HoD: Corporate Services	Ensure that Employment Equity plan is followed and adhered to.	Ongoing	Ongoing	COMPLIANT
10.	Occupational Health and Safety Act No. 85 of 1993 including Construction Regulations	HoD: Corporate Services	Ensure execution, in particular, that safe working environment is maintained and that the Act is displayed in the workplace. Ensure that JRA employees meet requirements as contemplated in Construction Regulations	Ongoing	Ongoing	NON-COMPLIANT
11.	Skills Development Act No.97 of 1998 as amended by the Skills Development Act, 2003	HoD: Corporate Services	Ensure ongoing execution and compliance.	Ongoing	Ongoing	COMPLIANT
12.	Unemployment Insurance Act No.32 of 2003	HoD: Corporate Services	Ensure that all returns are submitted to the Commissioner (by the 26th of each month).	Ongoing	26 th of each month	COMPLIANT
13.	Promotion of Equality and Prevention of Unfair Discrimination Act No.52 of 2002	HoD: Corporate Services	Ensure that requirements are met and that JRA Code is adhered to.	Ongoing	Ongoing	COMPLIANT
14.	Women Empowerment and Gender Equity	Corporate Services' (All Departments & Directors and Board Sub-Committees)	Both public and private entities will be required to precede all organisational decision and activities with a gender equality analysis, as well as achieve at least 50% representation of women in decision making structures.	Ongoing	Ongoing	NON-COMPLIANT
15.	National Archives and Records Services of South Africa Act	HoD: Corporate Services	Ensure there is a records management system and documents are stored in the manner, and for the required time frame, as per legislation	Ongoing	Ongoing	NON-COMPLIANT

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
16.	National Credit Act	HOD: Corporate Services	Staff Loans previously granted were not issued in line with prescribed Regulations.	Ongoing	Ongoing	COMPLIANT
FINANCE / VALUE ADDED/ TAX LAW						
17.	MFMA Circular 68	Chief Financial Officer	Unauthorised, Irregular, Fruitless and Wasteful	Ongoing	Ongoing	NON-COMPLIANT
18.	MFMA Section 65(2) (e)	Chief Financial Officer	Valid invoices of Service providers must be paid within the 30 day period after its submission	Ongoing	Ongoing	NON-COMPLIANT
19.	Value Added Tax No. 89 of 1991	Company Secretary & Chief Financial Officer	Operate with a valid tax clearance	Ongoing	Ongoing	COMPLIANT
20.	Value Added Tax No. 89 of 1991	Chief Financial Officer	Ensure that relevant returns are submitted to the Receiver by the 25th of every month. (If submitted by EFT the due date is the 31 of each month.)	Ongoing	End of each month	COMPLIANT
21.	Income Tax Act No. 58 of 1962	Chief Financial Officer	Ensure that relevant returns are submitted to the Receiver	Ongoing	Ongoing	COMPLIANT
22.	Income Tax Act No. 58 of 1962 PAYE	HOD: Corporate Services	Ensure that monthly payments are made.	Ongoing	Monthly	COMPLIANT
23.	Financial Intelligence Centre Act, No 38 of 2001	Chief Financial Officer	All service providers FICA'ed	Ongoing	Ongoing	COMPLIANT
ENVIRONMENTAL						
24.	Waste Act 59 of 2008	HOD: RO / Manager H&S.	Waste Act 59 of 2008 – Regional Depots to store waste in compliance with the Waste Act.	Ongoing	Ongoing	NON-COMPLIANT
25.	Air Quality Act 39 of 2004,	Manager H&S.	Asphalt Plant compliance with Air Quality Act	Ongoing	Ongoing	COMPLIANT

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
26.	Environmental Regulations in relation to Asphalt Production and Road Maintenance and Road Construction	HoD: RO	Asphalt Plant compliance with Air Quality Act NEMA (National Environmental Management Act)	Ongoing	Ongoing	COMPLIANT
FRAUD, CORRUPTION, ETHICS AND COMPLIANCE						
27.	Prevention and Combating of Corrupt Activities Act No 12 of 2004 (Anti-corruption Act)	Ethics Champion / Company Secretary	Ensure corruption is managed effectively	Ongoing	Ongoing	COMPLIANT
28.	Prevention and Combating of Corrupt Activities Act No 12 of 2004 (Anti-corruption Act)	Fraud Officer / Company Secretary	Approved Fraud and Prevention Policy	Ongoing	Ongoing	COMPLIANT
29.	Protected Disclosures Act, No 26 of 2000 (Whistleblowing Act);	Ethics Champion / Company Secretary	Management of whistleblowing hotline – reports received and addressed in line with policy	Ongoing	Monthly	COMPLIANT
30.	Protected Disclosures Act, No 26 of 2000 (Whistleblowing Act);	Ethics Champion / Company Secretary	Approved whistleblowing Policy	Ongoing	Reviewed every 3 rd year	COMPLIANT
31.	Promotion of Access to Information Act No. 2 of 2000	Company Secretary	Ensure that policy is adhered to and in particular that JRA's Code/Procedures on access to information are adhered to.	Ongoing	Ongoing	COMPLIANT
ROAD AND TRAFFIC MANAGEMENT ACT						
32.	Road Traffic Act	HoD: Regional Operations	Ensure that all vehicles licenses and traffic fines are paid.	Ongoing	Ongoing	COMPLIANT
33.	National Road Traffic Act 93 of 1996 and chapter VIII of National Road Traffic Regulations of 2000	HoD: Regional Operations	Transportation of dangerous goods as classified in terms of SABS code of practice (SANS 0228:2012);	Ongoing	Ongoing	COMPLIANT
34.	Roads / signals Road Traffic: SARTSM guideline	HoD: M&F	Road signals support staff compliant with legislation	Ongoing	Ongoing	NON- COMPLIANT

