JOHANNESBURG SOCIAL HOUSING COMPANY

Long Term Strategy

2025-2030

CONTENTS

LIST OF ABBREVIATIONS

ARC	Audit and Risk Committee
APP	Annual Performance Plan
BER	Bureau for Economic Research
BCI	Business Confidence Index
BNG	Breaking New Ground Framework
CAPEX	Capital Expenditure
CPI	Consumer Price Index
EPWP	Expanded Public Works Programme
FY	Financial Year
GBV	Gender Based Violence
ICT	Information and Communications Technology
JOSHCO	Johannesburg Social Housing Company
JPC	Johannesburg Property Company
KPA	Key Performance Area
KPI	Key Performance Indictors
MFMA	Municipal Financial Management Act
MMC	Member of the Mayoral Committee
MOE	Municipal Owned Entity
MSA	Municipal System Act

NDP	National Development Plan
OPEX	Operating Expenditure
PESTLE	Political, Economic, Social, Technological, Legal Environmental
SDA	Service Delivery Agreement
SDP	Service Delivery Plan
SHI	Social Housing Institution
SHRA	Social Housing Regulatory Authority
SMME	Small Medium and Mico sized Entoty
SRM	Stakeholder Relations Management
SWOT	Strengths, Weaknesses, Opportunities and Threats

Foreword By Board Chairperson

It is with genuine optimism and a deep commitment to our community that I'd like to share JOSHCO's Long-Term Strategic Plan for the years 2025 to 2030. We understand the challenges ahead, and together, we can chart a path forward. This plan is not merely a document, it represents a pivotal moment in our ongoing journey, characterised by a revitalised pledge to deliver quality, affordable, and sustainable housing solutions to the diverse communities of Johannesburg.

As we reflect on the challenges we have faced and the achievements we have celebrated over the past five years, we move forward fortified by a clearer sense of purpose. This understanding is cultivated through extensive research, constructive community engagement, and a collaborative partnership with our valued associates. It is inspired by the immediate and genuine needs of our communities, prompting us to respond with both decisiveness and effectiveness.

The strategic plan presents a forward-looking vision that champions innovation in housing development, emphasizes the importance of efficient and effective service delivery, and addresses the growing demand for dignified rental housing throughout our dynamic city. We are dedicated to creating living environments that not only satisfy the fundamental needs of our residents but also cultivate a strong sense of community and belonging.

Moreover, the plan outlines concrete and actionable steps that we must undertake to restore organisational stability, enhance our financial sustainability, and unlock the full potential of our housing mandate. We have set specific, measurable goals that will guide us in our quest to improve our operations and expand our outreach.

I extend my heartfelt gratitude to the Board, executive leadership, dedicated staff, and all our stakeholders for their unwavering dedication and shared belief in our mission. It is through this collective effort that I am confident JOSHCO will continue to serve as a reliable delivery agent and a catalyst for inclusive urban development, shaping a brighter future for all Johannesburg residents.

As we approach this new chapter, let us move forward with confidence, united in our commitment to making a significant and enduring impact on the lives of those we serve.

Mr. Theodore Dhlamini
Chairperson of the Board
Johannesburg Social Housing Company

Foreword by Acting Chief Executive Officer.

It is with great determination and optimism that I present JOSHCO's 5-Year Long-Term Strategic Plan—our vision and blueprint for delivering dignified, social and affordable housing that transforms lives and communities across the City of Johannesburg.

Since our inception, JOSHCO has led the way in inclusive urban development. We have provided thousands of families with access to safe, quality housing, helping to restore dignity, promote stability, and drive social and economic uplift. However, as the demand for social and affordable housing continues to grow, we must also elevate our ambition, innovation, and determination.

This strategy outlines our goals for addressing current challenges while preparing for future needs. We are facing a period of economic uncertainty, a rising demand for affordable and social housing, and increasing pressure on public services. In this situation, our role is more important than ever.

This strategic plan is more than a document—it is a commitment, to deepening our impact, modernising our operations, and building a more inclusive and sustainable city.

Over the next five years, our key focus areas will concentrate on:

1. **Accelerating delivery of social and affordable rental housing** to meet the growing demand
2. **Enhancing financial sustainability** through efficient revenue models and cost management
3. **Investing in communities** by supporting tenants with services that promote social cohesion and economic inclusion
4. **Driving innovation and sustainability**, including green building practices and digital transformation
5. **Strengthening governance, partnerships, and operational excellence** to support our growth.

Our strategy is guided by the real experiences of our communities, the City of Johannesburg's priorities, and the broader objectives of South Africa's human settlements agenda. We believe that housing is not just a basic right; it serves as a foundation for opportunity, safety, and dignity.

This journey will require collaboration, courage, and accountability. I extend my sincere gratitude to our board, executive team, employees, tenants, and partners. Together, we are building more than homes—we are building hope, resilience, and a better urban future for all.

Together, we can build a future where everyone has access to a safe and affordable place to call home.
I invite you to share in our vision and join us on this important journey.

Nokwazi Mtshali
Acting Chief Executive Officer
Johannesburg Social Housing Company (JOSHCO).

Official Sign Off

It is here certified that this Long-Term Strategic Plan:

Was developed by management of Johannesburg Social Housing Company under the guidance of MMC, Board and Shareholder.

Considers all the relevant policies, Legislations, and Mandate for Johannesburg Social Housing Company must adhere to.

Accurately reflects the programmes and projects that JOSHCO will strive to achieve over a period of five years.

Mr. Nhlamulo Shikwambana

Acting Executive Manager: Planning and Strategy.

Mr. Musa Nkosi

Acting Chief Financial Officer
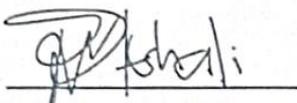
Ms. Nokwazi Mtshali

Acting Chief Executive Officer
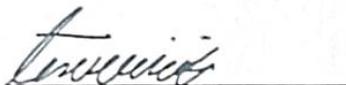
Mr. Theodore Dlamini

Board Chairperson
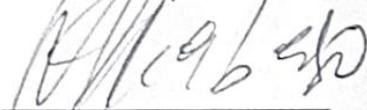
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COJ MMC

1. INTRODUCTION TO THE 2025-2030 STRATEGIC PLAN REVIEW

1.1 Background

The City of Johannesburg established the Johannesburg Social Housing Company SOC Limited (JOSHCO) in November 2003 as a municipal entity that is responsible for addressing the growing need for low income and affordable housing solutions. JOSHCO is a provider of social and affordable rental housing. JOSHCO manages a portfolio of 10 156 units across the seven regions of the city. This includes 5460 social housing funded units and 4696 affordable rental units).

In response to the diverse and growing housing needs within the City of Johannesburg (CoJ), JOSHCO plays a vital role of offering multiple affordable rental housing options. These include not only traditional subsidized housing but also student accommodation and non-regulated affordable rentals and these form part of the CoJ's broader strategy for addressing housing challenges, JOSHCO is integral to the city's service delivery framework, often assigned specific functions to enhance community development.

JOSCHO's projects are in

- Greenfields: new buildings developed by JOSHCO or developers on their behalf

- Brownfields: Buildings that are bought and then converted into residential units

- Hostels: former city employees' and public hostels

- City Referrals: rent stock from COJ that was transferred to JOSHCO to manage them on behalf of the City of Johannesburg.

Unit typologies range from communal, bachelors, 1 bedroom and 2 bedrooms. The units are available to households at rentals from as low as R500,00 per household per unit per month to R7,770 per household per unit per month.

JOSHCO is a registered Social Housing Institution (SHI) accredited by the Social Housing Regulatory Authority (SHRA). Its mission is to provide subsidized rental housing to households with incomes ranging from R1,850 to R22,000 per month, aligning with national social housing policy and the income bands extended by the Ministry of Human Settlements in 2021/2022. The income qualifying range was widened in 2022 from R3,500 to R15 000 per month to R1,850 to R22,000 per month.

The widening of the income provides an opportunity for JOSHCO to serve a larger and more diverse group, but it also presents significant challenges related to affordability for qualifying households, financial sustainability for JOSHCO, and market dynamics. By adjusting rent structures, developing mixed-income communities, diversifying funding sources, and improving operational efficiencies, JOSHCO can ensure that the mission of providing affordable and subsidized rental housing is aligned with the broader national housing policy whilst remaining financially viable in the long run.

The social housing sector in South Africa plays a critical role in addressing housing needs for low-income households. Housing demand in the City of Johannesburg (CoJ) and the broader Gauteng province is influenced by several factors. As one of the largest social housing institutions in the country, JOSHCO operates within a complex and dynamic environment characterized by:

a)   Urbanization and lifestyle preferences fuelling the demand for different housing options: A significant influx of people moving to urban areas for better job opportunities drives demand for affordable rental housing. Changes in lifestyle, such as a preference for urban living, can shift demand toward certain areas

b)   Economic Growth: Gauteng is the economic hub of South Africa. As businesses expand, job creation leads to increased housing needs.

c)   Population Growth: A rising population, both from natural growth and migration, intensifies demand for housing.

d)   Infrastructure Development: Improved transportation, schools, and healthcare facilities make certain areas more attractive, boosting housing demand.

e)   Interest Rates: Lower interest rates can make mortgages more affordable, increasing the number of people able to purchase or rent homes.

f)   Investment Opportunities: The province attracts local and foreign investors looking for rental properties, which stimulates demand.

g)   Government Policies: Initiatives aimed at affordable housing and urban regeneration can affect demand patterns. Recent changes in government priorities necessitate strategic realignment with new directives

h)   Cultural Factors: The diverse population in Gauteng influences housing preferences, leading to demand for various housing types.

i)   Environmental Concerns: Increasing awareness of sustainability may drive demand for eco-friendly housing options.

j)   Limited Resources: Budget constraints at both municipal and national levels require innovative financing solutions.

k)   Sustainability Pressures: Emphasis on environmentally sustainable housing solutions has become a central focus for social housing institutions.

The City of Johannesburg is experiencing a sustained and intensifying demand for rental housing, encompassing social, affordable, and student accommodation. Projections indicate that between 2016 and 2030, the number of households in need of adequate housing will rise significantly, placing immense pressure on the city's already overstretched housing infrastructure.

Currently, informal settlements in Johannesburg are estimated to house over 1.5 million people, highlighting the scale of unmet housing need. Compounding the challenge are 45 stalled or blocked housing projects, valued at more than R6.6 billion, which have further hindered progress. These projects, initiated as far back as 2008, remain incomplete due to issues such as poor contractor performance, vandalism, and lack of effective cooperation between departments and municipalities.

This escalating challenge demands a bold and innovative response. JOSHCO, as a key player in the delivery of urban rental housing, must drive the development of sustainable, well-located, and economically integrated housing solutions that respond effectively to the needs of a growing and diverse urban population. Addressing this housing shortfall will require coordinated planning, strengthened partnerships, and a commitment to unlocking stalled projects and maximizing the impact of available resources.

JOSHCO is committed to fostering sustainable communities and improving living conditions through innovative housing solutions. These solutions include the integration of green facilities

strategically located within economic hubs, transport nodes, and areas of economic viability. By focusing on Priority Housing Development Areas, JOSHCO demonstrates a responsive approach to addressing pressing social challenges within the city, contributing meaningfully to inclusive urban development

The organization actively collaborates with a diverse range of stakeholders including government institutions, private sector partners, and community-based organizations to strengthen service delivery and effectively respond to the complex and evolving housing needs of residents.

This Strategic Plan outlines JOSHCO's priorities, key programs, and service delivery operations over the next five years, ensuring alignment with the City of Johannesburg's vision for inclusive and sustainable urban development. Through this plan, JOSHCO aims to strengthen its impact on the housing landscape, responding effectively to the evolving needs of its communities. JOSHCO's 5-year strategic plan positions the organization to address challenges in the sector whilst leveraging opportunities for innovation and growth in the sector and economy

1.2   JOSHCO Ownership and Governance Arrangements

JOSHCO is a registered Social Housing Institution (SHI) under the ownership of the City of Johannesburg. It is governed by a board of directors that is responsible for overseeing its strategic direction and ensuring compliance with relevant regulations and policies.

1.2.1   Ownership Structure:

- City of Johannesburg: JOSHCO is wholly owned by the city, reinforcing its commitment to addressing the housing needs of residents within its jurisdiction.

1.2.2   Governance Framework:

- Board of Directors: The board is composed of members with diverse expertise in housing, finance, and community development. Tasked with guiding JOSHCO's strategic initiatives, the Board of Directors ensures accountability, and provides oversight of its operations.

- Executive Management: Day-to-day operations are managed by an executive management team responsible for implementing the board's strategies and ensuring efficient service delivery, led by the Chief Executive Officer supported by the Chief Operating Officer, Chief Financial Officer, Executive Manager- Planning and Strategy, Executive Manager- Corporate Services.

1.2.3 Regulatory Compliance:

JOSHCO is conditionally accredited by the Social Housing Regulatory Authority (SHRA), reflecting its dedication to complying with national housing policies and regulations. This accreditation highlights JOSHCO's commitment to delivering quality and affordable housing.

1.2.4 Stakeholder Engagement:

JOSHCO actively engages with various stakeholders, including government agencies, community organizations, and residents, to ensure that its housing solutions are responsive to the needs of the community.

1.2.5 Transparency and Accountability:

Regular reporting and assessments are conducted to maintain transparency and accountability in its operations. This includes financial audits and performance reviews to ensure the effective use of resources.

Through its ownership and governance arrangements, JOSHCO aims to foster sustainable housing solutions that contribute to the overall development of the City of Johannesburg while maintaining high standards of service delivery.

1.3 Strategic Planning – Purpose, Process and Methodology

1.3.1 Purpose of the 5-year Strategic Plan Review

The purpose of this strategic plan review is to critically assess JOSHCO's performance against the objectives set out in the current 5-Year Strategic Plan (2021–2025). The review aims to identify areas of success, challenges, and gaps, and to align the strategic direction of JOSHCO going forward with the evolving priorities of the City of Johannesburg, national housing policy, and the Social Housing Regulatory Authority (SHRA). This process ensures that JOSHCO remains effective in delivering on its mandate to provide affordable rental housing while adapting to changes in the operating environment.

By reflecting on past achievements and challenges, this review will inform a revised strategy that addresses current realities, strengthens operational efficiency, and enhances JOSHCO's role as a leader in sustainable urban housing delivery.

Following the Local Government Elections held on the 01 November 2021, the Gauteng region remains politically competitive, with coalitions playing a crucial role in governance. This also led to the subsequent appointment and changes to the Board of Directors.

There were also updates made on the 2021-2025 Strategic Plan so as to ensure that the JOSHCO keeps abreast with the emerging priorities of the Shareholder. Furthermore, the social housing institutions needs to appraise itself of the material conditions prevailing in the post Covid-19 pandemic era.

1.3.2 Scope and Objectives

The scope of the strategic plan review encompasses an analysis of internal and external factors impacting JOSHCO's ability to meet its goals, along with a reassessment of the organization's vision, mission, and mandate. The review process focuses on the following key objectives:

1.3.2.1   Evaluate the performance of the current strategic plan, including achievements and challenges.

1.3.2.2   Align the strategic direction with the City of Johannesburg's priorities and national housing policies.

1.3.2.3   Identify gaps in operational efficiency, financial sustainability, and stakeholder engagement.

1.3.2.4   Propose a revised 5-Year Strategic Plan that addresses identified gaps and includes measurable targets and deliverables.

1.3.2.5   Develop a one-year business plan that outlines immediate actions to align with long-term strategic objectives.

This strategic review emphasizes collaboration with stakeholders, evidence-based decision-making, and alignment with legislative and policy mandates. In response to these imperatives, JOSHCO has reviewed its 2021-2025 Strategic Plan through:

i.   A comprehensive situational and needs analysis.

ii.   Examination of sectoral challenges and JOSHCO's operational sustainability.

iii.   Organizational review to establish an effective leadership structure.

iv.   Stakeholder consultations and workshops to ensure inclusivity and responsiveness.

The result is a revised Draft Strategic Plan for 2025/26-27/28 that will be appraised and approved by the City of Johannesburg (CoJ), aligning JOSHCO effectively with the municipal and national housing objectives.

2. JOSCHO STRATEGIC PLANNING FRAMEWORK

2.1   Overview of the 5-Year Strategic Plan

The Johannesburg Social Housing Company (JOSHCO) developed a 5-Year Strategic Plan to guide its mandate of providing affordable rental housing for low-income households in Johannesburg. This plan aligns with the City's Integrated Development Plan (IDP) and national housing priorities, addressing the growing demand for social housing. The strategy focuses on four key pillars:

i.   *Affordable Housing Delivery*: Expanding the housing stock to meet the increasing demand.

ii.   *Sustainable Urban Development*: Supporting the City's spatial transformation goals through well-located housing projects.

iii.   *Operational Excellence*: Enhancing internal processes for improved efficiency and financial sustainability.

iv.   *Stakeholder Collaboration*: Strengthening partnerships with government, regulators, and the private sector to improve resource mobilization and service delivery.

JOSHCO's strategic goals are aligned with national housing priorities, such as:

i.   *Addressing the Housing Backlog*: Focusing on the construction and acquisition of affordable housing units, particularly in high-demand urban areas, to address the national housing backlog of over 2.4 million households.

ii.   *Increasing Rental Housing Supply*: Expanding the rental housing stock through the development of new units and the refurbishment of existing properties to serve low- to middle-income earners.

iii.   *Sustainability and Urban Integration*: Prioritizing developments that integrate with existing infrastructure and services, such as public transport, schools, healthcare, and employment opportunities.

iv.   *Collaboration with Stakeholders*: Partnering with national, provincial, and local governments, as well as the private sector, to secure funding, land, and resources for large-scale housing projects.

This strategic plan serves as a blueprint for JOSHCO to tackle challenges in the housing sector, remain compliant with the Social Housing Regulatory Authority (SHRA), and position itself as a leader in urban housing delivery.
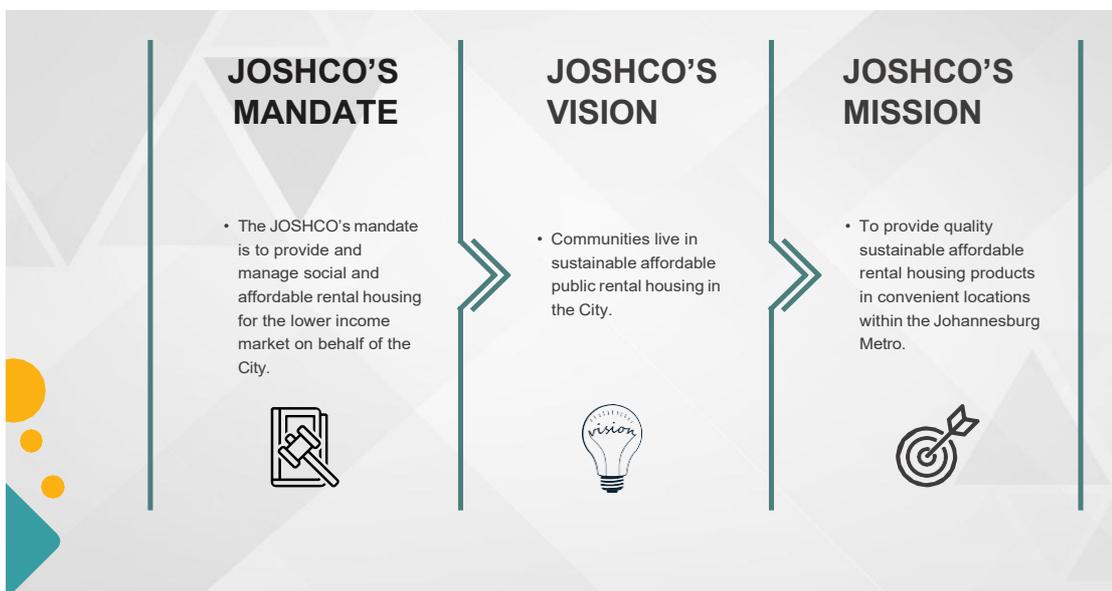
2.2   Mandate

- To provide and manage social and affordable rental housing for the lower income market on behalf of the city.

JOSHCO's mandate is rooted in its establishment by the City of Johannesburg as a municipal entity tasked with:

- Developing and managing affordable rental housing units for low income households.

- Supporting the City's Integrated Development Plan (IDP) by promoting spatial equity and sustainable urban development.

- Providing rental housing solutions that bridge the gap between state-subsidized housing and the private rental market.

- Aligning operations with the Social Housing Act and contributing to the objectives of the National Housing Code.

This mandate underscores JOSHCO's commitment to creating vibrant, inclusive communities that promote economic growth and social cohesion.

JOSHCO's mandate is to provide and manage social and affordable rental housing for the lower-income market in Johannesburg, addressing the City's housing backlog. JOSHCO ensures compliance with SHRA regulations, uphold effective tenant management and satisfaction, and align its activities with the City's housing strategy. Any special projects undertaken by JOSHCO are aligned to the core mandate and funded by the requesting entity in line with the service delivery agreements and only assisting those that do not owe JOSHCO

2.3 Vision

Community living in world-class, sustainable, and affordable public rental housing within a well-managed and inclusive city.

2.4 Mission

To design, develop, and manage sustainable, affordable social housing in well-located areas of Johannesburg, meeting community needs through efficient, customer-focused service delivery

2.4.1 Core Values and Guiding Principles

Transparency:
We will conduct business in an open, honest and transparent manner. We will comply with all legislative and governance requirements and take full responsibility for our decisions and actions.

Customer Focus:
At JOSHCO, we hold the customer very dearly to our hearts. We will do everything possible to ensure that we delight our customers in ways they want and to standards they themselves define.

Efficiency:
We strive to become resourceful in the way we do business. We will continuously innovate to better our business processes. We focus on achieving more from the resources at our disposal.

Respect:
We cannot exist or succeed independent from our clients, customers and partners. We respect every person whom we interact with and strive to treat our customers in a highly respectful and dignified manner

2.6 Alignment with National Strategic Priorities

According to the City of Johannesburg's Integrated Development Pan, JOSHCO is responsible for providing and managing affordable rental housing stock for the lower income market as part of its contribution to eradicating the housing backlog.

In line with the City's broader housing strategy and in response to increasing demand, JOSHCO aimed to increase its rental stock by at least 5,000 units over the past five years. This expansion will be supported through a combination of turnkey projects and partnerships with private and public sector stakeholders, which will facilitate large-scale unit delivery (City of Johannesburg IDP, 2024). JOSHCO's projects are strategically located in areas with access to key amenities such as parks, public transport
routes, and healthcare facilities, ensuring that new developments meet the needs of residents and promote social inclusion.

By the end of the current Integrated Development Plan (IDP) term, the City, through JOSHCO, aims to have social housing units available in all seven regions, strengthening its commitment

to providing affordable, sustainable housing for Johannesburg's growing population (City of Johannesburg IDP, 2024/25).

