

**MID-YEAR CORPORATE SCORECARD REVIEW FOR THE JOHANNESBURG SOCIAL HOUSING COMPANY FOR THE 2023/24 FINANCIAL YEAR.**

**1. STRATEGIC THRUST**

Good Governance

**2. OBJECTIVE**

The objective of this report is to request Council approval of the budget adjustment and the proposed mid-year deviation(s) of the 2023/24 organisational scorecard of the Johannesburg Social Housing Company SOC Ltd (JOSHCO) (attached as annexure A)

**3. BACKGROUND**

Section 72 of the MFMA, 56 of 2003 requires that the Accounting Officer must submit a mid-year budget and performance assessment report of the City and its Municipal Entities to Council. In terms of *Circular 13 of the MFMA* the Services Delivery and Budget Implementation Plan (SDBIP) and its targets cannot however be revised without notifying Council, and if there are changes in service delivery targets and performance indicators, these must be approved by Council, following approval of an adjustment budget (section 54(1) (c) of the MFMA).

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

The Council approval is necessary to ensure that the Mayor or City Manager does not revise service delivery targets downwards in the event where there is poor performance.

**4. Proposed Deviation from the Original Performance Scorecard Targets for 2023/24 Financial Year**

Below are the areas that have been adjusted for implementation from the third quarter to June 2024. The affected areas are highlighted in annexure A:

KPI affected	Nature of deviation
% Compliance to laws and regulations	Method of calculation
% Implementation of corrective action against identified risks	Method of calculation & Target adjustment
% vacancy rate	Method of calculation
% valid invoices paid within 30 days of invoice receipt	Means of verification
% Occupancy rate (regulated)	KPI and definition amended to SMART criteria
% Occupancy rate (non-regulated)	KPI name amended to SMART criteria
Percentage expenditure of approved capital budget	Definition adjustment & means of verification
Social Housing units completed	Definition adjustment & means of verification

**TABLE 1: PROPOSED DEVIATIONS**

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3	Q4	Estimated		Evidence and means of verification	Proposed deviation	Motivation for
												Jan	Apr-Jun			
Existing	10	% Compliance to laws and regulations	82%	96.98%	100%	98%	72%	98%	-	98%	98%	-	-	Board approved Compliance Reports	It is proposed that the method of calculation be amended to the percentage of legislations and Acts combined / total number of Acts assessed multiplied by 100.	To align with the way the KPI should be measured.
Amended KPI as per the proposed deviation	10	% Compliance to laws and regulations	82%	96.98%	100%	98%	72%	98%	-	98%	98%	-	-	Board approved Compliance Reports	New method: % of legislations and Acts combined /	

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation deviation	for
												budget	Opex				
Existing	11	% implementation of corrective action against identified risks	84%	100%	100%	95%	100%	95%	-	95%	95%			Board approved Risk Control Assessment Report	It is proposed that the target be adjusted to 95% to align with Q4. We are aligning to the	This is to align with the Q4 target as per the business plan.	

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation deviation	for	
												budget	Opex					
			2 Basell	3 Achieve	4 Target	95%	100%	95%	-	95%	95%							
Amended KPI as per the proposed deviation	11	% implementation of corrective action against identified risks	84%	100%	95%	95%	100%	95%	-	95%	95%			Board approved Risk Control Assessment Report	New Target: 95%			
Existing	12	Percentage employee	N/A	12.1%	5%	5%	13.37	5%	-	5%	5%			The approved organogr	It is proposed the method	The method of calculation is currently limiting as it does not		



GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation deviation	for
												Capex	Opex				
		Employee vacancy rate	2	3	4	Target	Actual	Target	Actual	Jan-Mar	Apr-Jun			position, SAP report that shows positions filled	positions X 100. Inclusive of inward mobility.		
Existing	4	% valid invoice paid within 30 days of invoice receipt	100%	62%	100%	100%	78%	100%	-	100%	100%			Purchase master. Bank statements: Invoices register; and	It is proposed that the evidence and means of verification be changed to	The change is necessary to ensure that the invoices being verified and reported on are an accurate reflection of the company's performance. The	The







GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation deviation	for
												budget	Opex				
Amended KPI as per the proposed deviation	4	% valid invoice paid within 30 days of invoice receipt	100%	62%	100%	100%	78%	100%	-	100%	100%			Age analysis (quarterly) with PDF Audit trails or Purchase Master.	New evidence: Age analysis (quarterly) with PDF Audit trails or Purchase Master. The method of calculation also needs to be changed to		



GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation for deviation
												Capex	Opex			
Existing	6	Percentage expenditure of approved capital budget	94%	10.65%	100%	25%	27%	25%	-	25%	100%	1200		CAPEX expenditure report, and valid invoices	It is proposed that the definition be amended to: This indicator refers to the spending of approved CAPEX budget. The new	The capex budget spend definition needs to be directed and specific to the approved capital budget.