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
INFORMATION TECHNOLOGY						
35.	ITC Governance	Manager IT	Implementation of Government approved ITC governance framework	Ongoing	Ongoing	COMPLAINT
CAPITAL PROJECT REQUIREMENTS						
36.	Construction Industry Development Board Act No 45 of 2000	COJ	To have in place procurement and provisioning system which is fair, equitable, transparent, competitive and cost effective; effective, efficient and transparent systems of financial and risk management and internal control; and a system for evaluating all major capital projects prior to a final decision on the project	Ongoing	Ongoing	Non – Complaint
37.	Infrastructure Development Act, 2014 (Act No.23 of 2014)	HOD: ID	Section 4 – The functions of the council are to – (a) To ensure the development, maintenance, implementation and monitoring of the National Infrastructure Plan. (b) Coordinate the determination of priorities for infrastructure development (c) Development and issue guidelines and frameworks to facilitate and align the implementation of strategic integrated projects	Ongoing	Ongoing	COMPLIANT

Municipal Finance Management Act No.56 of 2003 - – the said Act cross references the following Acts which should also be taken into account when determining compliance:

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
Municipal Structures Act No 117 of 1918; Municipal Systems Act No 32 of 2000; Organised Local Government Act No 52 of 1997; The Constitution of the Republic of South Africa Intergovernmental Fiscal Relations Act No 97 of 1997; Public Office-Bearers Act No 20 of 1998; Municipal Demarcation Act No 27 of 1998; Public Finance Management Act No 1 of 1999 and associated Treasury Regulations						
38.	S 111	Finance - CFO	SCM Policy and implementation thereof	Ongoing	Ongoing	COMPLIANT
39.	S 116(1)	Finance - CFO	All contracts concluded after compliance with SCM processes and in writing	Ongoing	Ongoing	COMPLIANT - subject to disclosed deviations
40.	S 87	Board / CFO	Submit proposed Budget to City	150 days before start of FY	End Feb	COMPLIANT
41.	S 88	Accounting Officer / Board	Mid-term report By 20 th January each year submit a report on the assessment of the entity to Board and City	Ongoing	20 Jan	COMPLIANT
42.	S 106	CEO	All delegations reduced to writing	Ongoing	Ongoing	COMPLIANT
43.	S 121 /122 / Co Act	Board	Annual Report to City – ensure AR meets minimum reporting requirements of MFMA and Co Act.	Ongoing	End Nov of every financial year	COMPLIANT
44.	S 126	CFO	Submit annual financial statements to AG for auditing	Ongoing	August 2020 November 2020	COMPLIANT
45.	S 165 / 166	CEO / Board	Internal Audit Unit and Audit Committee	Ongoing	Ongoing	COMPLIANT
46.	S 104	CEO	Any non-compliance with MFMA responsibilities reported to City	Ongoing	Ongoing	No non-compliance which has come to the attention of management
47.	S 85 86	CEO	Open and operate at least one bank account and submit details to City	Ongoing	Ongoing	COMPLIANT
48.		CEO / Board	No unfunded mandates	Ongoing	Ongoing	COMPLIANT

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
49.	Broad Based Black Economic Empowerment Act No 53 of 2003	Chief Financial Officer	Compliance with framework for the accreditation and verification by all verification agencies published in Government Notice No 776 of Government Gazette No 31255 of 18 July 2008 & supplementary notice issued on 31 July 2009.	Ongoing	Ongoing	COMPLIANT
50.	Code of Conduct for Municipal employees as contained within schedule 2 of the Municipal Systems Act (MSA) 32 of 2000	COSEC	Facilitate the annual submission of Employee Code of ethical conduct	Annually	30 September 2022	COMPLIANT