GDS Outcomes	GDS Outputs	Government of Local Unity (GLU)Objectives	Mayoral Priorities	JOSHCO Strategic Priorities	JOSCHO Strategic Overview
Provide a resilient, liveable, sustainable environment, underpinned by smart infrastructure supportive of a low carbon economy	Sustainable Human Settlements	Sustainable Human Settlements	Sustainable Service Delivery	To be a smart and capable entity	Achievement of all service level standards as per the service delivery agreement
An inclusive job intensive resilient competitive and smart economy that harnesses the potential of citizens	• Job intensive economic growth • Promotion and support for informal and micro businesses • Increased competitiveness of the economy • A smart of Johannesburg that is able to deliver quality services to citizens in an efficient and reliable manner (cross cutting output)	• Job intensive economic growth • Promotion and support for informal and micro businesses • Increased competitiveness of the economy	Job opportunity and creation	To be a smart and capable entity	• Upliftment of communities through the provision of financial and non-financial support to the local SMMEs on construction projects • Skills Development and job creation through the EPWP programme.
Provide a resilient, liveable, sustainable environment, underpinned by smart infrastructure supportive of a low carbon economy	Sustainable Human Settlements	Sustainable Human Settlements	Sustainable Service Delivery	• Develop and manage social housing and student accommodation and manage affordable rental housing • Implement housing development projects for the COJ • Provide assigned municipal services	• Large scale delivery of social affordable housing units across the city • Development of student accommodation precinct • Preserved and well-maintained buildings that meet acceptable living conditions
A high performing metropolitan government that	Add responsive accountable, efficient, and productive	Partnerships. Intergovernmental and international relation. Our	Financial Sustainability.	To be a smart and capable entity.	To be a solvent company. Uh, by the end of 2024-2025. Improved

GDS Outcomes	GDS Outputs	Government of Local Unity (GLU)Objectives	Mayoral Priorities	JOSHCO Strategic Priorities	JOSCHO Strategic Overview
proactively contributes. to. and builds. a sustainable, socially inclusive, locally integrated and globally competitive Gauteng city region.	metropolitan government. Financially sustainable and resilient city.	responsive, accountable, efficient and productive metropolitan government. Financially sustainable and resilient. City. Meaningful citizen participation and empowerment. Guaranteed customer and citizen care and service.			revenue collection. Diversification of revenue streams. Achieving unqualified audit status. Sound reputation in terms of payment of suppliers within 30 days. Effective and efficient business processes. Approved tenant satisfaction through proactive tenant education and engagement programs. Customer satisfaction targets achieved and improved. Improved visibility of JOSHCO brand
An inclusive job intensive resilient competitive and smart economy that harnesses the potential of citizens	It's a smart City of Johannesburg. That is able to deliver quality services to citizens in an efficient and reliable manner. (Cross cutting output.)	Smart City of Johannesburg that is able to deliver quality services to citizens in an efficient and reliable manner. A responsive, accountable and efficient and productive metropolitan government. Meaningful citizens. Participation and empowerment, Guaranteed customer service. Guaranteed customer and citizen care and service.	Smart City.	To be smart and capable entity.	Social housing projects are smart and environmentally friendly through design and the use of alternative building technologies, including alternative energy solutions and. Rainwater harvesting, improved application and leasing process supported by automation of processes. Seamless business continuity supported through effective backup and disaster recovery systems.

2.7   Legislative Framework

2.7.1   Legislative and Policy Mandates

JOSHCO operates within a comprehensive legislative and policy framework, ensuring compliance with national, provincial, and municipal regulations. Key mandates include:

a.   National Development Plan (NDP) 2030:
   - Aligns JOSHCO's strategic objectives with national goals for sustainable housing and poverty reduction.

b.   City of Johannesburg Integrated Development Plan (IDP):
   - Outlines the City's priorities for housing, urban development, and service delivery.

c.   Breaking New Ground (BNG) Policy Framework:
   - Promotes integrated housing developments that support inclusive urban growth.

By adhering to these legislative and policy mandates, JOSHCO ensures that its strategic objectives are not only compliant but also responsive to the needs of the communities it serves.

Additional applicable regulations are summarised in the table below:

Applicable Legislations and Regulations	Relevance and Importance to JOSHCO
Basic Conditions of Employment Act No 75	applicable across all sectors, including social housing, its relevance to the social housing sector is particularly important in ensuring fair and equitable working conditions for employees involved in housing development, management, maintenance, and service delivery.
Broad Based Black Economic Empowerment Act No 53 of 2003 and 2014 Code	These regulations are aimed at ensuring that historically disadvantaged groups benefit from economic opportunities, including in sectors like social housing.
Companies Act (No. 71 of 2008	JOSHCO complies with the Companies Act, ensuring proper corporate governance and reporting standards.

Construction industry construction industry Development Board act #38 of 2000.	promotes transformation, efficiency, and quality within the construction industry.
Consumer Protection Act. #68 of 2008.	plays an essential role in ensuring that social housing is delivered in a fair, transparent, and ethical manner, protecting the rights of tenants and prospective homeowners. For social housing providers like JOSHCO and other municipal or government-backed housing agencies, adherence to the CPA ensures that tenants are treated fairly and that their legal rights to quality housing, transparent contracts, and access to redress are respected.
COVID-19 occupational health and safety. Safety measures in workplaces directive.	mitigating the spread of the virus in workplaces, including sectors involved in social housing. For organizations like JOSHCO, adherence to these directives ensures that employees, contractors, and tenants are protected.
Electronic Communication and Transaction act #25 of 2002.	When JOSHCO or similar social housing entities engage in online services (e.g., electronic tenant applications, payments, or digital communication), compliance with the ECTA is required.
Employment equity act #55 of 1998	Diversity and Inclusion: JOSHCO must ensure that its employment practices comply with this Act by promoting diversity and inclusion within its workforce, including in senior management positions. Affirmative Action Plans: The Act mandates organizations to create affirmative action plans to correct employment imbalances.
Housing Act #107. Of 1997.	Affordable Housing Delivery: JOSHCO, as a social housing provider, must comply with this Act in delivering affordable housing that meets the criteria for quality, accessibility, and sustainability. Municipal Planning: The Act also requires local governments to be involved in housing planning, and

	JOSHCO must align its projects with municipal planning frameworks
Labor Relations act #66 of 1995.	Employee Rights: Ensures that JOSHCO's employees are protected from unfair treatment and exploitation. This includes provisions on wages, working hours, and dispute resolution. Industrial Relations: Governs the procedures for union recognition, collective bargaining, and dispute resolution, which is relevant to JOSHCO's relationships with trade unions in the housing sector.
Local government. Municipal. Act, municipal regulations on debt disclosure.	Transparency in Debt Management: As a municipal entity, JOSHCO must ensure compliance with these regulations when disclosing debts related to housing projects, subsidies, and rental collections. Financial Reporting: This law helps ensure that JOSHCO's financial statements reflect accurate debt obligations, promoting trust and transparency with stakeholders, including tenants.
Local government. Municipal Finance Act Municipal regulations on minimum competence levels.	Financial Planning: JOSHCO must comply with the MFMA to ensure that all financial decisions related to housing projects are managed in line with legal requirements. Budgeting and Financial Reporting: Compliance with the MFMA helps JOSHCO in preparing annual budgets, conducting audits, and managing procurement processes effectively.
Local government. Municipal Finance Act Municipal supply chain management. Regulations.	Procurement Compliance: JOSHCO must adhere to these regulations when procuring services or construction materials for housing projects. The regulations ensure that the procurement process is fair and that public funds are spent efficiently. Supplier Diversity: These regulations may also align with B-BBEE and other transformation objectives.

Local Government Municipal Finance Act number 56 of 2003. Occupational Health and Safety Act Construction regulations.	Provides guidance on financial accountability and resource allocation.
Occupational Health and Safety Act, Environmental Regulations for Workplace, No 85 October 1993.	Construction Site Safety: For social housing projects, JOSHCO must ensure that construction sites comply with the OHSA to protect workers from accidents, injuries, and illnesses. Workplace Standards: In all office environments, JOSHCO must maintain safety protocols, including emergency procedures, PPE, and health checks to protect employees during the pandemic or any other occupational health issues.
Occupational Health and Safety Facilities Regulation, August 2004.	Compliance on Construction Sites: JOSHCO must ensure that all contractors and workers involved in social housing development follow these regulations, including ensuring that construction activities are carried out safely, with proper PPE and safety protocols in place.
Occupational Health and Safety Act. General Administration Regulations, May 1987.	Environmental Risk Management: JOSHCO must ensure that all construction activities comply with environmental regulations, especially in managing hazardous materials, waste, and the environmental impact of housing developments. Sustainability: Incorporating environmental considerations in social housing projects is critical to meeting long-term sustainability goal
Occupational Health and Safety Act #85 of 1993.	Worker Facilities: JOSHCO must provide adequate facilities (such as toilets, handwashing stations, and break areas) for workers on construction sites and in housing projects. Construction Site Compliance: Ensuring that construction workers have access to safe and clean facilities is key for legal and safety compliance.

Preferential procurement policy framework act #5 of 2000.	B-BBEE Compliance: JOSHCO must apply preferential procurement policies to promote empowerment, ensuring that procurement processes favour businesses owned by historically disadvantaged individuals (HDIs). Supplier Diversity: The Act encourages JOSHCO to engage with suppliers who promote transformation and job creation within the broader South African economy.
Promotion. Of Access to Information Act No. 2 of 2002. Public bodies.	Public Transparency: JOSHCO must ensure transparency in its operations by providing the public with access to relevant information, such as housing project plans, budgets, and procurement processes. Information Disclosure: Tenants and the public should have access to information regarding housing policies and how resources are allocated.
Protection of personal information, Act No.4 of 2013.	Tenant Data Protection: JOSHCO must ensure that tenant information, including personal, financial, and contact details, is protected in compliance with POPIA. Privacy Policies: Social housing providers must implement policies and procedures for safeguarding the privacy and confidentiality of tenant data.
Rental act No. 5 of 1999.	Tenant Rights: JOSHCO must comply with the Rental Housing Act to ensure fair rental agreements and that tenants' rights are upheld. Dispute Resolution: The Act establishes mechanisms for resolving rental disputes, which is particularly important for tenant-facing roles in housing management Regulatory Oversight: The Act outlines the role of the Social Housing Regulatory Authority (SHRA), which oversees compliance and governance in the sector.
Social Housing Act No 16 of 2008.	Affordable Housing Development: JOSHCO must ensure that all housing projects comply with the provisions of the

	Social Housing Act in providing sustainable, affordable housing for low- to moderate-income households. Regulatory Oversight: The Act outlines the role of the Social Housing Regulatory Authority (SHRA), which oversees compliance and governance in the sector.
Unemployment insurance Act #63 of 2001.	UIF Compliance: JOSHCO must register all employees with the UIF and ensure contributions are made to provide financial assistance to employees during unemployment or leave periods.
Value added Tax Act number 89 of 1991	Taxation of Housing Transactions: JOSHCO must comply with VAT regulations when purchasing construction materials, services, or engaging in rental income collection. VAT is particularly relevant for social housing developers in terms of exemptions and rebates available to public entities.
Local government Municipal Systems act #32 of 2000.	Municipal Service Delivery: JOSHCO must comply with this Act in managing its social housing portfolio, ensuring that municipal services (e.g., water, electricity, waste management) are provided to housing developments. Public Participation: The Act encourages public participation in municipal planning and decision-making, which could involve tenant input in housing projects.

2.7.2   Compliance and Regulatory Framework

JOSHCO operates within a stringent regulatory environment, ensuring compliance with national and municipal legislation.

i.   Municipal Finance Management Act (MFMA): The MFMA governs financial management in municipalities and municipal entities, promoting sound financial governance and accountability.

ii.   Social Housing Act (No. 16 of 2008): This Act provides the framework for the provision of social housing, outlining the roles of various stakeholders, including social housing institutions like JOSHCO.

iii.   King IV Report on Corporate Governance: JOSHCO endorses the principles of the King IV Report, emphasizing ethical leadership, corporate citizenship, and sustainable development.

Adherence to these regulations ensures that JOSHCO operates legally and ethically, maintaining public trust and fulfilling its social mandate/

3. SITUATIONAL ANALYSIS

3.1   Macro-Economic Factors in South Africa:

Impact on the Social Housing and Student Accommodation Sectors

3.1.1   Business Cycles and GDP Growth

South Africa's GDP growth has faced significant challenges over recent years, including slow recovery from the COVID-19 pandemic and ongoing structural issues such as energy crises, political instability, and labour market challenges.

Recent Trends: South Africa's GDP growth has been relatively subdued, with growth projections often revised downward due to the impact of load shedding, inflationary pressures, and global economic uncertainties. As of the latest data, South Africa's GDP is expected to show slow growth in the near term, signalling an ongoing economic downturn.

Implications for Housing: A negative GDP growth or low growth can dampen demand for new housing projects, particularly in the social housing space, where affordability is critical. However, these conditions may increase demand for more affordable housing options, especially in lower-income brackets. Investors may be more cautious, but the demand for affordable housing and student accommodation remains strong, albeit with pressure on rent affordability.

3.1.2   Inflation and Consumer Price Index (CPI)

Inflation in South Africa has remained a persistent challenge, with the Consumer Price Index (CPI) often approaching or exceeding the upper limit of the South African Reserve Bank's target range of 3–6%. Over the past five years, the average annual CPI inflation rate has been approximately **5.8%,** reflecting periods of elevated inflation particularly in 2022 and 2023 that have placed continued pressure on consumer spending power and overall household affordability.

Recent Trends: Inflationary pressures in South Africa have been exacerbated by rising food and fuel prices, as well as the ongoing depreciation of the rand. Inflation range or 3%-6% over the past five years implies a reduction in disposable income, especially among low-income

households, which constitutes a large portion of the target market for social and affordable housing as well as student accommodation.

Implications for Housing: Higher inflation means that real incomes are effectively shrinking, which could lead to declining consumer spending power. This could affect the affordability of rent in both the social housing and student accommodation sectors. Rent growth will need to be carefully managed to avoid pushing tenants beyond their financial means.

However, for social housing, there is likely to be an increased demand for government-subsidized or affordable housing options, as many households will find it harder to afford private rentals. In the student accommodation sector, universities may continue to expand on-campus housing to meet the demand from students seeking affordable living options amid rising rentals.

3.1.3 Political Risk and Stability (Bond Yields)

The bond yields in South Africa have been volatile due to political risk, sovereign credit rating downgrades, and fiscal uncertainty. As of the most recent data, bond yields remain relatively high, indicating investor concern about the country's political and economic stability.

Recent Trends: South Africa's bond yields have been higher than those of more stable emerging markets, reflecting concerns over the country's sovereign risk. Political instability, corruption, and inefficiencies in government service delivery continue to undermine investor confidence in South Africa's long-term economic outlook.

Implications for Housing: Higher bond yields typically translate into higher borrowing costs, which may deter real estate developers and investors. This is a significant concern for social housing projects that rely on government funding or financing, as increased borrowing costs could limit the scale and speed of new developments.

In the student accommodation sector, private developers who rely on borrowing may face increased costs, leading to higher rent levels or delayed project timelines. However, the demand for student accommodation in major university cities (such as Cape Town, Johannesburg, and Pretoria) remains robust, though development timelines may be extended.

3.1.4 Business Confidence and the BER Business Confidence Index

The Bureau for Economic Research (BER) in South Africa's Business Confidence Index (BCI) provides a useful gauge of business sentiment in South Africa. In recent years, business confidence has been low, driven by ongoing structural issues such as unreliable electricity supply, labour unrest, and slow economic growth.

Recent Trends: Business confidence in South Africa has been improving slowly but remains below optimal levels. The slow recovery from the pandemic, coupled with power outages, remains a significant hindrance to long-term economic stability.

Implications for Housing: A low Business Confidence Index typically results in reduced investment and slower development. For social housing, this means slower progress on new projects, despite the urgent need for affordable housing. However, in the student accommodation sector, the demand for purpose-built accommodation continues to be driven by growing student population, making this a more resilient sector in the face of low business confidence.

3.1.5 Consumer Spending Power

Consumer spending power is largely influenced by the growth in household disposable income, which has been under pressure due to inflation and economic stagnation. The increase in the number of households since 1994 has been significant, but disposable income growth has not kept pace with inflation.

Recent Trends: Disposable income growth has been modest in real terms, and inflationary pressures have eroded the purchasing power of households, particularly those in the lower income brackets. This is a critical concern for the affordability of both social housing and student accommodation.

Implications for Housing: Lower disposable income reduces the ability of many households to afford new housing, particularly for the working class and students. For social housing, there is an increased demand for government-subsidized homes and rental units that cater to low-income earners. For student accommodation, universities and private developers may need to offer more affordable and flexible options to accommodate students from a wide range of socioeconomic backgrounds.

3.1.6   Building Activity and the State of the Property Sector

Building activity, as a measure of the health of the property market, is critical in understanding future supply and demand dynamics. The number of plans passed, and buildings completed provide leading and lagging indicators of activity in the property sector.

Recent Trends: Building activity has been slow, particularly in the affordable housing and student accommodation segments. The challenges in the construction sector, including high material costs and delayed projects due to supply chain issues, have limited the growth of new developments.

Implications for Housing: The slow pace of new building activity in the social housing sector suggests that the demand-supply gap will persist, leading to higher competition for available affordable units. This creates an opportunity for developers who can secure financing despite the higher borrowing costs. In the student accommodation sector, while demand for new accommodation is strong, the pace of new construction remains slow, and universities may look to public-private partnerships to fill the gap.

3.2   External Environment

3.2.1   Context

3.2.1.1   *Population dynamics*

Johannesburg is home to 38% of Gauteng's households and is projected to grow to between 7 million and 10 million residents by 2040. The city's youthful demographic, with nearly half of its residents under 35, and a significant proportion of women-headed households (38%), underscores the urgent need for gender-sensitive housing solutions.

3.2.1.2 Urbanization Trends

As South Africa's urbanization accelerates, with 63% of the population currently living in urban areas and projections of 80% by 2050, Johannesburg stands as a pivotal migration hub. The city anticipates an influx of approximately 1.4 million migrants between 2021 to 2026, significantly heightening the demand for housing.

3.2.1.3 Economic Landscape

Johannesburg contributes 40% to Gauteng's Gross Value Added (GVA), predominantly from the finance and real estate sectors. However, the city grapples with high unemployment rates, which reached 30.8% pre-COVID and have been exacerbated by the pandemic. The GCRO Quality of Life Survey (2021) indicates that 20% of respondents experienced job losses, intensifying housing affordability challenges.

3.2.1.4 Poverty and Food Insecurity

As of 2024, approximately 63% of South Africa's population lives below the upper-middle-income poverty line of $6.85 per day, indicating a significant increase in poverty levels compared to the pre-COVID-19 period. (Source: World Bank Documents)

Food insecurity has also worsened, with South Africa's food security score dropping from 64.9 in 2019 to 45.3 in 2023, where zero indicates severe food insecurity. (Source: News 24)

This decline suggests that more South Africans are experiencing greater food insecurity now than at any other time between 2012 and 2023.These trends highlight the growing challenges of poverty and food insecurity in South Africa, underscoring the need for effective interventions to address these pressing issues.

3.3 Housing Market Demand Analysis

As of 2023, South Africa is facing a significant housing backlog, with an estimated 2.35 million households in need of housing. This backlog is highlighted in the National Housing Needs Register, reflecting the urgent demand for affordable and adequate housing across the country. The total value of the residential property market in South Africa stands at R6.789 trillion, with over 6.91 million properties. Residential properties account for 89.3% of all properties, emphasizing the central role the housing sector plays in addressing the backlog and meeting the needs of the population.

3.3.1 Urbanization and Housing Demand

South Africa is undergoing rapid urbanization, with 67% of the population currently living in urban areas—a figure projected to rise to 72% by 2030. This demographic shift has substantial implications for housing demand, particularly in metropolitan areas where the housing crisis is most pronounced. Urbanization leads to a growing need for both affordable housing and rental properties, as evidenced by the 23.2% of South African households living in rented accommodation.

The total number of households in the country is 17.8 million, and the demand for residential properties far outstrips the available supply. Unless addressed through coordinated efforts, this housing backlog is expected to persist. Government entities like JOSHCO are playing a critical role in mitigating this gap by developing affordable housing solutions, particularly in urban areas experiencing high rates of migration.

Gauteng's urban population continues to grow, driving demand for affordable housing and contributing to the expansion of informal settlements. In Johannesburg, migration from rural areas and neighbouring provinces intensifies the demand for housing, particularly rental and informal accommodation.

3.3.2 Market Trends

- The housing market in Gauteng, particularly in Johannesburg, reflects broader national trends, but with certain regional distinctions:

- *Formal Homeownership*: In Gauteng, only 9% of households own formal homes, (source: deeds office documents), though affordability challenges have limited homeownership in the region.

- *Formal Rental Housing*: The proportion of households renting formal accommodation has declined by 3% in Gauteng and 6% in Johannesburg. This could be due to rising property prices, which push renters towards informal housing options or more affordable rental solutions.

- Whilst the demand for rental properties in Johannesburg is rising, formal rental stock is not keeping pace due to affordability constraints and limited availability in the affordable housing sector. As a result, many people are turning to informal rental options or backyard dwellings.

- *Informal Settlements and Backyard Dwellings*: Informal settlements continue to grow in Johannesburg, reflecting the city's inability to meet the housing needs of its growing population. Informal rental arrangements, including backyard dwellings (both formal and informal), have become a common solution for many households. In Johannesburg, 20% of residents live in formal backyard dwellings, while 7% occupy informal backyard structures. These arrangements offer more affordable housing options but often lack b

- sic amenities and services.

- *Informal settlements* in Johannesburg continue to expand as formal housing options fail to meet the needs of the growing population. Backyard dwellings, both formal and informal, have become crucial in addressing housing shortages, offering relatively affordable options for those unable to access formal housing.

- Traditional Dwellings: While traditional dwellings are more common in rural areas, they have also become increasingly prevalent in the urban periphery of Johannesburg. This could be driven by land scarcity and high property prices in central urban areas.

- Although more common in rural areas, traditional dwellings are increasing on the outskirts of urban areas, likely due to limited land availability and the rising cost of urban property.

These trends above are summarised below: as at August 2023

Type of Accommodation	Gauteng Province	Johannesburg (JHB)	Context
Formal – owned	9%	9%	Though aligned with national ownership rates for urban areas, homeownership has been limited li due to affordability issues
Formal – rented	-3%	-6%	decline in the proportion of formally rented accommodation, possibly due to rising property prices or other market dynamics that push renters into informal housing or more affordable informal rental options
Informal settlement	2%	5%	high levels of informal settlement and rental housing in major cities like Johannesburg, driven by urban migration and housing affordability constraints.
Backyard dwelling (formal)	17%	20%	The percentage in Johannesburg is particularly high, reflecting the large demand for affordable housing in urban centres.
Backyard dwelling (informal)	5%	7%	These structures are typically seen in densely populated areas where affordable housing is scarce.
Traditional dwelling	5%	16%	

3.4   Key Insights from JOSHCO's August 2023 Market Analysis

- Demographic Profile: Leaseholders are primarily young adults (ages 26-45) and tend to be female, often within nuclear families.

- Tenant Preferences: Tenants prioritize secure neighbourhoods, access to amenities, and high-quality unit specifications.

- Demand Locations: Areas like Midrand, Randburg and Johannesburg's CBD are seeing high housing demand, with additional regions earmarked for future growth.

- Student Accommodation: There is an increasing demand for student housing, particularly in proximity to higher education institutions.

- Market Outlook: The social and affordable rental housing sector is experiencing steady growth post-COVID, with strong demand remaining consistent.

3.4.1 Strategic Implications for JOSHCO

Given the high prevalence of informal and backyard dwellings in Johannesburg, JOSHCO's strategies focuses on improving the quality of these informal settlements, expanding affordable rental stock, and incentivizing the construction of formal backyard dwellings where possible. Long-term planning outlook has capacity to accommodate urban expansion and develop the infrastructure needed to support a growing population in Johannesburg. This approach will not only address the housing backlog but also enhance the
quality of life for vulnerable communities in the city.

3.4.2 JOSHCO Organizational Structure and Funding Status

3.3.2.1 Organizational Structure

JOSHCO's structure, approved in November 2023, comprises approximately 677 staff, with 72% focused on housing management. The organization has experienced significant leadership turnover, including five CEOs, contributing to operational instability.