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation for deviation
												budget	Opex			
			2	3	4	Target	Actual	Target	Actual	Jan-Mar	Apr-Jun					
			Basell	Achieve	Target	Target	Actual	Target	Actual	Jan-Mar	Apr-Jun					
			ne	ment												
Amended KPI as per the proposed deviation	6	Percentage expenditure of approved	94%	10.65%	100%	25%	27%	25%	-	75%	100%		1200	CAPEX expenditure report or valid invoices	New KPI definition: This indicator refers to	

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan - Mar	Q4 Apr - Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation deviation	for	
												budget	Opex					
		capital budget	2	3	4									or payment certificates	the spending of approved CAPEX budget. New means verification: CAPEX expenditure report or valid invoices or payment certificates.			

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation for deviation
												Capex	Opex			
Existing	18	Number of housing units completed	0	936	450	-	-	225	-	-	450	1200		Occupation certificates	New, definition and evidence: New definition: This indicator refers to the number of social housing units developed to reach practical	The current definition expands to elements beyond the completion of units and thus, request to deviate by ensuring that the definition is responsive to work done.

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation deviation	for
												budget	Opex				
			2	3	4					-	Jun			Means of verification			
			Baselli	Achievement	Target			Target	Actual	Jan-Mar	Apr-Jun	Capex	Opex	Evidence and means of verification	Proposed deviation	Motivation deviation	for
Amended KPI as per the proposed deviation	18	Social housing units	0	936	450	-	-	225	-	-	450	1200		Occupancy certificate or	New, definition and evidence:		



GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan - Mar	Q4 Apr - Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation deviation	for	
												Capex	Opex					
		completed																

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation for deviation
												budget	Opex			
Existing	19	% Occupancy rate(regulated)	-	98.20%	98%	98%	99%	98%	-	98%	98%	-	-	System generate report	The KPI and definition will be qualified to reflect SHRA	JOSHCO has SHRA funded projects and City funded projects. Both have different occupancy criteria in terms of who qualifies to occupy vacant units.
														or practical completion certificate or chief fire inspectors report signed and dated.		

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation deviation for
												budget	Capex Opex			
Amended KPI as per the proposed deviation	19	% Occupancy rate/regulation)	N/A	98.20%	98%	98%	99%	98%	-	98%	98%	-	-	MRI report with an occupancy interpretation report or Tenancy schedule or Occupancy Audit	New KPI name: % of Social Housing units occupancy rate. New definition: The indicator refers to the	

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan-Mar	Q4 Apr-Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation deviation	for	
												budget	Opex					
			2	3	4	Target	Actual	Target	Actual	Jan-Mar	Apr-Jun	Capex	Opex					
			Basell ne	Achieve ment	Target	Target	Actual	Target	Actual	Jan-Mar	Apr-Jun							
Existing	22	% Occupancy rate (non -	N/A	98.20%	98%	98%	99%	98%	-	98%	98%	-	-	System generate report	The KPI and definition will be qualified to	JOSHCO has SHRA funded projects and City funded projects. Both have different occupancy criteria in		

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Change	KPI No	KPI	2021/2	2022/202	2023/2	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Q3 Jan - Mar	Q4 Apr - Jun	Estimated		Evidence and means of verification	Proposed deviation	Motivation for deviation	
												Capex	Opex				
		regulated															
Amended KPI as per the proposed deviation	22	% Occupancy rate		98.20%	98%	98%	99%	98%	-	98%	98%	-	-	MRI report with an occupancy unit interpretation report or Tenancy schedule or Occupancy Audit	New KPI: % of Affordable Housing unit occupancy rate (non-regulated) New definition: The indicator refers to		