3.4.3 Human Resources Analysis

A 2021 HR capacity analysis indicated the need for streamlined functions, leading to an ongoing organizational redesign process. The current approved structure is as depicted below:

Top Structure
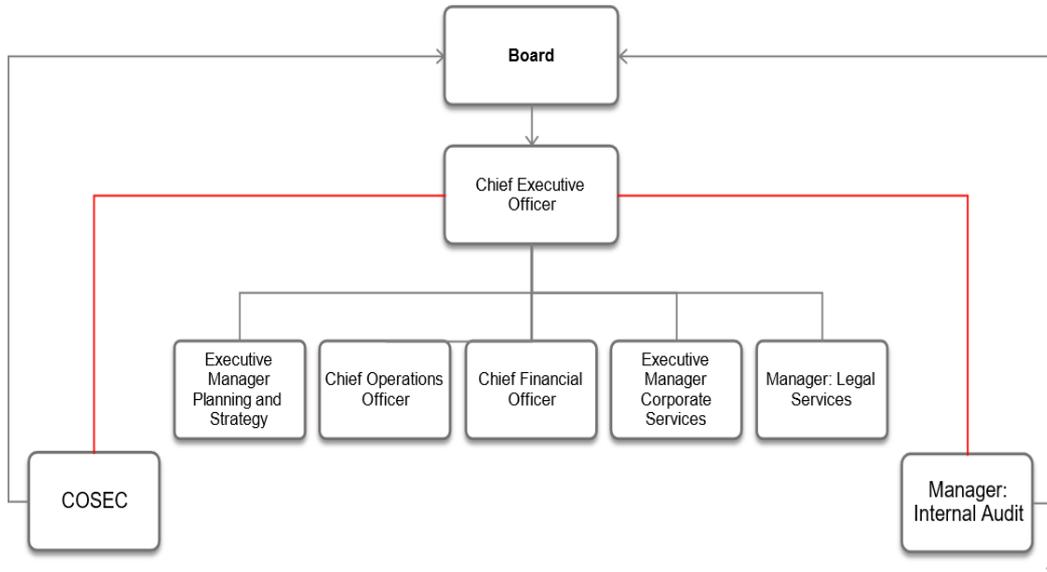
3.4.3.1 Financial Position

Performance metric	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Property revenue (R'000)	R171,6 million	R182 million	R 178,951 million	R152.4 million
Maximum rental excluding utilities	R5,550	R5,550	R5,550	R5,550
Capital budget (R'000)	378 million	628 million	399 million	337.5
Capital Expenditure	95%	94%	101%	100%
New units completed	609	210	936	495
Occupancy rate	99%	98%	98%	98%
Collection rate	58%	56%	57%	69%
Deficit	R115,9 million	R133,7 million	R373 million	R559 million
Number of rental units under management	8,825	8,825	9,410	10 ,155

3.4.3.2 Operational Challenges

a) Insufficient Rental Collections: While there has been an improvement in rental collections compared to the previous year's 57%, the current rate of 69% is still significantly below the required benchmarks. This continued shortfall affects JOSHCO's ability to meet operational costs, service debt, and invest in property maintenance and development. Strengthened revenue collection strategies and enhanced tenant engagement are critical to bridge this gap.

b) Under-funding: Funding requirements: For the 2023/24 financial year, JOSHCO recorded a budget deficit of R599 million, attributed to low revenue collection and high operating costs and budgets cut from the City. JOSCHO has high demand for units more than units that are being developed due to financial limitations.

c) These financial challenges have raised concerns about JOSHCO's ability to continue as a going concern, highlighting the need for exploring alternative methods of raising capital as well as focusing on ways to contain costs and improving operational efficiencies to ensure the sustainability of its social housing initiatives.

d) Non-payment for Services: Unpaid projects amounting to R1,3 billion for the CoJ's Human Settlements Department strain cash flow.

e) Budget Insufficiency: Current allocations from the CoJ are inadequate for effective property maintenance.

f) Limited Performance Insight: JOSHCO lacks project-level oversight, complicating accurate performance assessments.

3.4.3.3 Overview of JOSHCO's Property Portfolio

JOSHCO manages 10 156 units across various income levels:

- Unsubsidised Units:
- SHRA Funded Stock: 5 460
- Affordable Housing units 4 696
- Units under development: 556

3.4.3.3.1 Unit Types

The portfolio includes communal, bachelor, one-bedroom, and two-bedroom units, catering to rental prices ranging from R500 to R7700 per month.

3.4.3.3.2 Operational Focus

- *Housing Development*: Land acquisition, project packaging, construction, and handover of affordable rental projects.

- *Housing Management*: Includes leasing, tenant education, customer relations, billing, maintenance, and community development programs.

3.4.5   Challenges and Opportunities Challenges

3.4.5.1   Challenges

- Financial Viability: High operating expenses and low rental collections jeopardize JOSHCO's financial health.

- Leadership Stability: Frequent changes in leadership result in strategic inconsistencies.

- Service Payment Issues: Non-payments for completed projects hinder cash flow.

3.4.5.2   Opportunities

- Improving Revenue Collection: Streamlined revenue policy and enhanced systems can boost collection rates.

- Recovering owed funds from special projects undertaken by JOSHCO on behalf of the city.

- Targeted Housing Solutions: Understanding tenant demographics can inform effective housing development.
- Partnerships and Funding: Collaboration with stakeholders can enhance resource availability.

- Data-Driven Decision Making: Integrated financial performance and project reporting can improve management oversight.

3.4.6 PESTEL Analysis

The PESTEL analysis highlights the external factors influencing JOSHCO's operations in the social housing sector over the past five years.

i. *Political*

- Governance Instability: Coalition governance in Johannesburg has led to frequent leadership changes, impacting policy continuity and service delivery, which in turn affects JOSHCO's operational environment.

- Public Dissatisfaction: The GCRO Quality of Life Survey (2023) shows rising dissatisfaction with local governance, necessitating proactive engagement with tenant groups to address concerns.

- Increased Tenant Activism: A rise in organized tenant movements calls for transparent and responsive management practices.

ii. *Economic*

- Impact of COVID-19: The pandemic has exacerbated unemployment and poverty, leading to increased rental payment defaults.

- Inflation and Cost Pressures: Economic inflation has escalated costs for maintenance and service delivery, further straining JOSHCO's budget.

iii. *Social*

- Gender-Based Violence (GBV): GBV significantly impacts housing design and management; creating safe living environments is essential.

- Social Discontent: Growing public awareness of rights and dissatisfaction with service delivery necessitate enhanced communication and transparency.
- Changing Demographics: A shift towards younger households, particularly single-parent families, demands tailored housing solutions.

iv. *Technology*

- Digital Connectivity: Advances in technology present opportunities for improved service delivery and tenant experiences through smart housing solutions.

- Alternative Building Technologies: The rise of alternative construction methods offers pathways for cost-effective and sustainable housing development.

v. *Environment*

- Demand for Sustainable Housing: Climate change concerns necessitate the incorporation of sustainable practices in housing development.

- Green Building Initiatives: There is increasing interest in green building practices, presenting funding opportunities for eco-friendly initiatives.

- Resilience Planning: Addressing food security and promoting resilience against climate change are critical for community engagement.

vi. *Legal*

- Eviction Procedures: Compliance with legal standards regarding eviction is crucial to avoid litigation risks.

- Building Security: Increasing incidents of building hijacking require robust legal strategies and security measures.

3.3 Internal and External Environment Analysis

3.3.1 Stakeholder Analysis

JOSHCO collaborates with a diverse range of stakeholders essential to its operations:

Internal Stakeholder	Role/Importance
Board of Directors	Governance and oversight
Executive Staff and Management	Implements the strategic plan and delivers services
External Stakeholder	Role/Importance
City of Johannesburg	Primary funder and policy partner Sets overarching priorities and provides funding and oversight
Social Housing Regulatory Authority (The SHRA)	Regulates operations, provides funding, and ensures compliance with national social housing standards.
Tenants	The primary and direct beneficiaries of JOSHCO's services, whose needs and feedback shape operations.
Community Based Organizations (CBO)	Advocate for tenant rights and improvements and Partner with JOSHCO to support tenant welfare and community development.
Funding Agencies	Provide financial resources for projects -capital and funding for large scale housing projects
Local Businesses	Potential partners for community development
Contractors and Suppliers	Deliver services and goods essential for housing development.
Regulatory Bodies	Oversee compliance with housing standards

3.3.2   SWOT Analysis

In developing this strategic plan, a thorough analysis of JOSHCO's internal strengths and weaknesses, along with external opportunities and threats, has been conducted. This SWOT analysis.

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Internal attributes that give JOSCHO an advantage.	Internal attributes that place JOSCHO at a disadvantage.	External factors that JOSCHO can capitalize on.	External factors that could pose challenges to JOSCHO.

Strengths	Weaknesses
Capabilities and Skills	Operational Inefficiencies
- Proven expertise in housing development and management.	- Over-reliance on manual processes; need for digital lease management and operational efficiencies.
- Direct access to City-owned land and properties for new developments.	- Limited capacity in tenant management, digital adoption, and in-house technical expertise.
Capable Human Resources	Compliance and Governance Challenges
- Skilled and committed workforce, with a strong institutional memory.	- Gaps in compliance with SHRA regulations (tenant satisfaction surveys, audits, KPIs).
- Well-established brand fostering trust with tenants and stakeholders.	- Weak governance frameworks, including political and City-JOSHCO leadership relations.
Service Delivery	Leadership and Organizational Stability
- Strong track record in managing a large portfolio of rental housing.	- Frequent leadership changes destabilize strategic direction.

	- Strained relations with tenants, leading to dissatisfaction and reduced retention.
- Access to City's capital budget facilitates funding for projects.	
	Financial Viability
	- Financial distress, reliance on external funding with limited revenue diversification.

Opportunities	Threats
Development Opportunities	Operational and Management Risks
- Leveraging City-owned properties for new housing developments (mixed-use, student accommodation).	- Ineffective monitoring and evaluation systems hinder operational effectiveness.
- Exploring Public-Private Partnerships (PPPs) to increase housing stock and revenue streams.	- Lease agreement enforcement challenges, including rental defaults and tenant evictions.
Digital and Technological Advancements	Regulatory and Compliance Risks
- Digital tools for lease management, maintenance tracking, and tenant communication.	- Non-compliance with SHRA regulations could impact accreditation and funding.
- Enhancing data collection, reporting, and monitoring frameworks to improve decision-making.	- Unfavourable audit outcomes could damage credibility and hinder funding access.
Capacity Building and Skill Development	Economic and Social Challenges
- Upskilling staff to reduce reliance on external consultants and improve internal capacity.	- Rising rental defaults, exacerbated by high unemployment and economic instability, threaten financial sustainability.
- Building in-house expertise in property management, construction, and tenant relations.	- Aging infrastructure and maintenance backlogs increase costs and affect tenant satisfaction.
Corporate Governance and Transparency	Political and Governance Risks
- Strengthening governance frameworks to improve transparency and accountability.	- Political interference in housing allocation and management could destabilize operations.
- Improving intergovernmental relations for better collaboration and support.	- Leadership instability in JOSHCO and the City can create strategic uncertainty.
Revenue Diversification	Reputation Risks

- Exploring new revenue streams such as property management services and student accommodation.	- Negative public perception due to poor tenant relations, non-compliance, and maintenance backlogs.
- Diversifying income through partnerships and expanding housing offerings.	- Tenant boycotts and dissatisfaction could damage JOSHCO's reputation and reduce tenant retention.

3.3.3 Summary and Strategic Recommendations

Key Focus Areas	Strategic Recommendations
Governance & Leadership	- Strengthen corporate governance, clarity in accountability, and ensure stable leadership to avoid political interference and organizational instability.
Digital Transformation	- Implement digital tools for lease management, maintenance tracking, and reporting to increase efficiency and improve tenant service delivery.
Revenue Diversification	- Explore Public-Private Partnerships (PPPs), student accommodation, and property management services as alternative revenue streams.
Tenant Management & Compliance	- Improve tenant engagement and satisfaction, address maintenance backlogs, and ensure full compliance with SHRA regulations and KPIs.
Capacity Building	- Upskill staff to reduce reliance on external consultants, improve internal technical expertise, and build a skilled workforce.
Monitoring & Evaluation	- Implement stronger monitoring and evaluation systems to enhance decision-making, operational effectiveness, and data-driven strategies.

 the SWOT analysis and summary of strategic recommendations provides a clear and actionable strategic framework. And this will inform the strategic direction and operational initiatives moving forward.

4. ORGANISATIONAL ARANGEMENTS

4.1   Governance and Compliance

4.1.1   Governance Framework

i.   Governance Structures

JOSHCO's governance is anchored by a robust structure that delineates roles and responsibilities across various levels of the organization.

- *Board of Directors*: The Board is the apex governance body, responsible for strategic oversight and ensuring that JOSHCO fulfils its mandate effectively. The Board operates in accordance with the principles of good corporate governance as advocated by the King IV Report on Corporate Governance.

- *Executive Management*: The Executive Management Committee (EXCO) is tasked with the implementation of Board-approved strategies and the day-to-day management of operations. EXCO ensures that operational activities align with JOSHCO's strategic objectives and governance policies.

- *Audit and Risk Committee*: This committee oversees financial reporting, internal controls, and risk management processes, ensuring compliance with the Municipal Finance Management Act (MFMA) and other relevant legislation.

- *Social, Ethics, and Human Resources Committee*: This committee monitors JOSHCO's social and ethical responsibilities, including human resource practices, stakeholder relations, and corporate social responsibility initiatives.

These structures collectively ensure that JOSHCO operates with integrity, accountability, and in alignment with its strategic goals.

4.2 Corporate Services Strategy for Human Resource Development

Objective: To analyse JOSHCO's current human resource capacity, assess workforce gaps, and propose recommendations to enhance efficiency and adaptability within the organization. The focus is on ensuring that JOSHCO has the optimal human resources to meet its strategic objectives of operational excellence, high performance, and service delivery commitments.

4.2.1 Management and Organisational Structure

Top Structure
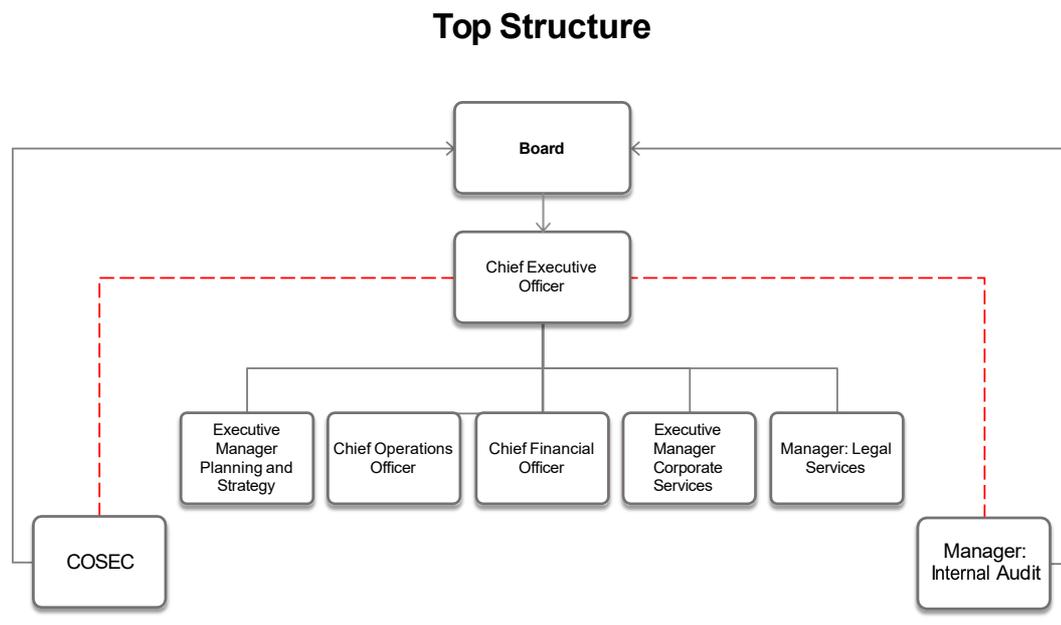
4.2.2 Assessment of Current Human Resource Capacity and Staffing

To ensure JOSHCO's human resource function is aligned with organizational goals, it will be crucial to first assess the current capacity, which includes an analysis of staffing levels, skills distribution, role alignment, and departmental needs. The key elements of this assessment will include:

- Staffing Levels: Review the adequacy of headcount in relation to operational demands, focusing on critical departments involved in service delivery (e.g., housing management, development, and corporate support services).

- Skills and Competencies: Analyse the distribution of skills across departments to ensure that the workforce possesses the technical, managerial, and strategic expertise needed to support JOSHCO's goals.

- Role Alignment: Evaluate whether current job roles and responsibilities are aligned with the overall mission of JOSHCO and if they adequately support the delivery of quality, affordable housing.

- Departmental Feedback: Gather feedback from Exco-level leadership and department heads to identify bottlenecks, skills shortages, and inefficiencies in the current workforce.

This review should be supported by recent data, such as staffing reports, performance metrics, and employee satisfaction surveys.

Key Metrics to Review:

- Workforce size per department
- Employee turnover rates
- Absenteeism and sick leave statistics
- Skills gaps and training needs
- Employee engagement levels

4.2.3   Identification of Workforce Gaps

Once current HR capacity is assessed, the next step is to identify any gaps that may hinder JOSHCO's ability to achieve operational excellence and meet its service delivery commitments. These gaps may include:

- Skills Shortages: Identify critical roles that lack sufficient skills or experience (e.g., senior management, project management, or technical specialists).

- Understaffing or Overstaffing: Some departments may be overstaffed or understaffed, impacting operational efficiency and service delivery.

- Role Misalignment: Roles may not be properly aligned with strategic goals, leading to inefficiencies or lack of ownership and accountability.

- Inadequate Succession Planning: he absence of clear and structured succession planning for key leadership and technical positions poses a significant risk to organizational continuity. Without a proactive approach to identifying and developing future leaders and critical talent, the organization may face disruptions in operations, loss of institutional knowledge, and gaps in essential skills, ultimately undermining long-term stability and strategic execution.

- Employee Engagement and Retention: Low employee satisfaction or engagement can contribute to higher turnover rates, which is costly and disrupts operations.

4.2.3.1 Internal Factors Influencing Workforce Gaps*:*

- Finalization of the Organizational Structure: Ensure that the final organizational structure is well-defined and supports strategic objectives.

- Unrevised Job Descriptions: Outdated job descriptions may lead to role ambiguity and inefficiency.

- Grading Committee Composition: Assess if the grading and promotion structures are aligned with the current needs and competitive market standards.

- Salary Scales: Ensure competitive and equitable salary scales to retain talent, particularly for critical roles.

- Budget Constraints: Review the HR budget to ensure that it allows for necessary recruitment, training, and development initiatives.

4.2.3.2 External Factors Influencing Workforce Gaps*:*

- Moratorium on Recruitment: If there is a freeze on hiring, it may exacerbate staffing shortages.

- City-Wide Institutional Review: Any external restructuring initiatives or changes in the city-wide environment could impact staffing needs.

- Strategic Appointment Panel: The approval process for key positions may need to be expedited to ensure critical roles are filled promptly.

4.3 Strategic Recommendations

To address the identified workforce gaps and ensure JOSHCO's human resources are well-equipped to meet operational demands, the following recommendations are proposed:

4.3.1 Recruitment Strategy

- Focus on Critical Roles: Prioritize the recruitment of essential roles that align with JOSHCO's strategic goals, such as project managers, housing specialists, financial managers, and IT staff.

- Leverage City Core Employee Pool: Utilize the City Core displaced employee pool to source talent that may be well-suited to JOSHCO's operational needs.

- Streamline Hiring Processes: Work with the Strategic Appointment Panel to expedite approvals for critical positions and reduce delays in recruitment.

4.3.2 Training and Development

- Upskill Current Workforce: Launch training initiatives to address skills gaps within the existing workforce, particularly in leadership, project management, and technical fields.

- Leadership Development Programs: Implement a succession planning strategy, offering leadership development programs to groom internal candidates for senior roles.

- Cross-Departmental Training: Encourage cross-departmental knowledge sharing to improve collaboration, increase efficiency, and enhance problem-solving capabilities.

4.3.3 Organizational Restructuring and Role Alignment

- Align Roles to Strategic Goals: Review and revise job descriptions (JDs) to ensure alignment with the organization's strategic objectives. Clarify roles to avoid overlap and ensure accountability.

- Finalization of Organizational Structure: Ensure that the finalized organizational structure supports the strategic vision and operational needs. This structure should be flexible enough to adapt to future challenges.

- Resource Allocation: Adjust staffing levels where necessary, either by reallocating resources from departments with excess capacity to those with understaffed or high-demand areas.

4.3.4. Employee Engagement and Retention

Low levels of employee engagement and satisfaction can significantly impact staff retention, productivity, and overall organizational performance. High turnover rates are costly due to recruitment and training expenses and often lead to operational disruptions, loss of institutional knowledge, and reduced morale among remaining staff.

- A key contributor to disengagement is often a misalignment between employees and the prevailing organizational culture, especially during periods of change or transformation. A rigid, hierarchical, or disconnected culture can lead to frustration and dissatisfaction, while a positive, inclusive, and supportive work environment enhances employee loyalty, motivation, and long-term commitment.

The Strategic Actions to Address the Challenge**:**

- **Promote a Positive Work Culture:**

  Foster a culture of recognition, inclusivity, and engagement by implementing regular feedback mechanisms, employee recognition programs, and team-building initiatives. These efforts create a sense of belonging and shared purpose, encouraging employees to feel valued and motivated.

- **Organizational Culture Transformation:**

  Shift towards a values-driven, collaborative, and transparent culture. Encourage inclusive leadership, cross-functional communication, and a learning mindset to support innovation and adaptability across all levels of the organization.

- **Health and Wellness Programs:**

  Continue investing in comprehensive wellness initiatives, including mental health support, physical wellness campaigns, and flexible work arrangements. A healthy workforce is a productive workforce, and well-being initiatives can significantly improve job satisfaction and performance.

- **Employee Relations Support:**

  Strengthen HR and employee relations frameworks to proactively address grievances, workplace conflicts, and morale-related issues. Establish clear protocols for resolution and ensure employees feel heard and supported in all workplace matters.

- **Career Development and Growth Opportunities:**

- Provide structured career pathways, succession planning, and access to learning and development programs. Investing in employee growth signals long-term commitment and encourages retention of top talent.

- **Recognition and Reward Systems:**

  Design fair, transparent, and impactful reward systems that acknowledge both individual and team contributions. Regular recognition reinforces positive behaviour and aligns performance with organizational goals.

- **Leadership Development:**

  Equip managers and leaders with the skills to build trust, support development, and lead with empathy. Strong leadership is essential for fostering engagement, managing change, and sustaining a high-performance culture.

By addressing both the cultural and structural drivers of disengagement, the organization can build a resilient, motivated, and future-ready workforce well-positioned to support JOSHCO's strategic objectives and service delivery mandate.

4.3.5   Diversity and Inclusion

- Implement Inclusive Hiring Practices: Ensure that recruitment efforts are diverse and inclusive, with a focus on providing equal opportunities to all candidates.

- Cultural Awareness Initiatives: Introduce diversity and inclusion training and programs to foster an inclusive workplace that values diverse perspectives.

4.3.6   Succession Planning

- Develop a Succession Pipeline: Identify high-potential employees and develop a formal succession plan for key positions within the organization.
- Knowledge Transfer: Implement a knowledge transfer program to ensure that critical institutional knowledge is passed on to future leaders.

4.4   Internal Controls

4.4.1   Improving Efficiencies and Effectiveness at JOSHCO

To enhance its effectiveness as a social housing entity, JOSHCO will focus on improving its internal controls, addressing operational challenges, and leveraging technology responsibly. The following strategic actions are designed to build a robust control environment, enhance accountability, and optimize technology adoption while ensuring compliance with regulatory requirements and improving service delivery. The planned actionable approach is summarised in the table below:

Objective	Strategy	Actions	Outcomes
Strengthen Internal Control Environment	- Demonstrate Commitment to Integrity and Values: Ensure leadership sets a clear example of ethical behaviour and accountability. - Establish Clear Structure and Oversight: Define roles, responsibilities, and authority levels for accountability. - Attract, Develop, and Retain Competent Staff: Invest in staff training and upskilling. - Enforce Accountability: Implement consequence management for non-compliance and unethical behaviour.	- Develop a Code of Ethics and conduct training sessions for leadership and staff. - Create an organizational structure with clear reporting lines and control responsibilities. - Conduct regular staff training on internal controls and ethical decision-making. - Implement an accountability framework with clear policies on compliance violations.	- Strengthened culture of integrity and ethical leadership. - Clear roles and accountability for decision-making. - Skilled workforce capable of maintaining strong internal controls. - Reduced instances of non-compliance and unethical behaviour.
Improve Risk Assessment and Management	- Specify Clear Objectives: Align risk assessment with organizational goals. - Identify and Analyse Risks: Conduct regular assessments of financial, operational, and cybersecurity risks. - Fraud Risk Assessment: Evaluate risks related to fund mismanagement and fraud. - Monitor and Manage Changes: Adapt risk management strategies to evolving regulations and market conditions.	- Establish risk assessment methodologies and reporting processes. - Conduct regular risk workshops and scenario planning exercises. - Implement fraud detection systems and internal audits. - Maintain a risk register and update it based on regulatory and technological changes.	- Enhanced ability to anticipate and mitigate risks. - Improved financial integrity and operational stability. - Reduced fraud and financial mismanagement. - Stronger regulatory compliance and adaptability.
Optimize Control Activities	- Design Controls Before Automation: Ensure internal controls are tested before automating processes. - Adopt IT Controls Frameworks (e.g., COBIT, ITIL): Enhance IT governance and security.	- Develop a control testing framework before implementing automation. - Train IT staff on COBIT and ITIL frameworks. - Evaluate and procure	- Increased efficiency in internal processes and risk mitigation. - Stronger IT governance and cybersecurity measures.

	- Select Appropriate Technology Solutions: Use technology to streamline controls while maintaining operational efficiency. - Develop and Update Policies and Procedures: Regularly review and update control policies.	technology solutions that align with risk management needs. - Establish a policy review cycle to keep control procedures up to date.	- Effective automation without compromising control integrity. - Policies that remain relevant to evolving risks.
Enhance Data Governance and Control Culture	- Implement Strong Data Governance Practices: Establish data accuracy, security, and compliance frameworks. - Promote a Control Culture Across the Organization: Encourage accountability and high governance standards among all employees. - Train Staff on Data Management and Security: Educate employees on data security and compliance. - Implement Continuous Testing and Monitoring of Controls: Ensure ongoing control effectiveness.	- Develop and enforce a data governance policy. - Conduct organization-wide awareness campaigns on control culture. - Schedule regular staff training on data security and compliance. - Implement automated control monitoring systems.	- Improved data accuracy, transparency, and compliance. - Strengthened accountability at all levels. - Reduced risk of data breaches and regulatory violations. - Continuous improvement in internal controls.

4.5   Performance Management

The ability of JOSHCO to deliver on the objectives and strategic priorities hinges on effective performance monitoring. To achieve the set goals and objectives, JOSHCO will continue to implement the comprehensive monitoring and performance management strategy that aligns with its mission to provide quality housing and responsive services to its tenants. Regular monitoring will enable JOSHCO to track the effectiveness of policies, key performance indicators (KPIs), and community programs, fostering a culture of continuous improvement and tenant satisfaction.

4.5.1 Monitoring Framework Overview

A robust and comprehensive project-based financial and performance management and monitoring framework will be explored, which includes the following components:

Tenant Satisfaction Surveys: Regular surveys will be conducted to assess tenant satisfaction levels and gather qualitative feedback on housing services, maintenance, community programs, and overall living conditions.

Feedback Mechanisms: In addition to surveys, JOSHCO will implement multiple channels (e.g., suggestion boxes, digital platforms, in-person meetings) through which tenants and stakeholders can continuously provide feedback on their experiences.

Performance Assessments: JOSHCO will evaluate the performance of key initiatives such as community programs, maintenance services, and tenant engagement efforts. This will be done by comparing actual outcomes against set KPIs.

Project Based Planning: This system will be utilised to resolve the issue of planning, forecasting, and reporting that is currently not being done at a project level.

Key Goals:

- Ensure service quality meets tenant expectations.
- Continuously adapt management practices based on tenant feedback and performance data.
- Identify and address areas for improvement in real-time.

4.5.2 Key Performance Indicators (KPIs)

New KPIs will be established and some refined to measure progress in key areas of JOSHCO's tenant management strategy. Some potential KPIs include:

- Tenant Satisfaction Score: Measured through surveys (target satisfaction level ≥ 85%).

- Response Time for Maintenance Requests: The average time it takes to address tenant-reported maintenance issues (target response time ≤ 48 hours).

- Community Program Participation: Percentage of tenants engaging in community programs or initiatives (target participation rate ≥ 50% of tenants). This will enable the assessment of social impact

- Rent Payment Timeliness: Percentage of tenants paying rent on time (target ≥ 90% on-time payment). Currently the KPI is focused on billing accurately

- Feedback Response Rate: Percentage of tenant feedback acknowledged and acted upon (target ≥ 80% response rate).

KPIs will be reviewed periodically to ensure they remain relevant and aligned with JOSHCO's strategic goals.

4.5.3   Monitoring and Reporting Mechanisms

A centralized monitoring system will be implemented to track the performance of key initiatives in real-time. Key components of this system include:

Live Dashboards: Real-time dashboards will be deployed to monitor the status of KPIs and key initiatives. These dashboards will provide an instant overview of key metrics such as tenant satisfaction, maintenance request response times, and community program participation.

Data-Driven Insights: Dashboards will integrate with data analytics tools to provide actionable insights, enabling JOSHCO to make informed decisions and adjust policies as needed.

Regular Reports: Monthly and quarterly performance reports will be generated, summarizing key findings from surveys, performance assessments, and feedback. These reports will be

reviewed by management and shared with relevant stakeholders to ensure accountability and transparency.

Accountability Mechanisms: A clear accountability structure will be established, assigning responsibility for the performance of specific areas (e.g., maintenance, community programs, tenant satisfaction). Managers will be held accountable for meeting their respective KPIs and addressing any issues identified through the monitoring process.

4.5.4   Use of Technology for Real-Time Tracking

Technology will play a key role in enabling real-time tracking of performance. The following tools and systems will be integrated:

Tenant Management System: A digital platform that tracks tenant interactions, maintenance requests, payments, and satisfaction levels. This system will provide a comprehensive overview of tenant data, helping JOSHCO monitor trends and identify areas for improvement.

Feedback Collection Tools: Digital tools such as mobile apps, online surveys, and email feedback forms will be used to continuously collect tenant input. The system will be designed to easily analyse and categorize feedback to identify recurring issues.

Automated Alerts: The system will be set up to generate automated alerts for key metrics that fall below predefined thresholds (e.g., if tenant satisfaction drops below 80%, or if maintenance request response times exceed 48 hours). These alerts will ensure that corrective actions are taken promptly.

4.5.5   Frequency of Reporting and Continuous Improvement

To ensure timely interventions and continuous improvement, the frequency of monitoring and reporting will be as follows:

Daily: Real-time tracking through live dashboards for immediate monitoring of key metrics (e.g., maintenance requests, tenant complaints).

Monthly: Review of monthly performance reports with key metrics, feedback trends, and progress on community programs.

Quarterly: A detailed analysis of quarterly data, including a deeper dive into tenant satisfaction surveys, KPIs, and program performance. Actionable insights will be used to refine strategies.

Annual: A comprehensive annual performance review to evaluate the overall effectiveness of the tenant management strategy and to set objectives for the upcoming year.

4.5.6. Feedback Loop and Continuous Improvement

An essential element of JOSHCO's performance management strategy will be a continuous feedback loop that supports adaptive management practices:

Regular Tenant Engagement: JOSHCO will conduct periodic tenant engagement activities such as town hall meetings, focus groups, and one-on-one consultations to better understand tenant needs and expectations.

Data-Driven Decision Making: Feedback from surveys, assessments, and real-time data will be used to refine and improve policies, programs, and service delivery.

Responsive Actions: As part of the performance management strategy, any issues identified through the monitoring process will prompt immediate corrective action. For example, if tenant satisfaction with maintenance services falls below target, additional resources may be allocated to improve response times or quality of service.

4.5.7. Accountability and Oversight

To ensure the success of the performance management strategy, accountability will be established at multiple levels:

Senior Leadership: JOSHCO's senior management team will oversee the entire performance management process and ensure strategic goals are met.

Departmental Accountability: Managers of specific departments (e.g., maintenance, community programs, tenant services) will be responsible for achieving their department's KPIs. Regular reviews with department heads will track progress and identify any obstacles.

Tenant Involvement: Tenants will be encouraged to participate in the performance evaluation process through surveys and focus groups, providing them with a voice in shaping JOSHCO's services.

The implementation of this performance management strategy will help JOSHCO continuously improve its tenant management practices, foster stronger relationships with tenants, and ensure that its services meet the evolving needs of the communities it serves. By leveraging technology for real-time tracking, using data-driven insights, and maintaining clear accountability structures, JOSHCO will ensure a responsive, efficient, and effective tenant management system.

4.6 Change Management

4.6.1 Foster a Culture of Change Management and Adaptability

Objective: Ensure that JOSHCO responds to changes in its environment, particularly in terms of technology adoption and regulatory compliance speedily.

Strategies:

- Develop and Communicate Standard Operating Procedures (SOPs): Ensure that clear SOPs are developed for all critical processes, especially as new technologies are adopted. SOPs should be regularly reviewed and updated to reflect changes in technology or regulations.

- Manage Resistance to Change: Actively address resistance to new technologies or processes by providing appropriate training, communication, and support. Encourage a culture of openness to change, highlighting the benefits of technological improvements and operational efficiencies.

- Provide Adequate Training and Development: Invest in continuous learning and development for staff at all levels to ensure they can manage new systems, understand regulatory changes, and implement updated procedures effectively.

5. JOSHCO'S STRATEGY

JOSHCO recognised the importance of taking a comprehensive approach towards the realisation of the four priority areas .and has four strategic priorities to serve as a roadmap for the medium to short term, leading towards the attainment of the long-term goals set out in alignment with the Johannesburg City's long-term strategy. The strategic priorities are aimed at augmenting programmes that improve service delivery and will help guide the decision-making processes especially regarding the allocation of resources towards areas that will have the greatest impact on the provision of affordable and social housing.

The implementation of these priorities is closely monitored and evaluated to ensure that the JOSHCO remains on track towards achieving its long-term aspirations and goals. The section below outlines each of JOSHCO's strategic priorities and alignment to the long-term strategy of the city.

5.1   JOSHCO Programmes

JOSHCO Programmes and Strategic Objectives alignment

JOSHCO Priority	Strategic Objective	Programme purpose and focus	Outcomes
Corporate Administration	Be a smart and capable Entity	Credible, reliable and effective organisation	• Financial Sustainability. • Corporate Governance. • Digitisation Initiatives. • Effective Human Resource management. • Research and Knowledge management. • Effective Intergovernmental and Stakeholder Relations

Priority 2: Social housing and student accommodation (units under accreditation and regulation)	Develop and manage social housing and student accommodation	• Development & management of: • Social housing: SHRA regulated • Student accommodation: DHET regulated	• Sustainable and inclusive Housing. • Accreditation and Advocacy. • Tenant Management programme
Priority 3: Affordable Rental Housing (non-regulated)	Develop and manage affordable rental housing	Development and management of affordable rental housing: non-regulated	• Programme Management • Occupancy Across all available units
Priority 4: Special Projects services provided in line with Service Delivery Agreements (SDAs)	Implement special projects on behalf of CoJ Departments	Implement special projects for CoJ Departments to advance delivery of municipal services. Service Level Agreements concluded with CoJ Departments	

5.1.1 Strategic Objective 1: Being a smart and capable entity

• **Outcome 1: Financial Sustainability**

Financial sustainability is a cornerstone for ensuring the long-term viability and success of JOSHCO, particularly in achieving its mandate as a key social housing provider within the City of Johannesburg. Over the past few years, JOSHCO has faced significant financial challenges that have hindered the timely delivery of housing projects and limited its capacity to fund initiatives critical to the realization of the City's Joburg 2040 vision and the GDS 2040 plan. In order to secure the financial health of the organization, the following strategies will be implemented:

The table below outlines the strategies that JOSCHO will implement to improve financial sustainability:

Strategy Area	Key Actions	Expected Outcome
a) Diversification of Revenue Streams	- Explore student accommodation investments in high-demand areas	- Increase revenue from diverse sources, enhancing financial sustainability.
	- Leverage outdoor advertising opportunities across JOSHCO-managed properties	- Broaden income channels beyond traditional rent collection.
	- Offer affordable accommodation options for foreign nationals and international workers or students.	- Boost revenue while supporting Johannesburg's role as an international hub.
	- Explore partnerships with local businesses and hosting events for income generation.	- Strengthen community ties and create new income streams.
b) Optimisation of Costs and Debt Management	- Implement market research for major purchases and contract negotiations.	- Reduce operational costs through competitive pricing and better contract terms.
	- Introduce utility metering for accurate billing and reduce wastage.	- Improve cost control and accountability.
	- Explore sharing risks with partners through insurance or public-private partnerships (PPPs).	- Provide greater financial predictability and manage unexpected maintenance costs.
c) Strengthening Revenue Collection and Tenant Engagement	- Enforce strict debt collection policies and use digital payment platforms.	- Reduce outstanding debts and improve cash flow.
	- Train staff to ensure compliance with payment processes and encourage timely payment.	- Minimize late payments and arrears.
	- Improve customer service and conduct satisfaction surveys to enhance tenant relationships.	- Strengthen tenant relationships and enhance payment compliance.

d) Improving Financial Planning and Budgeting	- Conduct feasibility studies for new projects to ensure proper investment.	- Prevent cost overruns and project delays, ensuring better financial management.
	- Align capital expenditure (Capex) and operational expenditure (Opex) with financial realities.	- Improve budgeting accuracy and resource allocation.
	- Collaborate with the City of Johannesburg to streamline project approval processes.	- Ensure timely and efficient project execution.
e) Financial Partnerships and Stakeholder Engagement	- Forge public-private partnerships (PPPs) and collaborate with financial institutions and private developers.	- Unlock funding for large-scale infrastructure and housing projects.
	- Engage with the City of Johannesburg to improve utility management and billing practices.	- Improve revenue collection from utilities and reduce operational costs.
f) Professionalizing Financial Management	- Hire skilled financial management professionals to implement financial controls and reporting systems.	- Ensure accuracy in financial reporting and optimize revenue opportunities.
	- Provide ongoing training and development for staff in financial management best practices.	- Build internal financial expertise to support sustainability goals.

- **Outcome 2: Corporate Governance**

As part of JOSHCO's commitment to aligning with the broader City of Johannesburg's Vision 2040 and the South African National Development Plan (NDP), good governance will be central to the organization's operations over the next five years. The NDP highlights good governance as a key pillar for sustainable development, emphasizing accountability, transparency, efficiency, and citizen participation. By adopting these principles, JOSHCO aims to enhance its effectiveness as a social housing provider, ensuring

that the housing needs of all residents are met in a manner that is inclusive, transparent, and accountable. As part of JOSHCO's vision for becoming a capable and smart city, the

following strategic initiatives will be implemented to ensure good governance and improve the overall quality of service delivery:

The table below presents the strategies for ensuring good Corporate Governance in JOSHCO:

Strategy Area	Key Actions	Expected Outcome
a) Accountability and Oversight Mechanisms	- Strengthen internal oversight with clear reporting lines, monitoring mechanisms, and enhanced audit processes.	- Increased accountability, transparency, and trust in operations.
	- Implement periodic performance reviews and consequence management for non-compliance.	- Improved staff and public official accountability.
b) Transparent Decision-Making and Open Communication	- Establish public forums, updated reports, and clear communication channels for stakeholder engagement.	- Foster trust and transparency, keeping the public informed about policies and decisions.
	- Use digital platforms and mobile apps for real-time tracking of service delivery, complaints, and feedback.	- Enhanced transparency and public participation in decision-making.
c) Promoting Participatory Governance	- Create community forums, tenant representation committees, and online surveys for tenant participation.	- Empower tenants, fostering collaboration and co-production in service delivery.
	- Encourage participation in social cohesion programs and capacity-building workshops.	- Strengthen tenant involvement and contribute to sustainable community development.
d) Professionalizing Local Government and JOSHCO's Workforce	- Invest in staff training and development on governance best practices, compliance standards, and tenant management.	- Enhance staff professionalism and capability to deliver quality services.
	- Establish performance management frameworks to evaluate staff based on	- Improve staff performance and accountability.

Strategy Area	Key Actions	Expected Outcome
	their contribution to organizational goals.	
e) Strengthening Anti-Corruption Efforts and Compliance	- Implement whistleblower channels, regular audits, and ethical standards training for all staff.	- Cultivate a culture of integrity, professionalism, and adherence to ethical standards.
	- Collaborate with law enforcement agencies to investigate and address corruption or fraud.	- Reduce corruption and ensure better compliance with regulations.
f) Improving Service Delivery through Efficient Resource Management	- Implement technology-driven platforms for resource tracking and management (e.g., rental properties, finances, maintenance).	- Streamlined operations, reduced overhead, and improved resource allocation for tenant service delivery.
	- Make data-driven decisions to optimize funding allocation to housing, infrastructure, and service delivery.	- Improve operational efficiency and effective resource utilization.
g) Managing Political Influence on Financial Performance	- Strengthen institutional independence while aligning with City policies through transparent reporting.	- Minimize political interference, ensuring sound financial decision-making and alignment with city goals.
	- Emphasize financial accountability and discourage reliance on ad-hoc interventions for sustainability.	- Build a more sustainable financial model based on business principles rather than political influences.

By strengthening its governance structures and emphasizing financial accountability, JOSHCO will work to discourage the perception that government entities or tenants are entitled to free services. This approach will help JOSHCO build a more sustainable financial model based on sound business principles rather than relying on ad-hoc interventions.

JOSHCO's strategic approach to good governance will ensure that the organization operates in a transparent, accountable, and efficient manner. By prioritizing accountability, promoting citizen participation, professionalizing the workforce, and strengthening anti-corruption efforts,

JOSHCO will contribute to the City of Johannesburg's overarching goal of becoming a capable, smart city by 2040. Furthermore, through efficient resource management and a focus on inclusive housing development, JOSHCO will help create vibrant, sustainable communities that are aligned with the city's Vision 2040, fostering long-term prosperity and well-being for all residents.

- **Outcome 3: Digitisation Initiatives**

Strategy Area	Key Actions	Expected Outcome
Technology Integration for Efficiency	- Implement automated systems for tenant record management, rent collection, communication, and service requests.	- Streamline tenant management processes to enhance operational efficiency.
	- Explore mobile apps and online portals for seamless tenant interaction with JOSHCO.	- Provide tenants with self-service options and real-time updates on service requests and concerns.
	- Use technology to improve tenant satisfaction through timely responses and efficient communication.	- Enhance tenant satisfaction by offering faster and more convenient service options.
	- Ensure that all technological solutions align with the goal of improving tenant engagement and service delivery.	- Improve overall service delivery and engagement through enhanced digital interactions.

Incorporation of technology enhancements into JOSHCO's strategy will improve operational efficiency while enhancing tenant satisfaction.

- **Outcome 4: Effective Human Resource Management**

To measure the success of the proposed HR strategy covered under section 4.2, the following KPIs should be tracked:

The following to be tracked:

Metric	Key Actions	Expected Outcome
Employee Engagement Scores	- Monitor employee satisfaction and engagement through regular surveys and feedback mechanisms.	- Identify areas for improvement in employee morale and engagement.
	- Use feedback to inform decisions on organizational culture and work environment.	- Enhance employee satisfaction and overall organizational performance.
Staff Retention Rates	- Track turnover rates and analyse causes of staff departures.	- Ensure the retention of key talent and reduce turnover.
	- Implement retention strategies based on findings from turnover analysis.	- Improve staff retention and reduce recruitment costs.
Time-to-Hire Metrics	- Measure the time taken to fill critical positions.	- Improve recruitment efficiency and reduce time-to-hire for key roles.
	- Aim to streamline recruitment processes and reduce delays in hiring.	- Ensure timely staffing of critical positions, enhancing organizational capacity.
Training Effectiveness	- Assess the impact of training programs on employee performance and development.	- Enhance staff skills and capabilities, improving overall performance.
	- Use feedback and performance data to refine training programs.	- Increase training return on investment and employee development.
Operational Efficiency	- Measure the impact of workforce adjustments (staffing levels, role alignment) on operational performance.	- Optimize staffing levels and role alignment to improve operational efficiency.

Metric	Key Actions	Expected Outcome
	- Continuously evaluate and adjust workforce strategies to align with organizational goals.	- Improve overall operational performance and workforce productivity.

Implementation of the above will ensure measurement and improvement of employee engagement, retention, recruitment, training, and operational efficiency.

Once the existing gaps in JOSHCO's human resource capacity are addressed and the recommended strategies implemented, the organization will be better positioned to meet its service delivery commitments and achieve its strategic objectives. The proposed HR initiatives will drive operational excellence, enhance workforce adaptability, and ensure long-term organizational success

- **Outcome 5: Research and Knowledge management**

To establish JOSHCO as a smart and capable entity, the Research and Knowledge Management deliverable is key to ensuring that the organization remains agile, data-driven, and responsive to both internal and external challenges. The strategy for achieving this outcome involves the systematic gathering, analysis, and application of knowledge to inform decision-making, improve operational efficiency, and enhance the overall effectiveness of tenant management.

The strategy focuses on the following key elements:

Strategy Area	Key Actions	Expected Outcome
Building Capacity and Expertise	- Invest in personnel with specialized skills in areas such as data analysis, urban studies, housing policy, and performance evaluation.	- Develop a highly skilled and competent workforce equipped with the latest tools and techniques.
	- Provide ongoing training and professional development to staff to ensure they are up to date with industry trends.	- Enhance staff expertise and ability to effectively contribute to research and knowledge management.

Strategy Area	Key Actions	Expected Outcome
Data-Driven Decision Making	- Collect and analyse data from tenant surveys, maintenance reports, community feedback, and performance metrics.	- Gain valuable insights into operational challenges and opportunities, leading to better decision-making.
	- Use data to refine strategies, optimize resource allocation, and develop new initiatives based on tenant and community needs.	- Improve operational efficiency and resource utilization through data-driven strategies.
Collaboration and Knowledge Sharing	- Foster a culture of knowledge sharing across departments and with external partners (e.g., City of Johannesburg, key stakeholders).	- Encourage cross-departmental collaboration and knowledge exchange to improve organizational practices.
	- Create platforms for collaboration and knowledge exchange to leverage collective expertise and best practices.	- Enhance innovation and problem-solving through collaboration and shared knowledge.
Evidence-Based Strategy Development	- Develop learning and evidence-based strategies informed by tenant needs, performance data, and market trends.	- Create practical and forward-thinking strategies that align with tenant needs and organizational goals.
	- Use insights from research and data to inform JOSHCO's operational plans and initiatives.	- Ensure strategies are well-informed and relevant to current and future challenges.
Continuous Improvement	- Incorporate feedback loops to assess the effectiveness of implemented strategies and identify areas for further refinement.	- Foster a cycle of continuous improvement, ensuring that strategies remain effective and responsive.
	- Regularly evaluate strategies and refine them based on evolving circumstances and emerging needs.	- Ensure JOSHCO's strategies adapt to changing environments and continue to meet tenant and community expectations.

Through this strategy, JOSHCO will be positioned to make informed, data-driven decisions, enhance service delivery, and develop innovative solutions to meet the needs of its tenants and the City of Johannesburg. The focus on research and knowledge management will ensure

that JOSHCO's operational plans are grounded in evidence, ultimately driving sustainable success and improvement across the organization

- **Outcome 6: Effective intergovernmental and Stakeholder Relations**

The strategy for Effective Intergovernmental and Stakeholder Relations aims to establish and maintain strong, collaborative partnerships between JOSHCO, the City of Johannesburg (CoJ), and other key stakeholders to achieve mutual goals in housing, urban development, and community well-being. This strategy ensures that JOSHCO is well-positioned to respond to external challenges, align with municipal priorities, and leverage collective resources to enhance service delivery and tenant satisfaction.

The strategy is based on the following key principles:

Strategy Area	Key Actions	Expected Outcome
Building Collaborative Partnerships	- Engage with government departments, agencies, and stakeholders at municipal, provincial, and national levels.	- Strengthen intergovernmental relationships and foster a unified approach to tenant management and urban renewal.
	- Collaborate with urban planning, social development, health, and public safety departments through regular meetings and joint initiatives.	- Enhance service delivery and align objectives with key stakeholders.
Alignment with City and National Priorities	- Integrate City of Johannesburg's Integrated Development Plan (IDP) and national housing policies into JOSHCO's operational and strategic plans.	- Ensure JOSHCO's activities are aligned with broader urban development and housing goals.
	- Actively participate in City-led initiatives and programs.	- Harmonize JOSHCO's goals with the City's long-term vision for urban development and housing.
Stakeholder Engagement and Dialogue	- Establish transparent communication channels with tenants, community organizations, contractors, local businesses, and advocacy groups.	- Foster a participatory approach, ensuring services meet community needs and stakeholders influence decisions.

Strategy Area	Key Actions	Expected Outcome
	- Create platforms for dialogue and incorporate stakeholder input into decision-making processes.	- Increase engagement and collaboration with diverse stakeholders in housing solutions.
Advocacy and Representation	- Represent tenants' and the community's interests in intergovernmental forums.	- Influence policy decisions and secure support for programs benefiting tenants and urban development.
	- Work closely with municipal and provincial governments to advocate for funding, resources, and policy support.	- Improve housing quality and support urban development initiatives through stronger advocacy.
Regular Communication and Reporting	- Implement a structured communication framework for regular updates to the City of Johannesburg.	- Foster transparency and accountability through data-driven insights and regular reporting.
	- Continuously integrate stakeholder feedback into operational plans.	- Ensure responsiveness to emerging needs and challenges in housing and community programs.
Resource Mobilization and Capacity Building	- Seek opportunities for resource mobilization through joint ventures, PPPs, and collaboration with development agencies.	- Build the capacity needed for large-scale housing and urban renewal projects through funding and expertise.
	- Collaborate with stakeholders to access funding, technical support, and resources.	- Enhance the ability to implement key housing and development projects.
Conflict Resolution and Consensus Building	- Implement mechanisms for conflict resolution and consensus building with stakeholders, tenants, and service providers.	- Ensure positive relationships with stakeholders and collaborative, win-win solutions to challenges.
	- Address disputes proactively and work towards resolving disagreements through cooperative efforts.	- Maintain strong partnerships and mitigate conflicts for smooth service delivery.