**Table 2: Technical Indicator Descriptors for the proposed KPIs**

<b>Indicator Title</b>	<b>% of Social Housing units occupancy rate (regulated)</b>
<b>Short Definition</b>	The indicator refers to the percentage of units regulated by SHRA as a result of the SHRA funding in active JOSHCO Projects.
<b>Purpose</b>	The indicator seeks to improve efficiency in the management of SHRA funded units and enhance financial sustainability.
<b>Source / Collection of Data</b>	MRI report with an occupancy interpretation report or Tenancy schedule or Occupancy audit schedule or any system generated report for tenant management.
<b>Method of Calculation</b>	Number of units occupied in active JOSHCO projects divided by the total number of active units. This excludes untenable units or spaces.
<b>Data Limitations</b>	It must be noted that some units are used as office spaces which creates a limitation
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Quarterly
<b>New Indicator</b>	Existing redefined indicator
<b>Baseline</b>	98.20%
<b>Desired Performance</b>	80%
<b>Indicator Responsibility</b>	Chief Operation Officer

<b>Indicator Title</b>	<b>% of Affordable Housing unit occupancy rate (non-regulated)</b>
<b>Short Definition</b>	The indicator refers to the percentage of affordable housing units that are occupied by tenants which are funded through the COJ subsidy. This excludes student accommodation, hostels, TEA (temporary emergency accommodation) and any other outsourced project.
<b>Purpose</b>	The indicator seeks to improve efficiency in management of units and enhance financial sustainability.
<b>Source / Collection of Data</b>	MRI report with an occupancy interpretation report or Tenancy schedule or Occupancy audit schedule or any system generated report for tenant management.
<b>Method of Calculation</b>	Number of units occupied in active JOSHCO projects divided by the total number of active units. This excludes untenable units or spaces.
<b>Data Limitations</b>	It must be noted that some units are used as office spaces which creates a limitation
<b>Calculation Type</b>	Non-cumulative
<b>Reporting Cycle</b>	Quarterly
<b>New Indicator</b>	Existing redefined indicator
<b>Baseline</b>	98%
<b>Desired Performance</b>	98%
<b>Indicator Responsibility</b>	Chief Operation Officer

Indicator Title	Number of housing units completed
Short Definition	The indicator refers to the number of social housing units developed to reach practical completion.
Purpose	Enhanced quality of life that provides meaningful redress through pro-poor housing development.
Source/Collection of Data	
Method of Calculation	Simple count
Data Limitations	None
Type of Indicator	Output
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Portfolio of Evidence	Occupancy certificate or practical completion certificate or chief fire inspector report signed and dated.
New Indicator	No
Baseline	936
Desired Performance	450
Indicator Responsibility	Chief Operations Officer

Indicator Title	Percentage expenditure of approved capital budget
Short Definition	The indicator refers to the spending of CAPEX budget on development of social housing infrastructure.
Purpose	The indicator seeks to track the spending pattern of capital budget, across main areas – and the development of social housing infrastructure.
Source/Collection of Data	CAPEX expenditure report or valid invoices or payment certificates.
Method of Calculation	Simple count
Data Limitations	None
Type of Indicator	Output
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Portfolio of Evidence	CAPEX expenditure report or valid invoices or payments certificates
New Indicator	No
Baseline	101%
Desired Performance	100%
Indicator Responsibility	Chief Operations Officer



4.1 OPERATIONAL BUDGET ADJUSTMENT

Table 3: Adjustment to the Operational Budget

mSCOA Classification	Reallocation R'000	Adjustments R'000	Motivation
REVENUE			
Sale of Goods and Rendering of Services		1 021	Recoveries of Water and Electricity performance against budget is higher than anticipated due to introduction of the vending system
Rental from Fixed Assets		-70 664	The Final 2023- 24 MTRRF was approved without considering the downwards changes made on rental tariffs approved by council
Operational Revenue - Inter-Company		19 808	JOSHCO have signed an SLA that provide R19 808K PEP grant (EPWP) after the Final 2023-24 MTRRF was approved
Operational Subsidy	-	59,606	Finance costs due to downwards adjustment of revenue from Rental of Fixed Assets Additional employee cost requirements for the PFA and fixing of the Minimum Salary for employees who are earning under the Minimum Scale.
TOTAL REVENUE		9 771	
EXPENDITURE			
Employee Costs	-	22 738	Additional employee cost requirements for the PFA, EPWP (funded by the PEP Grant) and fixing of the Minimum Salary for employees who are earning under the Minimum Scale.
Debt Impairment		-7 833	Debt impairment is expected to drop due to reduced tariffs, SHRA relief Grant and full implementation of Revenue policy.
Operational costs	-	-5,134	JOSHCO expect the consumption of water to reduce due to Major repairs done on Heat Pumps and water pipelines
TOTAL EXPENDITURE		9 771	

The entity has increased the initial allocated OPEX budget which is not as per the request from the Shareholder. The entity has received extra funds from EPWP Grant and SHRA relief Grant. Further the Shareholder has allocated and additional R59 606k on the operational subsidy.