Through this strategy, JOSHCO will strengthen its position as a trusted and effective partner in urban development and housing. By fostering collaborative, open relationships with governmental bodies and stakeholders, JOSHCO will be able to leverage resources, influence policy, and ensure that its services are aligned with the broader goals of the City of Johannesburg and the national housing agenda. Ultimately, the strategy will enhance the delivery of high-quality services to tenants and contribute to th long-term sustainability of JOSHCO's housing and community development initiatives.

5.1.2 Strategic Objective 2: Develop and manage social housing and student accommodation (under accreditation and regulation)

5.1.2.1 *Ensuring Sustainable and Inclusive Housing Development*

JOSHCO's commitment to sustainable development is in line with the City of Johannesburg's broader objective to foster sustainable human settlements that address spatial imbalances. The organization will focus on delivering affordable housing and mixed-income communities that promote social integration, economic development, and environmental sustainability. This will include the development of transit-oriented housing that reduces reliance on private transport, enhances access to employment opportunities, and promotes eco-friendly living.

Additionally, JOSHCO will enhance its focus on tenant engagement in the planning and execution of housing projects. This will ensure that developments meet the actual needs of residents and are aligned with the city's vision for inclusive and sustainable urban living.

i. Programme-Based Approach

The focus of JOSHCO's building development strategy is to manage each programme, project, and development portfolio separately, ensuring that unique attributes and requirements are addressed for every type of housing project. JOSHCO's housing offerings include a range of rental housing products targeting various income groups. These include:

Outcome	Target Group	Objective	Strategy	Expected Outcome
New Social Housing Units Developed	Households with income between R1,850 and R22,000 per month	Provide affordable, medium- to high-density rental units for low to moderate-income households	- Access grant funding for developing rental units within restructuring zones. - Align development with Social Housing Regulatory Authority (SHRA) guidelines. - Promote urban restructuring and sustainable human settlements.	- Development of new social housing units in alignment with urban restructuring objectives.
New Student Accommodation Units Developed	Students receiving financial support from NSFAS or attending higher learning institutions	Provide safe, affordable, and well-managed student housing in Johannesburg	- Focus on the development of student accommodation units close to higher education institutions. - Work with Johannesburg Property Company to purchase buildings for student housing. - Renovate and convert buildings into student residences. - Use the SMART City approach to provide secure, technologically advanced environments.	- At least 10,000 student beds developed over the next five years. - Creation of a student housing precinct near institutions of higher learning. - Successful collaboration with NSFA and tertiary institutions to guarantee demand.
Additional Information			- Wolmarans building as first student housing project in FY 2020/21. - Nederburg designated as second	- Expansion of student housing availability and support for

			residence for TVET students with 60 units. - Ongoing discussions with NSFAS and tertiary institutions for partnerships.	students attending both universities and TVET institutions.

By implementing this strategy, JOSHCO will work to maximize occupancy across available units while maintaining a high level of tenant satisfaction and operational efficiency. Through a combination of proactive tenant allocation, retention initiatives, dynamic pricing, effective marketing, and strong monitoring systems, JOSHCO will ensure that its housing units are consistently occupied and contribute to the organization's mission of providing affordable, quality housing for the residents of Johannesburg.

- **Outcome 3: Accreditation and Advocacy**

The Accreditation and Advocacy strategy is critical for JOSHCO's growth, credibility, and ability to influence housing policies at local, provincial, and national levels. This strategy will focus on securing accreditation from relevant regulatory bodies and using advocacy to ensure that JOSHCO's voice is heard in housing and urban development discussions. By fostering strong partnerships and engaging in policy dialogue, JOSHCO will enhance its capacity to deliver quality housing services and influence the
roader housing agenda.

Key Strategic Elements:

Key Strategic Element	Objective	Strategy	Expected Outcome
1. Achieving and Maintaining Accreditation	Secure and maintain accreditation from relevant regulatory bodies to ensure JOSHCO meets quality standards in housing delivery and management.	- Compliance with Standards: Align operations with DHS, HRA, and other regulatory bodies. - Formal Accreditation Process: Apply for accreditation from NHBRC and other	- Accreditation from relevant regulatory bodies achieved and maintained. - Continuous improvement in housing quality and compliance.

Key Strategic Element	Objective	Strategy	Expected Outcome
		organizations, ensuring compliance and transparency. - Ongoing Monitoring & Improvement: Implement a continuous improvement plan to stay compliant with evolving standards.	
2. Advocacy for Housing and Urban Development	Represent the interests of JOSHCO, its tenants, and the City of Johannesburg in policy discussions.	- Engaging with Policymakers: Participate in forums, conferences, and public consultations to advocate for affordable housing and sustainable urban development. - Building Relationships: Strengthen ties with government agencies, NGOs, and private sector partners. - Lobbying for Housing Funding: Advocate for increased funding for affordable housing projects and maintenance.	- Improved housing policies and increased resources for affordable housing projects. - Stronger partnerships with stakeholders.
3. Public Awareness and Community Engagement	Raise awareness of JOSHCO's housing initiatives and build support for its programs through effective community engagement.	- Public Campaigns: Develop campaigns to inform stakeholders about housing projects, achievements, and goals. - Tenant Advocacy & Empowerment: Regular meetings and surveys with tenants to ensure their voices are heard. - Building a Strong Online Presence: Use social media and other digital platforms to	- Increased public awareness and support for JOSHCO's housing initiatives. - Empowered tenants and community engagement.

Key Strategic Element	Objective	Strategy	Expected Outcome
		enhance visibility and engagement.	
4. Policy Research and Evidence-Based Advocacy	Base advocacy efforts on sound research and data, ensuring credibility and well-supported positions.	- Research & Data Collection: Invest in surveys, impact assessments, and studies on housing issues. - Evidence-Based Positioning: Use collected data to support advocacy efforts and policy recommendations. - Collaboration with Research Institutions: Partner with universities and think tanks for in-depth studies and policy papers.	- Data-driven advocacy efforts that influence policy changes. - Strengthened credibility and evidence-based decision-making.
5. Monitoring and Reporting Advocacy Outcomes	Track the effectiveness of advocacy efforts and ensure advocacy goals are met.	- Setting Clear Advocacy Goals: Define specific, measurable goals for advocacy work. - Tracking Progress: Regular monitoring through qualitative and quantitative metrics. - Annual Advocacy Reports: Publish annual reports detailing progress, challenges, and outcomes.	- Clear progress on advocacy goals. - Annual reports showcasing advocacy success and areas for future improvement.
6. Building a Strong Advocacy Network	Enhance advocacy efforts by building a broad and influential network of supporters.	- Coalition Building: Form coalitions with housing organizations, NGOs, and private sector stakeholders to amplify advocacy efforts. - International Collaboration: Engage with global	- A strong network of supporters and international collaborations that amplify JOSHCO's advocacy efforts.

Key Strategic Element	Objective	Strategy	Expected Outcome
		organizations to stay informed on best practices and participate in global housing advocacy.	

The Accreditation and Advocacy strategy will position JOSHCO as a recognized leader in the housing sector, with the credentials and advocacy capacity to influence policy, secure funding, and build partnerships that support its mission. By achieving formal accreditation, engaging in robust policy advocacy, and promoting awareness of housing challenges and solutions, JOSHCO will strengthen its ability to deliver sustainable, affordable housing to the residents of Johannesburg. This strategy ensures that JOSH
O not only meets regulatory standards but also plays an active role in shaping the future of housing and urban development in South Africa.

- **Outcome 4: Tenant management programme**

As part of JOSHCO's commitment to enhancing its social housing mandate and ensuring the well-being of its tenants, the organization must adopt a comprehensive, integrated approach to tenant management. This strategy focuses on implementing clear policies, fostering tenant empowerment, and leveraging technology to improve service delivery, enhance tenant satisfaction, and create sustainable communities. below are the key pillars that will guide JOSHCO's tenant management strategy:

Key Strategic Element	Objective	Strategy	Expected Outcome
a) Implementation of Clear Policies and KPIs	To ensure effective tenant management through clear policies and measurable KPIs.	- Develop well-defined tenant management policies that align with JOSHCO's broader objectives. - Establish Key Performance Indicators (KPIs) to monitor tenant satisfaction, complaint resolution times, lease renewals, and community participation.	- Clear, consistent tenant management policies in place. - KPIs established to track progress and improve outcomes.

Key Strategic Element	Objective	Strategy	Expected Outcome
b) Social Cohesion Programs and Tenant Involvement	To build strong, cohesive communities and promote tenant participation.	- Design and implement social cohesion programs focused on unity, inclusivity, and cooperation among tenants. - Encourage tenant involvement through forums, consultations, and community meetings to foster empowerment and responsibility.	- Strengthened community ties and empowered tenants. - Increased tenant involvement and sense of ownership in the community.
c) Training and Skills Development Programs	To improve tenants' economic independence through skills development.	- Introduce training programs focused on financial literacy, job readiness, entrepreneurship, and vocational skills. - Provide tenants with opportunities to improve their economic self-sufficiency.	- Increased tenant economic independence and self-reliance. - Empowered tenants with improved skills for personal growth.
d) Awareness Campaigns	To educate tenants on key issues, including tenancy rights and available services.	- Launch targeted awareness campaigns on tenancy rights, health, safety, and social services. - Ensure regular communication with tenants to keep them informed about policy changes, events, and participation opportunities.	- Increased tenant awareness and engagement on relevant issues. - Informed tenants who actively engage with JOSHCO initiatives.
e) Review and Digitization of the Lease Model	To enhance tenant management efficiency through an effective lease model and digital transformation.	- Review the current lease model to ensure fairness, transparency, and regulatory compliance. - Digitize tenant management systems to streamline leasing processes, improve accessibility, and enhance service delivery.	- A more efficient, transparent, and digital lease management process. - Improved tenant access to information and services.
f) Tenant Audit and Profiling	To ensure accurate tenant data and compliance with housing regulations.	- Conduct regular tenant audits and profiling to update tenant registers and verify eligibility. - Ensure all properties are	- Updated and accurate tenant records. - Enhanced administrative

Key Strategic Element	Objective	Strategy	Expected Outcome
		occupied by eligible tenants and compliance is maintained.	processes and housing compliance.
g) SMME Development and Public-Private Partnerships (PPP)	To foster local economic growth through entrepreneurship and partnerships.	- Promote SMME development within residential communities by creating business opportunities for tenants. - Explore Public-Private Partnerships (PPP) to support SMMEs through funding, training, and market access.	- Increased local entrepreneurship and business development. - Sustainable employment opportunities and economic growth within communities.

The Tenant Management strategy for JOSHCO is designed to foster strong, sustainable communities where tenants feel supported, empowered, and engaged. By implementing clear policies, promoting social cohesion, investing in tenant skills development, and leveraging technology, JOSHCO will enhance the quality of life for its residents while improving operational efficiency. With a focus on monitoring, performance evaluation, and continuous improvement, this strategy aims to create thriving communities that are economically self-sustaining and socially inclusive, in line with JOSHCO's broader vision for social housing and community development.

5.1.3   Strategic Objective 3: Affordable Rental Housing:

JOSHCO provides affordable rental housing for low-income households earning between R1,850 and R22,000 per month. These rental units are priced above social housing but remain significantly below market rental rates, contributing to the reduction of the housing backlog.

- Outcome 1: Programme Management

   The table below provides a clear breakdown of the strategies and expected outcomes related to the Inner-City Revitalisation Programme aimed at improving affordable housing availability in the city.

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Key Strategic Element	Objective	Strategy	Expected Outcome
Inner-City Revitalisation Programme	To increase the supply of affordable, quality housing and reduce households in risk situations within the Inner City.	- Collaborate with the City, national government, and the private sector to implement the Inner-City Housing Implementation Plan (ICHIP). - Focus on increasing social rental housing and temporary emergency accommodation.	- Increased supply of affordable and quality housing in the Inner City. - Decreased number of households in risk situations.
Rehabilitation of "Bad Buildings"	To convert neglected and unsafe buildings into affordable, low-cost housing.	- Release City-owned buildings to the private sector for rehabilitation. - Partner with private sector developers to convert "bad buildings" into low-cost housing for social housing.	- Rehabilitated and converted "bad buildings" into safe, affordable housing. - Improved quality of housing in the Inner City.
Release of City-Owned Buildings to JOSHCO	To enable the development of social housing and rental stock within the Inner City.	- Identify and release a pipeline of City-owned properties to JOSHCO for the development of social housing and rental stock. - Support the expansion of social housing projects in the Inner City.	- Increased stock of social housing and rental units within the Inner City. - Enhanced housing accessibility for low-income residents.
Attracting Investment for Housing Development	To attract investment and increase the supply of affordable housing in the Inner City.	- Implement strategies to attract investment from commercial landlords and private sector developers. - Leverage collaborations between the City and stakeholders to increase housing supply.	- Increased investment in affordable housing projects in the Inner City. - Expanded housing options for low-income households.

- **Outcome 2: Occupancy across available units**

To ensure that JOSHCO's housing units continue to be fully utilized, the strategy for Optimizing Occupancy Across Available Units will focus on maximizing the occupancy rates of available units while maintaining the quality of living for tenants. This approach will involve proactive measures for tenant allocation, targeted outreach, and operational efficiency, aligned with

JOSHCO's goals of delivering affordable and sustainable housing for residents of Johannesburg

Key Strategic Element	Objective	Strategy	Expected Outcome
1. Effective Tenant Allocation and Management	To allocate units to eligible tenants in a fair and timely manner, reducing vacancy periods and maintaining high occupancy.	- **Clear and Transparent Criteria:** Regularly updated waiting lists and transparent communication. - **Efficient Turnaround:** Coordination with maintenance, cleaning, and admin teams to prepare units quickly for occupancy. - **Targeted Outreach:** Utilize community partnerships, social media, and local advertising to reach priority groups.	- Reduced vacancy periods. - High occupancy rates. - Increased tenant satisfaction.
2. Tenant Retention Strategies	To reduce tenant turnover and maintain high occupancy by improving tenant satisfaction.	- **Regular Communication:** Frequent surveys, tenant meetings, and feedback channels to address issues early. - **Maintenance and Service Delivery:** Ensuring timely repairs, preventative maintenance, and service quality. - **Incentives for Long-Term Tenants:** Offer rental discounts or home improvements for long-term tenants.	- Increased tenant retention. - Lower turnover rates. - Higher tenant satisfaction.
3. Dynamic Pricing and Rent Structuring	To ensure affordability for tenants while maintaining financial sustainability for JOSHCO.	- **Rent Discounts or Subsidies:** Targeted rent reductions for high-priority groups or areas with high vacancy rates.	- Improved affordability for tenants. - Reduced vacancy periods. - Enhanced financial sustainability.

Key Strategic Element	Objective	Strategy	Expected Outcome
		- **Flexible Payment Plans:** Offer staggered payment schedules or rent holidays to ease payment burdens.	
4. Strategic Marketing and Branding	To attract a wider pool of prospective tenants and advertise available units effectively.	- Leveraging Digital Platforms: Use social media, online classifieds, and the JOSHCO website for advertisements. - Community-Based Outreach: Partner with local organizations to communicate directly with eligible individuals. - Referral Programs: Incentivize current tenants to refer eligible applicants.	- Increased tenant inquiries and applications. - Enhanced visibility of available units.
5. Monitoring and Reporting Occupancy Trends	To optimize occupancy rates by tracking key metrics and adjusting strategies as needed.	- Real-Time Dashboards: Implement live dashboards to track occupancy status and vacancy trends. - Monthly and Quarterly Reports: Analyse vacancy patterns and adjust strategies accordingly.	- Optimized occupancy rates. - Proactive response to vacancy issues.
6. Incentivizing New Occupancy and Partnerships	To boost tenant interest and occupancy in vacant units through incentives and strategic partnerships.	- Move-In Offers: Provide limited-time offers like first-month discounts or free maintenance. - Partnerships with Employers or Institutions: Collaborate with local employers or schools to offer housing solutions for employees or students.	- Increased interest in vacant units. - Strategic partnerships with employers and institutions.
7. Addressing Vacancy in Low-Demand Areas	To improve occupancy in areas with lower demand	- Community Development Initiatives: Work with local authorities to enhance	- Increased occupancy in low-demand areas. - Improved community

Key Strategic Element	Objective	Strategy	Expected Outcome
	due to location or other factors.	infrastructure and neighbourhood appeal. - Tenant Relocation Support: Assist tenants in moving to higher-demand areas while filling vacated units. - Subsidized Housing Programs: Offer reduced rent or additional support services for tenants in low-demand areas.	development and infrastructure.

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5.1.4 Strategic Objective 4: Implementation of work on behalf of Human Settlement Department

JOSHCO plays a vital role in the implementation of housing and urban development programs on behalf of the Human Settlements Department (HSD), particularly in the context of delivering affordable housing and improving living conditions for Johannesburg's residents. The strategy for achieving the successful implementation of work on behalf of the Human Settlements Department will focus on ensuring alignment with national and local government policies, efficient execution of projects, and ongoing stakeholder engagement to meet the City's objectives for housing and community development.

Strategy Area	Key Actions	Expected Outcome
Building Collaborative Partnerships	- Engage with various government departments, agencies, and stakeholders at the municipal, provincial, and national levels.	- Strengthen intergovernmental relationships and align efforts for urban renewal and tenant management.
	- Collaborate closely with urban planning, social development, health, and public safety departments to align objectives.	- Foster a unified approach to urban renewal and service delivery.

Strategy Area	Key Actions	Expected Outcome
Alignment with City and National Priorities	- Integrate the City's Integrated Development Plan (IDP) and national housing policies into JOSHCO's operational and strategic plans.	- Ensure JOSHCO's goals are aligned with the City and national development priorities.
	- Actively participate in City-led initiatives and programs.	- Support long-term urban development and housing goals through integration with municipal strategies.
Ensuring Alignment with Human Settlements Objectives	- Regularly review and align strategic plans and operations with the policies and priorities of the Human Settlements Department.	- Ensure housing projects align with national and municipal frameworks such as the National Housing Code and IDP.
	- Stay informed about policy changes, attend relevant forums, and ensure that projects support NDP, IUDF, and CoJ's housing priorities.	- Align housing development projects with broader national and municipal goals.
Stakeholder Engagement and Dialogue	- Establish transparent communication channels with tenants, community organizations, contractors, local businesses, and advocacy groups.	- Promote inclusivity by ensuring stakeholders are engaged and involved in decision-making processes.
	- Create platforms for dialogue to gather input and feedback from stakeholders.	- Strengthen community involvement and ensure housing solutions meet the needs of residents.
Advocacy and Representation	- Represent the needs of tenants and the broader community in intergovernmental forums.	- Advocate for tenant needs and secure policy support to improve housing quality and urban development.
	- Work with municipal and provincial governments to secure funding and resources for housing projects.	- Improve JOSHCO's position to influence policy decisions and funding allocation.

Strategy Area	Key Actions	Expected Outcome
Regular Communication and Reporting	- Implement a communication framework for consistent updates on JOSHCO's progress, challenges, and outcomes.	- Promote transparency and ensure stakeholders are informed through regular reporting.
	- Incorporate continuous stakeholder feedback into operational plans.	- Ensure JOSHCO's activities remain responsive to emerging challenges and community needs.
Resource Mobilization and Capacity Building	- Pursue joint ventures, public-private partnerships (PPPs), and collaborations with development agencies to mobilize resources.	- Build JOSHCO's capacity to implement large-scale housing and urban renewal projects with adequate resources.
	- Seek funding, expertise, and technical support from stakeholders.	- Enhance JOSHCO's ability to deliver effective housing solutions through resource mobilization.
Conflict Resolution and Consensus Building	- Implement conflict resolution mechanisms to address disputes with stakeholders, tenants, and service providers.	- Maintain positive working relationships and resolve conflicts constructively.
	- Foster consensus-building through collaborative efforts, focusing on win-win solutions.	- Ensure long-term collaboration and trust among all stakeholders in the housing and urban renewal processes.

By implementing this strategy, JOSHCO will effectively support the Human Settlements Department in fulfilling its mandate to provide quality, affordable housing and promote sustainable urban development in Johannesburg. Through alignment with policy frameworks, efficient project execution, strong stakeholder relationships, and a focus on long-term sustainability, JOSHCO will contribute significantly to the City of Johannesburg's vision for inclusive, well-managed, and thriving communities.

Furthermore, to ensure effective project planning, resource mobilization, stakeholder collaboration, community engagement, and long-term sustainability for JOSHCO's housing initiatives. The following outcomes will be expected

Objective	Strategy	Expected Outcome
Efficient Project Planning and Delivery	- Adopt best practices in project management, including detailed planning, risk management, and clear timelines and milestones.	- Housing projects completed on time, within budget, and according to specifications, contributing to the City's housing objectives.
	- Regular project monitoring and performance tracking, with the use of technology (project management software, live dashboards) for real-time monitoring and decision-making.	- Improved project tracking and management, leading to better adherence to project goals.
Resource Mobilization and Capacity Building	- Work closely with the Human Settlements Department to access funding for housing programs and urban development.	- Availability of necessary resources (financial, human, and technical) for effective project delivery.
	- Focus on recruiting skilled personnel, providing ongoing training, and ensuring access to the latest tools and technologies for project execution.	- Increased internal capacity and improved delivery efficiency for housing projects.
Collaboration with Key Stakeholders	- Establish and maintain regular communication with the Human Settlements Department and other key stakeholders (contractors, service providers, community organizations).	- Strong relationships and cooperation with key stakeholders for effective housing project delivery.
	- Participate in joint planning sessions, coordinate with municipal departments, and engage community groups to align housing developments with local needs.	- Housing developments that meet local needs and preferences through coordinated stakeholder efforts.
Community Engagement and Social Impact	- Prioritize community consultation and engagement during the planning and implementation phases of housing projects.	- Housing projects that benefit the community and support sustainable urban development.
	- Integrate social programs (skills development, job creation) into housing projects to enhance the broader social impact.	- Improved quality of life for residents through job creation and social integration initiatives.

Monitoring, Reporting, and Accountability	- Establish a monitoring and reporting framework to track the progress of housing projects on behalf of the Human Settlements Department.	- Transparent and accountable tracking of housing project progress.
	- Use performance dashboards, progress reports, and audits to ensure projects meet performance standards and address issues promptly.	- Improved oversight and prompt issue resolution, preventing delays or deviations from project goals.
Sustainability and Long-Term Maintenance	- Include provisions for long-term maintenance, building inspections, and environmentally sustainable practices in housing projects.	- High-quality, sustainable housing maintained over time, resilient to urban growth and challenges like climate change.
	- Work with the Human Settlements Department to ensure resilience to future urban growth and sustainability challenges.	- Ensured long-term viability and environmental sustainability of housing projects.
Performance Evaluation and Continuous Improvement	- Conduct post-project evaluations for every housing development, identifying lessons learned and providing recommendations for future strategies.	- Continuous improvement in project planning and execution through evaluation feedback.
	- Integrate feedback from tenants, stakeholders, and community members into evaluations for refining future strategies.	- Strategies refined based on feedback to improve future project implementations.

5.2. Programme Performance Plans for the 2024/25-2027/28 MTEF (3year period)

Programme 1: Corporate Administration

Outcome (Objective)	Outputs (KPA)	Output Indicators (KPI)	Annual Targets						
			Audited/Actual Performance			Actual Performance to Date (Q2)	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Smart and capable entity	Financial sustainability	Current Ratio	1:	1:	1:0,46.	1:1	1:1	1:1	1:1
		Solvency Ratio	1:1	1:1	1:0,48	1:1	1:1	1:1	1:1
		% Collection of current rent debtors.	72%	80%	69%	72%	80%	85%	95%
		% Percentage reduction of Deficit	-	-	-	-	40%	40%	40%
		% of valid invoices paid within 30 days of invoice receipt	100%	100%	54%	100%	100%	100%	100%

Outcome (Objective)	Outputs (KPA)	Output Indicators (KPI)	Annual Targets						
			Audited/Actual Performance			Actual Performance to Date (Q2)	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
		Number of SMMEs Supported	-	New KPI	30	30	15	15	15
		Percentage expenditure of approved capital budget	100%	100%	50%	100%	100%	100%	100%
	Good Governance	% resolution of internal audit findings	100%	100%	100%	100%	100%	100%	100%
		% resolution of external audit findings	100%	100%	53%	47%	100%	100%	100%
	Audit Opinion	Level of audit opinion	Qualified.	Unqualified.	unqualified	Unqualified	Unqualified	Unqualified	Unqualified
	Compliance to laws and regulations	Percentage Compliance to laws and regulations	85%	95%	98.6%	98.6%	100%	100%	100%
	Implementation of corrective	Percentage Implementation of	95%	95%	95%	95%	98%	100%	100%

Outcome (Objective)	Outputs (KPA)	Output Indicators (KPI)	Annual Targets						
			Audited/Actual Performance			Actual Performance to Date (Q2)	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	action against identified risks	corrective action against identified risks							
	Personnel Vacancy Rate	Percentage vacancy rate	10%	10%	10%	8%	8%	8%	5%
	Jobs created through the Expanded Public Works Programme	Number of jobs created through Expanded Public Works Programme	301	910	831	1000	1000	1500	1800

Programme 2: Social housing and student accommodation (units under accreditation and regulation)

Outcome (Objective)	Outputs (KPA)	Output Indicators (KPI)	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2027/28	2027/28
Develop and manage social rental housing and student accommodation	social housing units completed	Number of social housing units completed	609	210	936	556	500	750	1200
	number of beds in student accommodation projects	number of beds in student accommodation projects	new KPI	new KPI	new KPI-	new KPI	-	50 beds	
	Occupancy across available units	Percentage of occupancy across available units	99%	98%	98%	98%	98%	98%	98%
	Service Level standard Programme	% achieved of service level standard	100%	100%	100%	100%	100%	100%	100%

Programme 3: Affordable Rental Housing (non-regulated)

Outcome (Objective)	Outputs (KPA)	Output Indicators (KPI)	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/27	2026/27	2027/28
Provide and manage affordable rental housing stock	Tenant management programme	number of tenants engagements	New KPI	New KPI	New KPI	New KPI	4	10	20

Programme 4: Special Projects for Department of Human Settlement

Outcome (Objective)	Outputs (KPA)	Output Indicators (KPI)	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Provide assigned special project service	Special project services provided in line with service Delivery Agreement (SDAs)	100% of total revenue from non-core or newly developed alternatives revenue streams.	New KPI	New KPI	New KPI	New KPI	100%	100%	100%

JOSCHO 's Operational Model

On a broader level there is alignment of programmes, organizational structure, and functional areas as this is critical to achieving strategic goals and ensuring operational efficiency. To further enhance Cross-functional collaboration between departments, the organizational structure will be reviewed and adjusted to support seamless coordination between functional areas, enabling effective implementation of key programmes.

The process will ensure that each functional area plays a distinct role in driving programme execution, with clear lines of accountability, communication, and oversight. Strategic programmes are integrated into the operational framework, ensuring that resources, personnel, and processes are aligned to deliver measurable outcomes. enhances efficiency, while governance mechanisms ensure compliance with regulatory and service delivery standards. that fosters synergy across all levels of the organisation, allowing us to respond effectively to stakeholder needs, manage risks proactively, and continuously improve service delivery.

STRATEGIC OBJECTIVES	Develop & manage social housing & student accommodation	Provide & manage affordable rental housing stock	Implement housing development projects for the city	Provide municipal services	To be a smart & capable entity
PROGRAMME & STRUCURE	Social Rental Housing stuent Accomodation	Affordable rental housing	Housing development projects	Municipal services (Human Settlements)	Corporate Administration
FUNCTIONAL AREAS	Accreditation & Policy Advocacy	Policy Advocacy & Compliance	Policy Advocacy & Compliance	Policy & BY-Law Compliance	Finance
	New developments	New developments	Projects management	Procurement services	Governance
	Property Management	Property Management	Refurbish, maintain & upgrade COJ rental stock	Utilities management services	Corporate Planning & Performance
	Tenant Relations	Tenant Relations	Social Facilitation	Project management services	IGR & Stakeholder Relations
	Student Accomodation	Programmes Management	Programmes Management	Programmes Management	Research & KM

JOSHCO's operational model is designed to ensure efficiency, scalability, and quality service delivery in alignment with our strategic objectives. The business operates through a structured workflow that integrates advanced technology, streamlined processes, and robust governance frameworks. Key activities include resource management, service execution, quality assurance, and compliance

monitoring. JOSHCO leverages digital tools and automation to enhance efficiency, while our infrastructure and logistics framework ensure seamless operations.

Defined roles and responsibilities across departments support accountability and operational effectiveness. Additionally, the model prioritizes risk management, regulatory compliance, and continuous improvement to adapt to evolving market demands. By maintaining strong internal controls and data-driven decision-making, we optimize performance and ensure sustainable growth. The diagram below expresses the operational model:

6. FUNDING/ RESOURCING

The resourcing (funding) of JOSHCO consists of:

a) operational grant from the CoJ
b) Capital allocation from the CoJ
c) SHRA Consolidated Capital Grant (for new social housing projects)
d) Revenue from rent collection
e) Revenue earned for implementing projects on behalf of CoJ Departments
f) Revenue from special initiatives such as outdoor advertising
g) Interest earned from bank balance

As part of JOSCHO's long-term financial sustainability strategy, a key focus will be on the diversification of funding sources, particularly for the expansion and maintenance of social housing. To reduce overreliance on internal revenues and overdraft facilities. JOSCHO is focused on strengthening and improving its compliance and accreditation status with the Social Housing Regulatory Authority's (SHRA) in order to attract more capital subsidies from Capital Restructuring Grant (CRG) and Institutional Investment Grants, which are specifically designed to support the development and operational capacity of accredited Social Housing Institutions (SHIs).

 JOSCHO will actively pursue government-linked funding opportunities that align with national and municipal housing priorities, infrastructure-focused grants such as the Municipal Infrastructure Grant (MIG) and Urban Settlements Development Grant (USDG) will be explored in partnership with local municipalities to fund essential bulk services that support housing delivery.

JOSCHO will also consider blended finance options and concessional project funding through institutions like the National Housing Finance Corporation (NHFC) and the Development Bank of Southern Africa (DBSA) and Public Investment Corporation (PIC) particularly where co-financing can unlock scale and reduce risk.

Furthermore, with an increasing emphasis on sustainability, the organization will explore eligibility for green or climate-linked housing finance through national energy and environmental programs. These efforts, combined with strategic partnerships and a proactive funding pipeline, will position JOSCHO to leverage diverse capital sources for long-term growth, resilience, and impact in the social housing sector.

In addition to existing government-aligned funding mechanisms, JOSHCO will actively pursue grant funding opportunities from other spheres of government, including National and Provincial Departments, by submitting targeted proposals for social housing development and related urban regeneration activities. These proposals will also integrate potential Public-Private Partnership (PPP) models, ensuring a collaborative and financially viable approach to scaling delivery. A key area of focus will be engagements with the Presidential Task Team for Johannesburg, particularly in support of the City's drive for a cleaner and more revitalized inner-city.

 With Johannesburg positioned as a co-host for the G20 Summit, JOSHCO will also seek to leverage this platform to access grant funding and technical assistance from G20 member states, especially BRICS-affiliated nations. In alignment with the global emphasis on sustainability, the entity will also identify and respond to funding opportunities that support green and energy-efficient infrastructure, creating new partnerships with both public and private stakeholders involved in climate-focused initiatives. On the revenue generation front,

JOSHCO will expand into student accommodation, tapping into a growing demand for affordable, secure housing in educational hubs. In parallel, the rollout of fibre infrastructure across properties will enable revenue streams through partnerships with Internet Service Providers (ISPs), giving tenants access to high-speed internet while creating value for the entity. As these initiatives mature and funding proposals are successfully approved, JOSHCO's budgeting processes will be realigned to reflect the infusion of new capital and to ensure efficient, targeted disbursement in line with strategic objectives.

The financial projections for the 2025/26 MTEF are summarised below and provided in the detailed Budget contained in APPENDIX 6 of this document:

Budget for the 2025/26FY

Table 18: Budget for 2025/26FY

Description	Audited outcome	Tabled budget	Adjusted budget	Forecast		
	2023/24 R'000	2024/25 R'000	2024/25 R'000	2025/26 R'000	2026/27 R'000	2027/28 R'000
Revenue						
Interest received - Debtors	38,428	25,474	25,474	26,474	27,872	29,126
Other income	6,891	3,982	3,982	4,165	4,357	4,553

Description	Audited outcome	Tabled budget	Adjusted budget	Forecast		
	2023/24 R'000	2024/25 R'000	2024/25 R'000	2025/26 R'000	2026/27 R'000	2027/28 R'000
Revenue						
Rendering of services	32,894	67,754	67,754	70,870	74,130	77,465
Rental of facilities and equipment	152,391	146,750	153,511	164,750	176,702	187,534
Government grants and subsidies	148,060	133,501	134,797	136,865	140,436	146,756
Operational Revenue - Inter-Co and Interest			6,000	**1 821**	**1 903**	**1 989**
Total Revenue	**378,664**	**379,052**	**393,109**	**412,119**	**432,798**	**455,145**
Expenditure						
Employee related costs	(220,531)	(201,212)	(215,269)	(226,163)	(238,200)	(251,799)
Debt impairment	(52,367)	(26,408)	(26,408)	(27,613)	(28,891)	(30,197)
Depreciation & amortization	(4,893)	(1,705)	(1,705)	(1,783)	(1,865)	(1,949)
Finance costs	(113,264)	(1,005)	(1,005)	(1,051)	(1,099)	(1,148)
Bad debts written off	(90,868)	-	-	-	-	-
Impairment loss	-	-	-	-	-	-
Administrative expenses	(496,147)	(148,722)	(148,722)	(155,589)	(162,743)	(170,061)
Total Expenditure	**(978,070)**	**(379,052)**	**(393,109)**	**(412,119)**	**(432,798)**	**(455,145)**
Deficit before taxation	**(599,406)**	**-**	**-**	**-**	**-**	**-**
Taxation						
Surplus (Deficit) for the year, after tax	**(599,406)**	**-**	**-**	**-**	**-**	**-**

Description	Audited outcome	Tabled budget	Adjusted budget	Forecast		
	2023/24 R'000	2024/25 R'000	2024/25 R'000	2025/26 R'000	2026/27 R'000	2027/28 R'000
Revenue						

6.1 Objective-based Budget Structure – aligning resources to priorities

In line with the National Treasury's framework for Objective-based budget structure & programmes, the approach is applied within JOSHCO to bring clarity, predictability and proper alignment between limited resources and specific programmes and sub-programmes. The resourced programmes are a clear indication of commitment to priorities.

A major shift in budget arrangement in this strategy is that financial management and control should be exercised at programme and at a project level. Furthermore, the medium-term forecasting for JOSHCO as well as the annual budgeting is to be undertaken at a programme, sub-programme and at project level. This is enabled through a financial model that ensures budget, expenditure and revenue is reconciled and controlled at unit level and built up towards composite organizational level indicators and measure
ents.

Furthermore, this Strategy recognizes that the financial viability and sustainability of the JOSHCO must be pursued with the necessary robustness. Most significantly, the following areas are the priorities for remedial interventions:

i.   The JOSHCO is in effect a combination of multiple, albeit related, business (SHI, Communal, City Services), which should be budgeted for, reported and performance managed separately.

ii.   Addressing the low rental collections (69% vs Benchmark of 95% - as per the SHRA).

iii.   The JOSHCO unit cost structure to be managed for different business activities in relation to operation, maintenance and refurbishments.

iv. The JOSHCO's balance sheet being impacted by related party transactions not settled when due. This requires that modifications be affected to the funding arrangements with the CoJ for projects undertaken by the JOSHCO on behalf of departments. This will improve the financial position of the JOSHCO. Options include draw-down funding arrangements to ensure liquidity and cash-flow for projects. A standard operating procedure must serve to clarify these arrangements

v. A sustained and/or recurring operating budget deficit related to JOSHCO's current rent collection rates.

6.3   Financial Viability   Strategy

To reposition JOSCHO as a financially resilient, operationally efficient, and stakeholder-aligned organization through a phased, data-driven turnaround strategy anchored in fiscal discipline, optimized revenue generation, and change leadership.

When the strategies proposed for improving revenue are implemented, rental income will improve and it will boost cash inflows, reducing reliance on subsidies, grants and overdrafts and strengthening the organization's liquidity position. Higher rental income will enable better funding for essential activities while cutting down on debt servicing costs.

effective expenditure management is a critical component of JOSCHO's long-term sustainability in the social housing sector. Given the cost-sensitive nature of affordable housing, the organization will adopt a disciplined approach to controlling operational and capital expenditures without compromising service quality or tenant satisfaction. A key focus will be on the implementation of preventive maintenance programs to reduce the frequency and cost of emergency repairs—one of the primary drivers of over-expenditure in the sector.

This will be supported by comprehensive Building Infrastructure Quality (BIQ) audits, which will inform prioritised and phased investment in asset upgrades. JOSCHO will also establish a robust vendor management framework, involving the renegotiation of existing service contracts and the introduction of competitive bidding processes to ensure value for money. Further, a shift towards performance-based budgeting will ensure that departmental allocations are directly linked to measurable outputs and financial accountability.

Cost efficiencies will also be pursued through energy-saving initiatives, such as the installation of solar systems and water-efficient fixtures, which will lower utilities expenditure over time. By embedding data-driven decision-making and financial modelling into its planning processes, JOSCHO aims to proactively forecast and manage costs, prevent overruns, and enhance long-term financial resilience in its social housing portfolio

6.3.1. Phased Action Plan (Year 1–5)

6.3.1.1 Short-Term Focus (Years 1–2): Stabilization and Foundation

a) **Revenue Optimization**

- **Lease Optimization:**
    - o Review and realign lease rates with market conditions to capitalize on demand whilst remaining aligned to the statutory and compliance regulations.
    - o Launch marketing campaigns aimed at attracting high-quality, long-term tenants as well as educating the existing on the importance of meeting their financial obligations

- **Asset Utilization:**
    - o Audit underused spaces for income potential—consider co-working hubs or short-term leasing models.

b) **Financial Restructuring**

- **Overdraft Management:**
    - o Proactively renegotiate overdraft terms with financial institutions to secure lower rates and extended timelines.
    - o Commit 10–15% of improved annual cash flow toward overdraft repayment.

c) **Operational Cost Reform**

- **Preventive Maintenance:**
    - o Implement a proactive maintenance schedule to lower emergency repair costs.
    - o Conduct a Building Infrastructure Quality (BIQ) audit to uncover inefficiencies and prioritize upgrades.

- **Vendor Optimization:**
    - o Review all vendor contracts for cost-effectiveness and service quality.
    - o Continue encouraging competitive bidding process to secure better terms.

6.3.1.2 Mid-Term Focus (Years 2–4): Consolidation and Efficiency

a) Performance and Revenue Tracking

- Utilise the dashboard of KPIs for revenue growth, cost containment, and debt reduction.

- Hold quarterly financial and operational reviews to assess strategy execution and adapt where needed.

b) New Revenue Initiatives

- Pilot short-term, high-yield projects to supplement cash flow.

- Evaluate long-term leasing vs. value-added repurposing (e.g., energy-efficient retrofitting for cost savings and rental premiums).

c) Operational System Enhancements

- Utilize data analytics tools to monitor maintenance, budget adherence, and financial health.

- Adopt asset and facilities management platforms for better resource control.

d) Debt Reduction Milestones

- Map out debt-reduction goals aligned to revenue improvements, with a target of cutting the overdraft balance by 30–40% by Year 5.

6.3.1.3 Long-Term Focus (Years 4–5): Sustainability and Transformation

a) Financial Resilience

- Achieve a 30–40% reduction in the overdraft through disciplined cash flow allocation and fiscal responsibility.

- Build financial reserves and adopt a sustainable income model to ensure going concern viability.

b) Operational Maturity

- Cement long-term vendor relationships for stability in quality and cost.

- Use ongoing BIQ data to drive continuous maintenance refinement and capital allocation.

c) Stakeholder Reassurance

- Demonstrate improved cash flow, reduced expenditure, and an optimized asset portfolio to boost stakeholder confidence.

- Transition the finance function from reactive crisis management to strategic foresight and planning.

6.3.2 Robust Change Management Framework

A successful financial turnaround hinges not just on technical fixes but also on cultural alignment. This framework ensures that all internal and external stakeholders are informed, engaged, and empowered.

6.3.2.1 Core Pillars

a) Leadership and Vision

- Align executive leadership with the turnaround roadmap.

- Cascade a clear, consistent message about JOSCHO's financial vision throughout the organization.

b) Stakeholder Engagement

- **Internal:**

  o Host regular updates, town halls, and workshops.

  o Empower departmental champions to lead adoption and track early wins.

- **External:**

  o Keep creditors, vendors, and tenants informed through regular briefings.

  o Use transparency to manage expectations and build trust.

c) Communication Strategy

- Implement a multi-channel communication calendar (email, newsletters, video).

- Ensure timely updates on progress, setbacks, and milestones.

- Enable real-time feedback through digital platforms, surveys, and focus groups.

d) Training and Capacity Building

- Provide training in financial systems, asset management, and reporting tools.

- Upskill teams to support technology-driven processes and foster operational excellence.

e) Performance and Change Metrics

- Monitor adoption rates of new processes and employee engagement levels.

- Recognize and reward teams who drive measurable financial or operational gains.

f) Risk and Contingency Planning

- Monitor and manage financial and operational risks regularly.

- Build contingency buffers—financial reserves, flexible budgets, and alternative suppliers.

6.3.3 Key Impact Areas

Strategic Objective	Target Outcome by Year 5
Rental Income Optimization	Enhanced cash inflow and reduced debt reliance
Overdraft Reduction	30–40% decrease, aligned with improved cash position
Maintenance & Operational Reform	20–25% cost reduction through preventive strategy
Financial Systems Modernization	Real-time data for informed decision-making
Going Concern Stability	Sustainable operations with liquidity reserves

| Stakeholder Confidence | Renewed trust and long-term commitment |

JOSCHO's financial turnaround strategy is designed not only to resolve current fiscal pressures but to build a resilient, data-driven, and strategically focused finance function. By balancing short-term stabilization with long-term transformation—while ensuring inclusive and consistent change management—JOSCHO is well-positioned to evolve into a sustainable going concern that delivers value across its portfolio.

7. PROGRAMME MANAGEMENT

JOSHCO has adopted a programme-based strategy to effectively manage its diverse portfolio of housing projects. This approach is designed to optimize operational efficiency, ensure compliance with governance frameworks, and support the City of Johannesburg's broader development priorities. The following outlines JOSHCO's strategic approach to programme management, key principles, and specific initiatives that will be prioritized over the next five years.

JOSHCO's programme management approach is designed to ensure that each portfolio is managed in a way that is tailored to its unique requirements while adhering to key governance principles. This approach enables JOSHCO to effectively oversee multiple projects, ensure accountability, and contribute to the City's development goals.

7.1 Key Principles of Programme Management

7.1.1 Tailored Portfolio Management:

Each property portfolio within JOSHCO is managed separately, considering the unique requirements of each portfolio. This includes addressing specific tenant needs, property types, and geographical considerations to ensure optimal management and service delivery.

7.1.2 Governance and Compliance:

JOSHCO ensures that all programmes are governed by relevant policies, by-laws, and regulations at every stage of the programme management cycle. Compliance with municipal, national, and internal governance standards is central to maintaining transparency and accountability across the organization.

7.1.3 Resource Allocation and Commitment:

The resources needed to achieve programme objectives, including planning, budgets, human capacity, and operational arrangements, are identified and appropriately committed. This ensures that JOSHCO can execute its programmes effectively and meet both operational and strategic goals.

By adhering to these core principles, JOSHCO can manage a diverse range of housing projects and other initiatives, all while contributing to the City's overall development priorities.

7.2   Strategic Initiatives

In line with its programme-based approach, JOSHCO has identified a set of strategic initiatives that will drive its core operations and align with the City's development goals. These initiatives are focused on sustainability, economic growth, and the application of innovative technologies to enhance housing and community services.

i.   Outdoor Advertising

Revenue Generation: JOSHCO will explore opportunities for generating additional revenue through outdoor advertising on its properties and infrastructure. This initiative aligns with the City's goal of leveraging urban spaces for economic growth and will be implemented in compliance with municipal regulations.

Community Engagement: Outdoor advertising will also be used as a tool for community outreach and communication, providing information on available services, programmes, and development projects within the JOSHCO portfolio.

ii.   Climate Change Resilience Measures

JOSHCO is committed to building climate-resilient communities by integrating sustainable practices into its housing developments and management. The following initiatives will be prioritized:

iii.   Energy Solutions:

Solar Technologies & LED Lighting: JOSHCO will invest in renewable energy solutions such as solar technologies to power properties and common areas. Additionally, the installation of energy-efficient LED lighting across JOSHCO properties will reduce energy consumption and lower operating costs.

iv.   Alternative Building Technologies:

JOSHCO will explore and implement alternative building technologies to enhance the sustainability and resilience of its properties. These technologies may include environmentally friendly materials, energy-efficient designs, and sustainable construction methods that reduce carbon footprints and lower maintenance costs.

v. Urban Agriculture (Rooftop Gardens):

JOSHCO will promote urban agriculture, including the establishment of rooftop gardens, to encourage local food production, improve food security, and create green spaces within urban areas. This initiative will support tenants' well-being and contribute to the overall sustainability of the communities JOSHCO serves.

vi. Smart Interventions

JOSHCO will integrate smart technologies and innovative systems into its operations to improve efficiency, enhance tenant experiences, and streamline business processes. Key areas of focus include:

vii. Utility Metering:

The implementation of smart utility metering systems will provide tenants and JOSHCO with real-time data on water and electricity consumption. This will facilitate more accurate billing, reduce utility wastage, and enable better resource management.

viii. Digitisation & Automation:

JOSHCO will continue to invest in the digitisation and automation of critical business processes, including systems integration across property management, billing, access control, and tenant communication. These efforts will enhance operational efficiency, reduce human errors, and improve service delivery to tenants.

ix. Lease Application Process:
The lease application process will be digitised to streamline tenant onboarding, improve accessibility, and reduce administrative workload. This will enable potential tenants to apply for housing and submit necessary documentation online, enhancing both tenant experience and operational efficiency.

x. Utility Management Services:

Integrated utility management services will be implemented to ensure effective monitoring and management of utility consumption, payment tracking, and service interruptions. Automated alerts for non-payment or excessive usage will help manage arrears and prevent service disruptions.

xi. Maintenance Management:

A comprehensive maintenance management system will be introduced to streamline the reporting, scheduling, and resolution of maintenance issues. The system will include features for logging requests, tracking work progress, providing tenant feedback, and ensuring quality assurance. This will ensure that properties remain in good condition and that tenants' needs are addressed promptly.

xii. Economic Growth Initiatives

JOSHCO will actively contribute to the City's economic growth through various initiatives focused on job creation, procurement, and local business development. Key economic growth strategies include:

xiii. Public Employment Programmes (EPWP):

JOSHCO will continue to support the Expanded Public Works Programme (EPWP), providing employment opportunities for local communities. By involving local residents in the development, maintenance, and management of JOSHCO properties, the organisation will help reduce unemployment and improve socio-economic conditions in the areas it serves.

xiv. SMME Procurement & Participation:

JOSHCO will implement a robust procurement strategy that supports small, medium, and micro enterprises (SMMEs). This will include offering opportunities for SMMEs to participate in construction, maintenance, and supply contracts, fostering local economic growth and supporting entrepreneurship within the City of Johannesburg.

xv. Tenant Management

The tenant management function is geared to managing the full life cycle of all families and individuals renting any one of the JOSHCO properties. This includes recruitment, screening and selection, onboarding and/or allocation, community living, termination and eventual off-boarding.

In this cycle, the tenant must be appropriately billed for the rent that is due, and, in turn, the tenant must pay the rent as it becomes due. In addition, the tenant must be able to communicate with the JOSHCO on any matter that affects them during their stay in the leased property. The JOSHCO employs a variety of systems and procedures to maintain the relationship with the tenants within the ambit of the applicable legislation and regulations. As such a comprehensive tenant management strategy is in place to ensure the JOSHCO discharges its obligations as a landlord.