The increase in Employee costs which are mainly; PFA funded by the shareholder, EPWP stipend funded by the additional PEP Grant and minor adjustment of Salaries for employees who are earning less than minimum pay.

The Entity have adjusted the tariffs downwards to assist struggling tenants and standardisation of rent. Further the entity tenants have received a SHRA relief Grant to reduce the burden from the COVID era therefore it is expected that debt impairment to reduce.

Operational costs are expected to reduce as the Entity embarked on Major repairs program and upgrades of existing rental stock which will lead in reduction of costs on utility costs.

## MOTIVATION

---

GSPCR  
CITY MANAGER  
GROUP PERFORMANCE AND AUDIT COMMITTEE  
SHAREHOLDER MAYORAL COMMITTEE  
COUNCIL  
BOARD OF DIRECTORS

4.2 CAPITAL PROJECTS ADJUSTMENT

PROJECT NAME	Project Number	Approved Budget 2023/24 R 000	Adjustments R 000	Adjusted Budget 2023/24 R 000	COJ Funding (Loans)
Luthereng Social Housing Project Region D	2323	91 000	(91 000)		
Lombardy East Social Housing Project Region E	2352	2 000	3 526	5 526	3 726
Randburg Selkirk Social Housing Project Region B	2353	31 000	(15 000)	16 000	16 000
Nancefield Social Housing Project Region D	2359	33 000	20 054	53 054	53 054
Dobsonville Social Housing Project Region D	2675	5 000		5 000	5 000
Marlboro Social Housing Project Region E	3535	5 000	(2 000)	3 000	3 000
Princess Plots Social Housing Project Region C	3794	32 500	(10 000)	22 500	22 500
EXISTING STOCK REDEVELOPMENT UPGRADE AND MAJOR MAINTENANCE Renewal Building Alterations JOHANNESBURG F City Wide	3796	12 000	10 734	22 734	22 734
Nederburg Social Housing Project Region A	3797	12 500	6 500	19 000	19 000
Devland Golden Highway Social Housing Project Region D	3885	14 000	(1 500)	12 500	12 500
City Deep Social Housing Upgrade Region F	3947	5 000		5 000	5 000
Casamia Inner City Building Upgrade Region F	4046	21 000	(21 000)		
Smit Street Inner City Building Conversion Region F	22282	34 000	(22 961)	11 039	11 039
106 Claim Street Inner City Building Conversion Region F	22292	7 000	2 510	9 510	9 510
Abel Road Inner City Building Conversion Region F	22297	25 000		25 000	25 000
Booyens Street Inner City Conversion	22468	27 000	(20 000)	7 000	7 000
38 Rissik Street (NBS) Inner City Building Conversion	22470	30 000	(20 196)	9 804	9 804
Malvern Building Conversion	22550	2 000	1 000	3 000	3 000
Turn-Key 1: Region A	23366	55 317	(33 092)	22 225	22 225
Turn-Key 1: Region B	23367	10 000	(10 000)		
Park Chambers	30041	2 000	6 279	8 279	8 279
Kelvin	30042	2 000	7 794	9 794	9 794

GSPCR  
 CITY MANAGER  
 GROUP PERFORMANCE AND AUDIT COMMITTEE  
 SHAREHOLDER MAYORAL COMMITTEE  
 COUNCIL  
 BOARD OF DIRECTORS

Frank Brown/ Milpark Social Housing Development	30043	2 004	(1 183)	821	100
Turn-Key : Region F ( Denver Social Housing)	30044	32 000	34 687	66 687	11 687
<b>Sub Total</b>		<b>492 321</b>	<b>(154 848)</b>	<b>337 473</b>	<b>279 952</b>

**5. LEGISLATION IMPLICATIONS**

The City's Adjustment Budget process is in accordance with the MFMA and the Budget Regulations of the MFMA and reflects the amended budget allocations to JOSHCO. The approved require amendments to the 2023/24 Business Plan adjustments.

**6. FINANCIAL IMPLICATIONS**

The capital budget was adjusted downwards to R337 473 000. Operational Budget needs to be adjusted upward by R9 771 000 in order to cover projected expenditure for the year.

**7. COMMUNICATION IMPLICATIONS**

The Council is required in terms of section 44 of the Municipal Systems Act No 32 of 2000 (as amended) to publicise, both internally and to the public, the key performance indicators, and performance management system. JOSHCO's Scorecard and KPIs will be communicated to all the stakeholders in a manner prescribed by the law.