Innovative means of collecting rentals have been explored and are applied to support and enable ease of collecting rent that is due. These include debit order facilities, swift pay point services at major retailers and, in instances where agreement is reached with employers whose employees are tenants, payroll deductions.

A programme of tenant mobility toward other housing options (e.g. home ownership, access to non-regulated rental housing etc.) must support tenant empowerment to mitigate the risk of housing access stagnation often encountered by long term tenants.

Management arrangements
The focus is comprehensive and responsive tenant management arrangements within a policy supported by innovative solutions for improved management of JOSHCO rental stock and tenant relations directed towards:

- Clear and equitable criteria for determining suitability of tenants for leasing.

- A compliant framework for the determination of rentals.

- Explicit rules and guidelines to ensure fair and consistent lease management.

- Simple channels of communication between tenants and the JOSHCO.

Specifically, tenant management arrangements seek to set clear and specific procedures for:

- Marketing of available Units

- Take-on of tenants (and eventual tenant exit or off boarding)

- Application, registration and screening of potential tenants

- Allocation of units for letting and letting contracting

- Billing and rent collection as well as enforcement of lease agreement breaches

- Communication and tenant liaison, engagements, consultation and empowerment

- Complaints management as well as conflict and dispute resolution

- Tenant Satisfaction Surveys

- Periodic unit inspections

The programme-based strategy adopted by JOSHCO is designed to optimize the management of its diverse housing portfolios and ensure that its operations are aligned with the broader development priorities of the City of Johannesburg. By focusing on tailored management for each portfolio, ensuring compliance with governance frameworks, and committing resources effectively, JOSHCO will be better positioned to meet its strategic objectives.

The strategic initiatives outlined in this plan, including climate resilience measures, smart interventions, and economic growth initiatives, will enable JOSHCO to build sustainable, resilient communities, enhance operational efficiency, and contribute to the City's socio-economic development. These initiatives reflect JOSHCO's commitment to innovation, sustainability, and community engagement, which will be crucial to its long-term success and the achievement of its business goals.

8. HOUSING DEVELOPMENT

8.1 Housing Developments Overview

JOSHCO is committed to delivering high-quality housing projects that meet the diverse needs of the city's residents. The organization will implement a standard operating procedure (SOP) to guide the development and contracting arrangements for all projects. These procedures will align with the programme-based approach adopted by JOSHCO and ensure that each project is managed according to its specific requirements.

8.2 Categories of Housing Developments

JOSHCO's development projects are classified into two main categories based on the nature of the land and construction approach:

8.2.1 Greenfield Development:

Greenfield developments involve building on previously undeveloped land. This type of development typically consists of 3- or 4-storey walk-up buildings designed to maximize land use for affordable housing.

8.2.2 Brownfield Development:

Brownfield developments refer to the conversion or refurbishment of existing buildings, such as former office spaces or commercial buildings. These developments are primarily found in high-density urban areas like the inner city, where space is limited but redevelopment potential is high.

8.3 Planned Housing Development.

JOSHCO has planned a significant number of projects over the next five years. These projects aim to deliver much-needed rental housing and contribute to the City's broader urban development goals.

8.3.1 Planned Projects Overview:

JOSHCO plans to implement approximately 25 projects over the next five years, yielding a total of 12,286 units. These developments will include both new builds and the upgrading of existing stock.

The anticipated annual expenditure for these projects ranges between R700 million and R933 million.

8.4 Challenges and Risks

- Affordability Concerns: One of the major challenges to the success of JOSHCO's developments is the affordability of rental housing for the target market. Economic factors such as low growth, high unemployment, and poverty have contributed to diminished household incomes, which undermine tenants' ability to pay rent. This could affect the long-term sustainability of the projects.

- Rent Defaults: The prevalence of rent defaults poses a serious challenge to both tenants and JOSHCO. Rent arrears can strain relationships between tenants and landlords and create financial instability for both parties.

- Inter-Governmental Collaboration: To address these challenges, JOSHCO will engage in advocacy efforts aimed at adjusting the subsidy architecture and fiscal arrangements for affordable housing. Collaboration with other government departments and agencies will be essential to ensure that the rental housing model remains financially viable.

8.5 Land Availability and Access Arrangements

Access to suitable land is critical to JOSHCO's ability to deliver housing projects in line with its strategy. JOSHCO has established key agreements and partnerships for land access, both with the City of Johannesburg and private developers.

8.5.1   Access to City of Johannesburg Land:

JOSHCO has secured a Permission to Build and Occupy agreement with the Johannesburg Property Company (JPC), which grants JOSHCO access to Council-owned land parcels for development projects.

8.5.2   Private Land Access:

JOSHCO collaborates with private landowners and developers to identify and acquire well-located land for affordable housing developments. This partnership ensures that JOSHCO can offer rental units in areas that are accessible to its target market, integrating housing developments into functional, well-connected urban environments.

8.6   Outsourcing Strategy and Local Community Participation

JOSHCO is committed to promoting local economic development through its procurement practices and community participation. As part of this commitment, the following strategies will be implemented:

8.7   Preferential Procurement:

In compliance with the Preferential Procurement Regulations of 2017, JOSHCO will subcontract 30% of the value of construction contracts over R30 million to local Small, Medium, and Micro Enterprises (SMMEs). This initiative supports local job creation and ensures that the benefits of JOSHCO's developments are shared with communities.

8.7   Subcontracting and Monitoring:

Contractors awarded construction contracts are required to procure goods and services from local SMMEs, including work packages for tasks such as brickwork, plastering, painting, tiling, and material supply. JOSHCO will monitor the appointment and expenditure on local SMMEs monthly to ensure compliance and maximize local economic impact.

8.8   Managing Quality

To ensure that all construction projects meet the highest standards, JOSHCO has implemented a rigorous quality assurance process, focusing on both the execution of works and the certification of contractor payments.

i.   Execution of Works:
   - Professional Team Appointment: JOSHCO appoints a professional team, including a Principal Agent, Architect, Engineers, and other specialists, to oversee the design, specification, and construction of projects. These professionals ensure compliance with ISO and SANS standards throughout the development process.
   - Inspection and Snagging: The professional team conducts regular site inspections to ensure that contractors adhere to designs and specifications. Upon completion of construction, a Practical Completion Snagging process is conducted to identify any defects or incomplete work. Contractors must rectify these issues before the project is considered complete.

ii.   Contractor Payment Certification:
   - Monthly Valuations: Contractors submit monthly valuations of work completed on-site. These valuations are reviewed by the Quantity Surveyor (and, if applicable, engineers) before month-end.
   - Payment Certification Process: The Quantity Surveyor and Principal Agent review the valuation, and the final Payment Certificate is submitted to JOSHCO for approval and payment. This process ensures that contractors are paid fairly and on time for work completed according to contract terms.

JOSHCO's Building Developments strategy outlines a comprehensive, programme-based approach to housing development that is responsive to the diverse needs of the City of Johannesburg's residents. By focusing on key areas such as land availability, affordability, local economic participation, and quality assurance, JOSHCO will continue to deliver sustainable, high-quality rental housing that meets the needs of low- to middle-income households.

Through strategic partnerships, rigorous project management, and ongoing advocacy for policy adjustments, JOSHCO will address the challenges of affordability and rent arrears while contributing to the City's broader urban and economic development objectives. The next five years will see the implementation of numerous development projects, contributing significantly

to the alleviation of the city's housing backlog and the creation of resilient, well-connected communities.

9. HOUSING MANAGEMENT

9.1 Tenant Management

JOSHCO's Housing Management Department is responsible for the full lifecycle of tenant management, from onboarding through to their exit. This function is executed in close coordination with other departments and business units across JOSHCO, ensuring a seamless, tenant-centric approach to service delivery.

9..1.1 Tenant Onboarding and Education

JOSHCO's Stakeholder Relations Management (SRM) unit leads the educational and training initiatives for tenants. The goal is to empower tenants by providing them with the knowledge and skills necessary to navigate their living environments and understand their rights and responsibilities. Training topics include:

- Understanding Rental Agreements: Ensuring tenants understand their contractual obligations, including rent payment schedules, maintenance responsibilities, and the importance of complying with house rules.

- Legal Awareness: Informing tenants about applicable legislation and regulations governing social housing in the City of Johannesburg (CoJ), including tenant rights, dispute resolution, and eviction processes.

- Community Engagement: Promoting responsible behaviour within the community and fostering positive relationships between tenants.

- By empowering tenants through education, JOSHCO aims to foster a cooperative, respectful, and informed tenant community.

9.1.2 Complaint and Issue Management

JOSHCO's Customer Relations Management (CRM) department is the dedicated hub for addressing tenant concerns. The department operates a call centre and digital platforms to provide clear, accessible channels for tenants to report issues and resolve complaints.

- *Clear Complaint Processes*: All tenants are informed of the standard procedures for lodging complaints, ensuring transparency and ease of access. JOSHCO has a defined service level agreement (SLA) with the City of Johannesburg (CoJ), which mandates that all complaints be acknowledged within 24 hours and resolved within five working days.

- *Tracking and Reporting*: On a monthly basis, a detailed report is generated to assess whether service levels are being met. In cases of non-compliance, mitigation strategies are implemented to address any delays, including additional staff training, system improvements, or procedural adjustments.

Effective complaint management is key to maintaining tenant satisfaction and trust, and JOSHCO is committed to continuous improvement in this area.

JOSHCO's Property Management strategy focuses on managing each property within its portfolio according to its unique needs, ensuring efficient operations and maintenance, and improving tenant satisfaction. This strategy integrates digitization and automation to streamline processes and reduce operational costs while ensuring

The effective management of properties within the JOSHCO portfolio requires a tailored approach for each individual project or property. Key aspects of this strategy include:

- Individual Property Management: Each property is managed separately, recognizing the distinct requirements and characteristics of each portfolio. This allows for a more effective management of inputs and outputs at the unit level and helps address business costs and risks where they are most relevant.

- Seamless Administration: The goal is to facilitate smooth and efficient operations across all properties, ensuring that resources are effectively allocated, and financial and operational outcomes are tracked and managed per property.

- Digitization and Automation: A key component of the strategy is the integration of ICT systems to automate and streamline maintenance functions. This includes logging queries, scheduling maintenance, managing maintenance turnaround times, and providing real-time feedback to tenants.

To support this approach, JOSHCO is investing in a maintenance management system that will assist with:

- Logging of Maintenance Queries: Ensuring that tenant issues are tracked and addressed promptly.

- Scheduling Maintenance: Both mandatory and ad-hoc maintenance tasks will be automated and scheduled based on urgency and need.

- Real-time Feedback: Tenants will receive timely updates on maintenance requests.

- Maintenance Contract Verification: Ensuring that contractors meet agreed standards and that quality assurance processes are in place.

- Utility Management: Including smart metering and utility vending systems for water and electricity, allowing for more accurate billing and better monitoring of consumption.

By leveraging digital tools, JOSHCO aims to minimize operational costs, optimize maintenance schedules, and enhance tenant satisfaction

9.2 Evidence-Based Approach to Maintenance Planning

An evidence-based approach underpins JOSHCO's maintenance planning. This approach ensures that property conditions are regularly assessed and that resources are allocated based on real data.

Building Condition Assessments: A comprehensive assessment of the condition of all buildings in the portfolio was carried out to identify defects and prioritize maintenance tasks. Based on this assessment, a detailed maintenance plan was created to address both planned and unplanned maintenance needs.

9.3 Planned vs. Unplanned Maintenance:

The maintenance budget for each year is divided between planned and unplanned interventions:

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Budget	-	41 717 943	60 104 367		R83,594,42 6	-	-
Planned	-	R29,110,8 08	R26,754,3 66		: R31,367,63 8	-	-
Unplan-ned	-	R12,607,1 35	R35,334,6 74		R52,216,48 5	-	-

9.4 Buildings Nearing End of Useful Life

One of the major concerns for JOSHCO is the number of buildings that are reaching the end of their useful life and may require major upgrades or replacements. These interventions require substantial financial resources and careful planning.

9.5 Buildings Nearing End of Useful Life

In July 2024, The City of Johannesburg Council approved the request to transfer misplaced housing stock from JOSHCO asset books back to the COJ Department of Human Settlements. It is anticipated that the full implementation of the resolution will be concluded during the financial year.

The affected projects are summarised:

Former City Hostels	No. of Units	City Referrals	No of Units
Antea	302	Alexendra (Bothabela)	520
City Deep	380	Chelsea	80
Klipspruit	54	La Rosabela	50
Orlando Ekhaya	102	MBV2 Building	187
Selby	187	Kliptown Golf Course	936
Total	1025		1773

The transfer of housing stock (2 798 units) back to the CoJ will have financial and operational implications to JOSCHO especially where the repairs and maintenance, upgrades, refurbishments of the relevant housing stock and operational and capital expenditure are concerned. The effects have been adjusted for in the 2025/2026 budgets

9.6 Financial Uncertainty and Risk Management

Due to financial uncertainties, JOSHCO faces challenges in determining the exact resourcing and timing for major upgrades or replacements. This risk is mitigated through JOSHCO's annual risk management plan, which is designed to address potential issues before they impact operations.

9.7 Approach to Rental Unit Pricing

To ensure competitive and fair pricing of rental units, JOSHCO has benchmarked its pricing against other rental housing providers in Johannesburg. This benchmarking process helps JOSHCO stay aligned with market rates while ensuring that its rental units remain affordable to its target demographic.

Competitor Analysis: JOSHCO conducted a comparative assessment of rental pricing from four major competitors operating within the City of Johannesburg. This assessment included

properties in both the inner city and township areas, allowing JOSHCO to evaluate its pricing relative to a wide range of market conditions.

Benchmarking Results: Based on this analysis, JOSHCO has set its rental prices to ensure competitiveness, affordability, and sustainability. The aim is to offer rental units that are priced reasonably within the market context while maintaining the financial viability of JOSHCO's operations.

The JOSHCO rentals are thus benchmarked as follows:

UNIT TYPOLOGY	INNERCITY MARKET RENTALS	JOSHCO INNERCITY RENTALS	TOWNSHIP MARKET RENTAL	JOSHCO TOWNSHIP RENTAL
One bedroom	R2900 – R3500	R1400	R2500-R3000	R1400
Two bedrooms	R3900 – R4800	R1800	R3950 – R4500	R2500
Communal Rooms	R1500 – R2000	R500- R900	R900	-
Bachelor	R2000 – R3500	R1100	R1100	-

The philosophy behind the setting of pricing and rentals is based on the following:

BAND	Minimum rental	Maximum rental	Average
Primary			
R1850 – R3500	R500	R900	27%
R3501 – R6700	R900	R1400	25%
Secondary			
R6701 -R11300	R1400	R2500	21%
R11301 – R15000	R2500	R3700	22%
R15001 – R22000	R3800	R3800	25%

9.7.1 JOSHCO's Approach to Rent Setting and Property Maintenance

The JOSHCO approach to rent setting and property maintenance is central to achieving its mission of providing affordable housing while balancing operational costs and the delivery of social services. The organization must navigate a complex environment where affordability, operational efficiency, and compliance with legislative standards are critical to its success.

9.7.2 Maintenance

Standard Operating Procedure (SOP) for Maintenance JOSHCO has developed a Standard Operating Procedure (SOP) for property maintenance that sets out the steps for ensuring that properties are maintained to a high standard. The main objectives of this SOP are to provide tenants with a high-quality living environment, meet service delivery standards, and comply with all building-related legislation and regulations. This SOP works in conjunction with the JOSHCO Maintenance Policy and other relevant documents, ensuring a streamlined approach to property upkeep

9.7.3 Categories of Maintenance JOSHCO categorizes maintenance into the following types:

Planned Maintenance	Regularly scheduled repairs and upgrades
Common Area Maintenance	Maintenance of shared spaces in multi-unit properties
Vacancy Maintenance	Repair and preparation of units for new tenants
Reactive Maintenance (Unplanned	Unscheduled repairs triggered by unexpected issues.

All maintenance activities must comply with relevant legislation, industry codes, and standards.

Measuring Service Delivery

The quality of maintenance services is evaluated based on:

• Quality and timeliness of service delivery.

- Customer orientation, ensuring that tenants' needs and feedback are prioritized.

- Maintenance Service Delivery Process
  The maintenance process follows a clear workflow:

- Maintenance Planning: Identification and scheduling of necessary maintenance tasks.

- Approval of Maintenance Queries: Review and authorization of maintenance requests.

- Management of Maintenance Execution: Overseeing the actual repair and maintenance work.

- Management of Service Providers: Coordination with contractors and service providers to ensure quality and efficiency.

A comprehensive record-keeping system is employed to ensure transparency and accountability, with a paper trail documenting all actions taken during maintenance work.

9.8 Service Level Standards and Service Delivery Responsibility

As part of the partnership between JOSHCO and the City of Johannesburg (CoJ), specific Service Level Standards (SLS) have been established for maintenance services. These standards align with the City of Johannesburg's expectations as outlined in the Integrated Development Plan (IDP), ensuring that maintenance operations are responsive, efficient, and meet the needs of the community.

9.87.1 Maintenance Request Response

- Standard: 96% of all maintenance requests should be attended to within 14 working days. This aligns with the CoJ's commitment to improving service delivery and ensuring that housing infrastructure is well-maintained, and tenant concerns are addressed promptly.

- Objective: To maintain high levels of tenant satisfaction by ensuring timely responses to maintenance requests, particularly those related to health, safety, and essential services.

9.8.2 Routine Building Maintenance

- Standard: 100% implementation of routine maintenance related to health and safety requirements. This includes regular inspections, repairs, and upgrades to ensure that all buildings meet safety standards and regulatory requirements.

- Objective: To prevent issues before they arise, minimize the risk of accidents or health hazards, and comply fully with the City of Johannesburg's regulatory framework, as outlined in the IDP.

9.9   Service Delivery Responsibility

The Portfolio Managers play a critical role in ensuring the effective execution of maintenance processes and the achievement of Service Level Standards. They are responsible for:

- Ensuring compliance with the Service Level Standards (SLS) set by the City of Johannesburg, particularly in the timely response to maintenance requests and the regular execution of health and safety-related building maintenance.

- Utilizing available tools and resources to meet the prescribed standards, including leveraging technology for efficient tracking, reporting, and accountability of maintenance tasks.

- Coordinating with contractors and service providers to ensure that all maintenance work is completed within the required timeframes and according to the quality standards set out in the IDP.

- Monitoring and reporting on performance to ensure that service delivery aligns with the City's expectations and that any service delivery challenges are addressed promptly.

- Ensuring smooth operation of the maintenance cycle, including proactive planning and budgeting for routine and emergency maintenance needs.

By fulfilling these responsibilities, Portfolio Managers will ensure that JOSHCO's maintenance services meet both internal standards and the expectations of the City of Johannesburg, as detailed in the Integrated Development Plan.

9.10 Utilities Management

JOSHCO's approach to utilities management reflects the historical challenges the organization has faced due to its relationship with the City of Johannesburg and the variety of property types under its control.

9.11 Historical Context and Issues

Lack of Internal Utility Management: JOSHCO historically did not manage utilities internally. The City of Johannesburg settled utility bills on behalf of JOSHCO, which limited JOSHCO's ability to query billing issues.

Unclear Tariff Classification: There is uncertainty regarding whether JOSHCO properties are classified as "multiple dwellings" or "blocks of flats," which impacts utility tariff rates.

Variation in Properties: The properties managed by JOSHCO vary significantly, including inner-city refurbished affordable rental units, converted hostels, and SHRA-funded developments. Some properties use pre-paid meters, while others do not, due to differing community acceptance and development standards.

Installation of Pre-paid Meters: JOSHCO has begun installing pre-paid meters, particularly in its inner-city properties, but lacks a unified strategy for coordinating the implementation.

9.12 Utilities Management Model

To address these issues and improve utility management efficiency, JOSHCO has implemented a structured Utilities Management Model. The model includes:

- An internal administrative unit within JOSHCO.

- An outsourced technical specialist to handle specific technical aspects of utilities management.

- The model is overseen by the Chief Operations Officer and managed by a Manager: Utilities Management, who is responsible for:

- Developing and maintaining a Utility Management Policy.

- Establishing a Utility Management Service Level Agreement (SLA) with the appointed service provider.

- Supervising both internal staff and the outsourced provider.

- Handling customer queries about utility bills or billing systems.

- Coordinating utility payment processes with the City Group Finance.

- Collaborating with the City Property Valuations Department to clarify tariff classifications.

- Overseeing the reporting, filing, and analysis of utilities management activities.

9.11.1   Benefits of the Utilities Management Model

This new model is designed to improve operational efficiency and resolve the historical limitations of utility management:

- One View: The model centralizes data from all utilities systems, making it easier to monitor usage, spot inefficiencies, and track energy- and water-intensive equipment.

- Predictive Maintenance: The outsourced technical specialist will monitor real-time data on utilities usage and equipment status, helping JOSHCO take proactive measures to prevent wastage and reduce costs.

JOSHCO's approach to rent setting, property maintenance, and utilities management reflects a careful balancing act between social responsibility and financial sustainability. While ensuring that rental prices remain affordable for the lower-income market, JOSHCO must also manage operational costs, adhere to building legislation, and provide a high standard of service to tenants.

The Maintenance SOP and the Utilities Management Model are essential components of JOSHCO's strategy to maintain its properties efficiently and effectively. By adopting a systematic and data-driven approach to maintenance and utilities management, JOSHCO can improve service delivery, enhance tenant satisfaction, and reduce costs.

Additionally, through a structured utilities management model, JOSHCO aims to address historical inefficiencies and position itself for long-term operational success.

10. Communication and Marketing Stakeholder & Client Relationship Management

10.1 Effective Communication Strategies

JOSHCO will runs a structured approach that will enhance communication, encouraging collective responsibility, whilst strengthens the relationship between JOSHCO and its tenants The following will be implemented:

Communication Strategy	Objective	Actions	Outcome/Impact
Communication of JOSHCO's Operations and Achievements	To ensure transparency and build trust with stakeholders.	Regular updates on JOSHCO's operations, performance, achievements, and challenges through social media, website, press releases, newsletters, and community forums.	Enhances public trust, builds credibility, and keeps stakeholders informed, fostering confidence in JOSHCO's initiatives and outcomes.
Marketing of Rental Units	To ensure maximum occupancy and financial sustainability.	Promote available rental units through digital platforms, targeted advertising, and outreach initiatives to attract appropriate clients, ensuring optimal occupancy rates.	Increases awareness, attracts tenants, and ensures the sustainability of rental units by targeting the right market.
Multi-Channel Outreach	To reach diverse audiences through appropriate channels.	Utilize traditional media (TV, radio, print) alongside digital platforms (social media, email campaigns, website) for housing availability updates and program news.	Ensures wide reach and inclusivity, catering to the diverse needs of the audience while communicating effectively across platforms.
Crisis and Issue Management	To address negative	Develop crisis communication protocols	Mitigates the impact of negative events, fosters

	perceptions and manage crises swiftly.	ensuring transparent and consistent responses aligned with JOSHCO's values.	resilience, and ensures consistent, transparent messaging during challenging situations.
Communication Evaluation	To measure the effectiveness of communication efforts.	Implement regular assessments using surveys, audience feedback tools, and analytics to track engagement and adjust strategies accordingly.	Enhances the adaptability of communication strategies, ensuring they evolve with stakeholder needs and improve engagement effectiveness.
Stakeholder Relations and Policy Advocacy	To strengthen relationships and influence housing policy.	Proactively engage with key stakeholders (e.g., CoJ, SHRA, developers, community organizations) to advocate for favourable policy reforms and housing improvements.	Positions JOSHCO as a key influencer in the housing sector, aligning with broader policy goals and fostering stronger industry collaboration and support.
Customer Relationship Management (CRM)	To enhance service delivery and maintain strong relationships.	Utilize CRM technologies to manage resident interactions, track service requests, and improve responsiveness through data management.	Enhances tenant satisfaction and ensures effective communication and service delivery, fostering strong resident relationships and loyalty.
Managing Service Requests and Inquiries	To ensure prompt and efficient resolution of tenant issues.	Develop digital platforms for residents to submit and track service requests (e.g., maintenance, administrative inquiries) and streamline the process for quicker responses.	Improves service efficiency, tenant satisfaction, and timely resolution of requests, contributing to a positive living experience.
Complaint Resolution and Service Recovery	To maintain positive tenant relations after service failures.	Actively address complaints and implement a service recovery process to resolve issues promptly and maintain tenant trust.	Minimizes tenant dissatisfaction and ensures quick, effective solutions to issues, enhancing tenant retention and satisfaction.