GSPCR  
CITY MANAGER  
GROUP PERFORMANCE AND AUDIT COMMITTEE  
SHAREHOLDER MAYORAL COMMITTEE  
COUNCIL  
BOARD OF DIRECTORS

---

**8. IT IS RECOMMENDED THAT**


The deviation report that includes the budget adjustment and the amended JOSHCO Scorecard for the 2023/24 financial year, attached as annexure "A" be approved.

**APPROVALS**

Mr. Bongani Radebe

**ACTING CHIEF EXECUTIVE OFFICER**

**DATE:**

  
23 February 2024

Ms. Bridgette Mbonambi

**BOARD CHAIRPERSON**


**Date:**

  
5 March 2024

COUNCILLOR: Anthea Leitch

**MMC HUMAN SETTLEMENT**

**DATE:**

  
27 March 2024

**Annexure A**

GSPCR  
CITY MANAGER  
GROUP PERFORMANCE AND AUDIT COMMITTEE  
SHAREHOLDER MAYORAL COMMITTEE  
COUNCIL  
BOARD OF DIRECTORS

---

Adjusted Balance Scorecard to June 2024

GSPCR  
CITY MANAGER  
GROUP PERFORMANCE AND AUDIT COMMITTEE  
SHAREHOLDER MAYORAL COMMITTEE  
COUNCIL  
BOARD OF DIRECTORS

Key Performance Area	Key Performance Indicator	KPI No	Baseline 2021/22	Baseline 2022/23	2023/24 Target	Quarterly Performance Targets				2023/24 Budget Per Projects R 000		Quarterly Budget Target Capex and Opex				Means of Verification		
						Q1	Q2	Q3	Q4	Capex (000)	Opex (000)	Q1	Q2	Q3	Q4			
Objective: Become a financial sustainable entity.																		
Financial sustainability	Current Ratio	1	Current Ratio: 1:1	0.64	Current ratio 1:1	1:1	1:1	1:1	1:1		420		105	105	105	105	Monthly management accounts	
		2	Solvency Ratio 1:1	0.66	Solvency Ratio 1:1	1:1	1:1	1:1	1:1		420		105	105	105	105	Monthly management accounts	
	% Collection in respect of current debtors	3	59% Collection in respect of current debtors	57%	80% Collection in respect of current debtors	80%	80%	80%	80%	80%								Quarterly revenue collections report or Tenant financial summary from MR (management reports incorporated) Software System
		4	% Of valid invoices paid within 30 days of invoice receipt	62%	100% of valid invoices paid within 30 days of invoice receipt	100%	100%	100%	100%	100%		512		128	128	128	128	Age analysis (quarterly) with PDF audit trails or Purchase Master
	% of CAPEX spent on EMEs	5	New Indicator		30% of CAPEX spent on EMEs	30%	30%	30%	30%	30%		860		215	215	215	215	Monthly management account

**GSPCR  
CITY MANAGER  
GROUP PERFORMANCE AND AUDIT COMMITTEE  
SHAREHOLDER MAYORAL COMMITTEE  
COUNCIL  
BOARD OF DIRECTORS**

Key Performance Area	Key Performance Indicator	KPI No	Baseline 2021/22	Baseline 2022/23	2023/24 Target	Quarterly Performance Targets				2023/24 Budget Per Projects R 000				Means of Verification					
						Q1	Q2	Q3	Q4	Total budget		Quarterly Budget Target Capex and Opex							
						Capex (000)	Opex (000)	Q1	Q2	Q3	Q4								
	Percentage of approved capital budget	6	94%	101%	100% Spent on operating budget approved	25%	25%	25%	100%										Completion Certificate
	Percentage of resolution of internal audit findings	7	74%	98%	100% resolution of Internal Audit findings (cumulative)	30%	50%	75%	100%	-	-1 712	428	428	428	428	428		ARC approved Internal Audit report	
	% resolution of external audit findings	8	33%	75%	100% resolution of AG findings	25%	50%	75%	100%		886	214	214	214	214	214		ARC approved Internal Audit report	
	Level of audit opinion	9	Qualified audit opinion	Unqualified audit opinion	Unqualified audit opinion	-	-	-	Unqualified audit opinion	N/A	7 299	1 120	1 120	1 122	3 937		Auditor General final report		
	Percentage compliance to laws and regulation	10	82%	98.98%	100% compliance to laws and regulation	98%	98%	98%	98%	N/A	5 786	1 446	1 446	1 446	1 448		Board approved Compliance Reports		
	Percentage implementation of corrective action against identified risks	11	94%	100%	95% implementation of corrective action against identified risks	95%	95%	95%	95%	N/A	2 253	563	563	563	564		Board approved Risk Control Assessment report		
	Percentage employee vacancy rate	12	New Indicator	12.1%	5% employee vacancy rate	5%	5%	5%	5%		1 100	50	450	200	400		Approved Organogram and SAP report on positions filled		



GSPCR  
CITY MANAGER  
GROUP PERFORMANCE AND AUDIT COMMITTEE  
SHAREHOLDER MAYORAL COMMITTEE  
COUNCIL  
BOARD OF DIRECTORS

Key Performance Area	Key Performance Indicator	KPI No	Baseline 2021/22	Baseline 2022/23	2023/24 Target	Quarterly Performance Targets				2023/24 Budget Per Projects R 000				Means of Verification		
						Q1	Q2	Q3	Q4	Total budget		Quarterly Budget Target			Capex and Opex	
Employee Development	Number of employee development initiatives	13	New Indicator	-	4 employee development initiatives	01	2	3	4	-	11 073	2 768	2 768	2 768	2 769	Closeout reports for staff training and wellness programme attendance
						Capex (000)	Opex (000)	Q1	Q2			Q3	Q4			
Provide a resilient, livable, sustainable urban environment – underpinned by smart infrastructure supportive of a low carbon economy																
Smart City																
	Number of Digitisation Initiatives completed	14	New Indicator	-	4 Digitisation Initiatives completed	01	2	3	4	-	-	-	-	-	-	Dated and signed report
						Capex (000)	Opex (000)	Q1	Q2							
	Number of ICT awareness initiatives	15	New Indicator	-	32 ICT awareness initiatives	01	8	8	8	-	-	-	-	-	-	Awareness emails sent per Quarter and the number of ICT initiatives completed (at JOSHO projects and Head Office) per project
						Capex (000)	Opex (000)	Q1	Q2							
An Inclusive, Job-Intensive, Resilient and Competitive Economy that Harnesses the Potential of Citizens																
Job Opportunity and Creation																
	Number of jobs created for the unemployed through EPWP.	16	503 jobs created for the unemployed through the EPWP programmes	970	720 jobs created	01	360	540	720	-	2 450	525	525	700	700	EPWP database
						Capex (000)	Opex (000)	Q1	Q2			Q3	Q4			
Provide a Resilient, Livable Sustainable Urban Environment – Underpinned by Smart Infrastructure Supportive of a Low Carbon Economy																

GSPCR  
CITY MANAGER  
GROUP PERFORMANCE AND AUDIT COMMITTEE  
SHAREHOLDER MAYORAL COMMITTEE  
COUNCIL  
BOARD OF DIRECTORS

Key Performance Area	Key Performance Indicator	KPI No	Baseline 2021/22	Baseline 2022/23	2023/24 Target	Quarterly Performance Targets				2023/24 Budget Per Projects R 000				Means of Verification			
						Q1	Q2	Q3	Q4	Total Budget		Quarterly Budget Target					
						Capex (000)	Opex (000)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Sustainable Service Delivery	Number of housing units developed without services	17	212	535	450 housing units developed	-	225	-	450	-	-	1 200	300	300	300	Progress report dated and signed by Professionals	
		18	0	936	450 Social Housing units	-	225	-	450	-	-	1 200	300	300	300	Occupancy certificate or practical completion certificate or chief files inspectors report signed and dated.	
	% OF Social Housing units occupancy rate (regulated)	19	New Indicator		98%	98%	98%	98%	98%								MRI report with an occupancy interpretation report or Tenancy schedule or Occupancy audit schedule or any system generated report for tenant management
		20	100%	100%	100%	100%	100%	100%	100%								Approved service level standard report
Tenant Management Initiatives implemented by community development	% of Affordable Housing unit occupancy rate (non-regulated)	21	New Indicator		4	1	2	3	4							Closeout reports for training, events, community projects and wellness programme attendance pictures	
		22	New Indicator		98%	98%	98%	98%								MRI report with an occupancy interpretation report or Tenancy schedule or Occupancy audit schedule or any system generated report for tenant management	

<sup>1</sup> These are projects that have past the stage of being fully remanted thus excluding new projects that have not reached 100% occupancy.  
<sup>2</sup> This excludes student accommodation, hostels, TEA (Temporary Emergency Accommodation) and any other outsourced project.