Feedback Collection and Analysis	To continuously improve service delivery and operations.	Implement surveys, focus groups, and direct communication to gather tenant feedback on service quality and living conditions, informing continuous improvement.	Fosters a culture of continuous improvement by incorporating tenant feedback into the organization's service delivery strategies.
Client Engagement and Education	To empower tenants with knowledge of their rights and responsibilities.	Provide educational resources and programs, including orientations for new tenants and ongoing support throughout their tenancy.	Increases tenant awareness, reduces misunderstandings, and fosters a more engaged and informed community.
Performance Monitoring and Reporting	To evaluate and enhance the effectiveness of client services.	Use performance metrics, satisfaction surveys, and service delivery reviews to monitor and assess the effectiveness of client services and adjust strategies as needed.	Promotes ongoing service improvement, enhances tenant satisfaction, and ensures that client services are aligned with tenant needs and expectations.

10.2 Stakeholder Relations Management

The SRM department plays a pivotal role in managing JOSHCO's relationships with tenants and other key stakeholders. This includes addressing tenant needs, interests, and expectations while fostering long-term, mutually beneficial relationships.

- Tenant-Cantered Approach: SRM ensures that tenant voices are heard and that their feedback is incorporated into decision-making processes, particularly around issues that directly impact their lives, such as maintenance schedules, safety measures, and community initiatives.

- Engagement and Communication: Regular engagement is facilitated through formal and informal channels, including tenant meetings, newsletters, and online platforms, to ensure tenants feel informed and valued. Stakeholder Engagement

JOSHCO recognizes the critical importance of stakeholder engagement in delivering on its mandate of providing affordable rental housing. Stakeholder relations are central to JOSHCO's success, especially considering the challenges the organization has faced related to its image and reputation.

To address these challenges, JOSHCO established the Stakeholder Relations Management (SRM) Department to focus on building and maintaining strong relationships with key stakeholders, ensuring that all interactions are mutually beneficial and aligned with the organization's goals.

Effective stakeholder engagement is vital not only for operational success but also for ensuring that JOSHCO remains responsive to the needs of its residents, the City of Johannesburg (CoJ), the Social Housing Regulatory Authority (SHRA), and other critical partners. This section outlines the strategies and responsibilities for managing stakeholder relations, measuring engagement effectiveness, and aligning communication and collaboration across JOSHCO's diverse stakeholder groups.

3.4.1 Stakeholder Engagement Mandate: Strategic Focus on Relationship Building

The Stakeholder Relations Management (SRM) Department has a clear mandate to manage and strengthen both new and existing relationships with JOSHCO's stakeholders. This is particularly crucial considering the reputational challenges the organization has faced. The key objectives of the SRM Department are:

- Strengthening Relationships: Ensuring that JOSHCO effectively engages with stakeholders at all levels, from internal teams to external partners, to maintain a strong, transparent, and mutually beneficial relationship.

- Promoting the Social Housing Mandate: Actively advocating for the value of social housing and ensuring stakeholders understand and support JOSHCO's mission and goals.

- Addressing Challenges: Managing communication challenges, particularly around public perception, stakeholder concerns, and expectations, while aligning engagement with JOSHCO's broader strategic objectives.

Stakeholder engagement is embedded as a core part of JOSHCO's operations and is central to delivering on the organization's mandate to provide affordable housing and create sustainable communities in Johannesburg.

i.   *Key Stakeholders and Relationships*

JOSHCO's stakeholder base is diverse and encompasses a wide range of groups, each with unique interests and expectations. Key stakeholders include:

- The Shareholder (City of Johannesburg, CoJ): As JOSHCO's sole shareholder, the CoJ plays a central role in governance, strategic direction, and oversight. Strong relationships with CoJ officials and representatives are critical for ensuring JOSHCO's alignment with city policies and priorities.

- Regulatory Authorities (SHRA and National Department of Human Settlements): The SHRA, as the regulator and funder of social housing, and the National Department of Human Settlements, provide critical support in terms of policy direction, funding, and regulation. JOSHCO must maintain transparent communication and collaboration to meet regulatory requirements and access funding for projects.

- Developers and Contractors: Key partners in housing development, these stakeholders are integral to delivering the required social housing stock. JOSHCO must engage with developers, ensuring that projects meet quality standards and timelines.

- Residents and Communities: The ultimate beneficiaries of JOSHCO's housing initiatives, residents are key stakeholders whose needs and feedback must be continuously integrated into operational and strategic decisions.

- Municipal and Provincial Authorities: Effective engagement with local and provincial authorities ensures that JOSHCO's initiatives align with urban planning, zoning regulations, and broader housing strategies.

ii. *Stakeholder Engagement Process and Framework*

The stakeholder engagement process is governed by a Stakeholder Relations Management (SRM) Framework, which provides a structured approach for engagement

across all levels of the organization. This framework emphasizes proactive, transparent, and mutually beneficial relationships.

Key Engagement Principles:

- Proactive and Strategic Engagement: Stakeholder engagement is not reactive but planned, with a focus on building long-term relationships rather than addressing issues as they arise. Engagement activities will be carefully aligned with JOSHCO's strategic goals.

- Risk-Adjusted Approach: A Risk-Adjusted Approach is used to prioritize stakeholder engagement. High-impact stakeholders, such as the CoJ, SHRA, and developers, receive the highest attention and resources to ensure their needs and interests are met. This ensures that JOSHCO is focusing its efforts on the most critical relationships that could impact its operations or reputation.

- Clear Communication of Interests: Stakeholders' interests and expectations must be clearly understood by both JOSHCO and the stakeholder. Engagement activities will include discussions on the interests, concerns, and desired outcomes for all parties involved.

- Two-Way Communication: Effective stakeholder engagement is based on mutual understanding and respect. It involves not only delivering information to stakeholders but also actively listening to their concerns and feedback, ensuring that these insights inform JOSHCO's decision-making processes.

iii. *Measuring Engagement Effectiveness*

To ensure that stakeholder engagement efforts are effective and aligned with organizational goals, JOSHCO will conduct Quarterly Assessments or engage in reviews when communication breakdowns or new challenges arise. These assessments will focus on the following key areas:

Assessment Area	Objective	Key Activities	Expected Outcome
Stakeholder Awareness and Understanding	To ensure mutual awareness of interests, issues, and effective communication.	Assess whether JOSHCO and stakeholders are fully aware of each other's goals, challenges, and expectations.	Clear mutual understanding of goals, challenges, and expectations, leading to better collaboration and alignment.
Engagement Outcomes	To evaluate whether engagement objectives were met and had a positive impact.	Assess whether each engagement had clearly defined objectives and if those objectives were achieved, with measurable results.	Positive or neutral outcomes that meet the set objectives, strengthening relationships and improving future engagement.
Relationship Dynamics	To identify and manage any conflicts that may hinder effective engagement.	Evaluate if any conflicts or misunderstandings arose during engagement and assess how they were addressed.	A smooth, constructive relationship with stakeholders, minimizing conflicts and ensuring productive collaboration.
Areas for Improvement	To identify opportunities to refine and enhance future stakeholder engagement efforts.	Evaluate feedback from stakeholders and engagement data to identify weaknesses or gaps in communication or process.	Clear action plan for addressing gaps, refining engagement strategies, and enhancing stakeholder relationships.

These assessments will be used to adjust future engagement strategies, ensuring that JOSHCO continues to build strong and effective relationships with all stakeholders.

3.4.2 Roles and Responsibilities in Stakeholder Engagement

i. *Organizational Responsibility*:

Every employee at JOSHCO is a Goodwill Ambassador for the organization's brand and values. All staff members are encouraged to engage with stakeholders in alignment with JOSHCO's Stakeholder Relations Management (SRM) Policy. However, formal

responsibility for stakeholder engagement is primarily coordinated through Accounting Line Management, with oversight from the SRM Department.

- Executive and Senior Management: Accountable for ensuring that stakeholder engagement aligns with JOSHCO's strategic goals and is adequately resourced. They must also ensure that the organization is properly equipped to manage relationships across its value chain.

- Staff and Departmental Managers: Managers across departments should facilitate stakeholder engagement within their specific mandates and capacity. They should also ensure that their teams understand and adhere to the SRM framework and policy guidelines

- External Engagement: Stakeholder engagements that involve sharing company information—especially on public platforms like social media—must be authorized and in line with JOSHCO's communication protocols. Staff members engaging with external stakeholders must first confirm that they are empowered to represent the organization in these matters.

3.4.3 Addressing Potential Stakeholder Conflicts and Risks

JOSHCO recognizes that poor stakeholder relations, including the mismanagement of expectations and conflicts, can directly impact its operations. Stakeholder conflicts—whether direct or indirect—can disrupt business operations and jeopardize the organization's ability to deliver on its mandate.

- Managing Conflicts Proactively: JOSHCO will adopt a structured approach to Conflict Resolution that focuses on identifying potential conflicts early and addressing them before they escalate. This approach is embedded within the SRM framework and is crucial for maintaining operational continuity and safeguarding JOSHCO's reputation.

- Resource Allocation for Engagement: JOSHCO will ensure that it has the capacity and resources to engage stakeholders effectively. This includes providing sufficient support for stakeholder engagement processes, ensuring that key departments are well-equipped to handle the demands of stakeholder communication and relationship-building.

3.4.4 Embedding Stakeholder Engagement in Business Processes

Stakeholder relations management will be integrated into JOSHCO's business processes. This means that stakeholder engagement will not be a standalone activity but a core function that is embedded within JOSHCO's day-to-day operations and decision-making. Key steps include:

- Regular Reporting: Stakeholder engagement efforts will be included in normal business reporting cycles. Progress on engagement activities will be tracked and reported, ensuring that they remain a priority for all relevant departments.

- Adapting to Stakeholder Needs: JOSHCO will continuously adapt its engagement methods to ensure that they remain relevant and effective. This may involve utilizing new communication technologies, exploring innovative methods of engagement, or adjusting to shifts in stakeholder expectations.

- The ongoing evaluation of engagement outcomes and the commitment to continuous improvement will ensure that JOSHCO remains responsive to the needs of all stakeholders, while enhancing its reputation and credibility in the social housing sector. Effective stakeholder engagement is pivotal to JOSHCO's success. The organization identifies and collaborates with a diverse range of stakeholders to fulfil its mandate

Stakeholder Type	Alignment and Interface
City of Johannesburg	As the parent municipality, the City provides strategic direction and oversight. JOSHCO aligns its objectives with the City's Integrated Development Plan (IDP) to ensure cohesive urban development
Tenants and Communities	Engaging with tenants ensures that JOSHCO addresses their needs and fosters sustainable communities. Regular consultations and feedback mechanisms are in place to enhance service delivery
Social Housing Regulatory Authority (The SHRA)	Compliance with SHRA regulations is essential for accreditation and funding. JOSHCO maintains open communication with SHRA to ensure adherence to social housing standards

Financial Institutions and Investors	Collaborations with financial stakeholders are crucial for securing funding for housing projects. Transparent financial practices and robust governance attract and retain investor confidence
Contractors and Suppliers	JOSHCO engages with contractors and suppliers through fair and transparent procurement processes, adhering to the principles outlined in the MFMA.

10.2.1 Community Development and Stakeholder Engagement Feedback

By fostering strong relationships with these stakeholders, JOSHCO enhances its capacity to deliver on its mandate effectively. JOSHCO is at a critical crossroads, confronted with both challenges and opportunities in Johannesburg's social housing sector. To fulfil its mission and address the housing crisis, it must prioritize financial sustainability, improve operational efficiency, and align its strategies with the needs of local communities. By leveraging its strengths, addressing weakness and focusing an
 seizing on key growth areas and opportunities, JOSHCO has the potential to make a meaningful impact, particularly in providing affordable housing for vulnerable populations. As well as on the social housing landscape in Johannesburg

10.2.2 Tenant Satisfaction and Feedback

JOSHCO implements periodic Tenant Satisfaction Surveys to gauge tenant experiences and satisfaction with the services provided. These surveys serve as a critical feedback loop, allowing JOSHCO to:

- Assess Service Quality: Understand areas of strength and identify opportunities for improvement.

- Track Trends Over Time: Monitor tenant satisfaction over time and assess the impact of service adjustments or policy changes.

- Ensure Continuous Improvement: Use survey results to refine and improve the tenant experience, particularly in areas such as maintenance, communication, and dispute resolution.

10.2.2. Exit Interviews and Post-Occupancy Feedback

At both the onboarding and exit stages, JOSHCO conducts Exit Interviews with tenants. These interviews serve two main purposes:

Onboarding Interviews: To understand tenant expectations, clarify the terms of their tenancy, and ensure that their housing needs are met from the start.

Exit Interviews: To assess the tenant's experience during their time at JOSHCO and gather valuable feedback on what worked well and areas for improvement.

The insights gathered from these interviews are used to refine JOSHCO's processes, improve service delivery, and enhance tenant retention strategies.

Overall, effective stakeholder engagements are essential to JOSHCO's ability to fulfil its social housing mandate and achieve its strategic objectives. By adopting a structured, proactive approach to stakeholder relations, focusing on transparency, and aligning engagement efforts with JOSHCO's broader goals, the organization can build stronger, more resilient relationships with its key partners and stakeholders.

10.3 Client Relationship Management

To manage and analyse customer interactions and data across the customer lifecycle, JOSHCO employs a combination of practices, strategies, and technologies encompassed within customer relationship management (CRM). The objective is to strengthen interactions with customers in order to promote client retention and increase sales. In the entity, we have a strong interface with both our clients and stakeholders. This is driven through various methods with our Customer Care and Administration unit which oversees the function of effectively handling JOSHCO customers, through the provision of day-to-day responses to customer queries.

The JOSHCO's customers fall into three categories each with specific and differentiated requirements as well as aspirations, expectations and interests:

- *Tenants in residential properties*: These are primary customers and the going concern status of the JOSCHO is significantly reliant on this category of customers. The JOSHCO's robust tenant management strategy and plan must continuously be adapted and updated to ensure effective recruitment, screening and selection, contracting, on-boarding and ongoing liaison for the duration of the lease including the eventual exiting.

- *Tenants in commercial properties*: These tenants lease and occupy the JOSHCO's commercial properties which are integrated into the housing developments to provide diversity and convenient access to services within the properties. These tenants enjoy the support of the residential tenants primarily and the surrounding communities where access permits.

- *Client departments within the City*: These customers are other Department and Entities within the City on whose behalf JOSHCO provides specific services based on a funded service delivery agreement. Adequate and reliable reporting and governance ensures the extension of accountability on their behalf. Furthermore, their customers, in turn, become JOSHCO's customers and specific customer care strategies must be deployed.

10.4 Integration of Communication with various the types of stakeholders

JOSHCO remains committed to providing affordable, high-quality social housing while fostering meaningful relationships with residents, stakeholders, and partners. As part of the JOSHCO 5-year strategic review, this document incorporates updates and enhancements to our Communication, Stakeholder Engagement, and Client Services strategies. These revisions reflect our evolving goals to improve service delivery, attract suitable tenants, and strengthen partnerships while continuing to drive organizational grow
h and influence in the social housing sector.

The strategy emphasizes the integration of new approaches, including enhanced communication across multiple channels, strengthened stakeholder relations, and a robust client service system supported by technology. The following sections detail the roles, responsibilities, and methodologies for each area.

Integrated Approach: Synergizing Communication, Stakeholder Engagement, and Client Services

The integration of Communication, Stakeholder Engagement, and Client Services is essential to the successful execution of JOSHCO's strategic objectives. A cohesive approach ensures

consistent messaging, streamlined service delivery, and active collaboration with all stakeholders.

Aspect	Client Services	Communication	Stakeholder Engagement
Focus	Resident and client support and satisfaction.	Public relations, media, and messaging.	Relationship-building and policy influence.
Main Role	Ensure efficient service delivery and responsive support.	Ensure clear communication and public awareness.	Engage stakeholders and influence housing policy.
Methods	Service requests, CRM system, direct support.	Press releases, social media, newsletters.	Meetings, consultations, partnerships.
Responsibilities	Resolve issues, provide information, and manage expectations.	Communicate JOSHCO's message and manage its reputation.	Facilitate collaboration, track feedback, and advocate for policies.
Collaboration	Work with communication teams to align messaging with client needs.	Partner with client services to ensure accurate, up-to-date information.	Collaborate with client services to integrate feedback and shape strategy.

JOSHCO's Housing Management Department is committed to a tenant-centric approach that prioritizes effective communication, engagement, and continuous improvement. By fostering transparency, addressing tenant needs, and actively seeking feedback, JOSHCO will strengthen its relationship with tenants, improve service delivery, and contribute to the long-term success of its housing programs. Through these efforts, JOSHCO aims to create thriving, sustainable communities where tenants feel supported, valued, and

engaged in shaping their living environments.

11. ICT, DIGITIZATION, AND AUTOMATION ENABLEMENT

The role of Information and Communication Technology (ICT) in JOSHCO's operations is pivotal for enabling efficient and effective business processes. With the rapid pace of technological advancements, JOSHCO is committed to leveraging digitization, automation, and systems integration to drive business success and enhance operational effectiveness. The ICT strategy supports the organization's goal of achieving smarter operations that are data-driven, automated, and responsive to both internal and external demands.

11.1 ICT Contribution to Business Success

Digitization, automation, and systems integration are core enablers of JOSHCO's goal to achieve smarter, more efficient operations. By optimizing its ICT infrastructure and systems, JOSHCO can enhance its ability to serve tenants, streamline internal processes, and improve overall organizational performance.

ICT as a Central Enabler: The optimization of ICT capabilities is central to JOSHCO's operational success. The integration of advanced software solutions, cloud-based platforms, and real-time data analytics ensures the efficiency and effectiveness of property and tenant management, financial administration, and reporting functions.

11.2 Key Information Systems

- Sage Pastel: Utilized for general ledger, accounting, and consolidated financial reporting, ensuring seamless financial operations.

- MRI Property Management Software: Initially implemented as MDA (now MRI), this real estate management solution supports all aspects of property management, including maintenance, leasing, billing, and rent collections. The cloud-based version enables remote access across various properties, ensuring real-time updates and effective portfolio management.

- Customization of MRI Software: Going forward, the MRI system will be further customized to align with JOSHCO's business objectives, including enhancing the program and sub-programme approach for property management. This will ensure that property portfolios are reported on individually and allow detailed tracking of tenants' rental payments and arrears.

By optimizing these systems and processes, JOSHCO aims to enhance reporting accuracy, ensure effective management of properties, and increase operational transparency.

The ICT Strategy

JOSHCO's ICT strategy is designed to empower the organization with tools and capabilities that streamline operations, reduce human error, and improve decision-making. Key components of the strategy include systems integration, tenant management automation, and robust financial administration systems.

Area of Digitalisation	Objective	Key Activities	Expected Outcome
a. Systems Integration	To improve data flow and operational efficiency by integrating ICT systems across JOSHCO's operations.	Integrating systems like MRI for property management, Sage Pastel for accounting, and other internal databases.	Unified platform for real-time monitoring, data accuracy, and faster decision-making.
		Automating critical business processes to reduce reliance on manual input and improve speed and accuracy.	Streamlined processes and better decision-making across the organization.
b. Tenant Management	To enhance tenant satisfaction and operational efficiency through digitization and automation.	Implementing online applications for student accommodation linked to existing platforms.	Improved tenant onboarding process and faster service delivery.

		Integration with MRI for tenant management, linking access control with rental payments and utility management.	Efficient tenant management and automation of service cut-offs for tenants with unpaid rent.
		Automating vacancy and lease management, with early alerts for lease renewals or upcoming vacancies.	Timely and efficient lease management, reducing tenant turnover and ensuring stable occupancy rates.
c. Financial Administration	To enhance financial sustainability through automated billing, rent collection, and debt management.	Automating billing and rent collection processes to ensure accuracy and timeliness, reducing human error.	Seamless and accurate rent collection, ensuring consistent revenue flow.
		Implementing automated reminders and payment plans for debt management.	Improved debt recovery and enhanced tenant payment compliance.
d. ICT Initiatives Implemented	To enhance ICT infrastructure and ensure operational continuity and service delivery.	Upgrading server and network infrastructure, adding additional power backup to meet operational demands.	Uninterrupted operations, even during load shedding and unforeseen incidents.
		Installing secondary network link and load balancing for continuous internet connectivity.	Increased network reliability and minimized disruptions in services.
		Enhancing email security and implementing Microsoft Intune for device management.	Improved cybersecurity and compliance with data protection standards.
		Implementing OneDrive and SharePoint for document storage and internal communication.	Improved collaboration, document sharing, and business process management with secure access to information.

e. Policies and Procedures	To govern ICT use within JOSHCO, ensuring compliance, security, and effective resource management.	Developing and implementing ICT policies, strategy, and governance charters.	Clear guidelines for ICT resource usage, risk management, and alignment with business goals.
		Creating standard operating procedures for user account management and overseeing ICT initiatives through an ICT steering committee.	Secure access management, compliance with internal and external regulations, and efficient ICT governance.

JOSHCO's ICT, Digitization, and Automation Enablement Strategy is designed to drive efficiency, minimize errors, and enhance the overall tenant and stakeholder experience. By optimizing ICT infrastructure and automating key business processes, JOSHCO will streamline operations, improve service delivery, and ensure the sustainability of its affordable housing programs.

The implementation of integrated systems, improved tenant management tools, and robust financial administration processes will position JOSHCO as a leader in smart, data-driven property and tenant management, setting a strong foundation for future growth and operational excellence.

12. RISK ASSESSMENT

12.1 Management and Challenges

Effective risk management is essential for ensuring JOSHCO's ability to fulfil its mandate of delivering affordable rental housing sustainably. This section outlines the key risks facing the organization, categorizes them based on their impact and likelihood, and proposes mitigation strategies aligned with JOSHCO's governance framework and stakeholder expectations.

Proactive risk management is integral to JOSHCO's governance framework. The organization has established processes to identify, assess, and mitigate risks that could impact its operations and objectives.

- Risk Assessment: Regular risk assessments are conducted to identify potential threats, including financial, operational, and reputational risks.

- Internal Controls: Robust internal control systems are in place to prevent and detect irregularities, ensuring compliance with policies and procedures.

- Audit Functions: Both internal and external audits are conducted to provide assurance on the effectiveness of risk management and internal controls.

These measures ensure that JOSHCO remains resilient and capable of navigating challenges in the social housing sector.

12.2 Strategic Alignment of Risk Management

- JOSHCO's risk management strategies are aligned with its strategic objectives:

- Housing Delivery: Mitigation measures, such as cost optimization and procurement streamlining, directly support timely project completion.

- Financial Sustainability: Diversifying revenue streams and improving rent collection enhance JOSHCO's financial resilience.

- Stakeholder Engagement: Transparent communication and active collaboration with stakeholders build trust and support.

12.3 STRATEGIC RISKS REGISTER

Identified Risks and Mitigation Strategies

Type of Risk	Strategic Priority	Description		Mitigation Strategies
Financial	Being a smart and capable city	Dependence on Municipal Subsidies: High reliance on City subsidies creates financial vulnerability in the event of funding delays or reductions		Diversify Funding Sources: Develop public-private partnerships (PPPs) to reduce reliance on municipal subsidies
		Rising Construction Costs: Inflation and supply chain disruptions significantly impact project budgets.		Cost Management: Streamline project budgeting and adopt construction technologies to mitigate rising costs
		Rental Collection Challenges: Economic hardships among tenants lead to arrears, affecting cash flow and financial sustainability		Optimize Rental Collection: Implement tenant support programs, such as financial literacy workshops and flexible payment plans, to improve collection rates
Operational		Procurement Delays: Inefficiencies in procurement processes result in project backlogs and cost escalations.		Streamline Procurement Processes: Introduce digital procurement systems to reduce delays and improve contractor management

Type of Risk	Strategic Priority	Description		Mitigation Strategies
			█	
		Capacity Constraints: Staff shortages and turnover in critical roles reduce operational effectiveness	█	Build Capacity: Invest in recruitment, training, and retention strategies to address staff shortages and skill gaps
		Technology Gaps: Inadequate digital infrastructure limits operational efficiency and real-time decision-making.	█	Adopt Technology: Implement a tenant management system and real-time monitoring tools for operational efficiency
External Environmental		Economic Uncertainty: South Africa's economic climate, marked by high unemployment and slow growth, affects tenant affordability and investor confidence	█	Scenario Planning: Develop contingency plans for economic downturns, including flexible budgeting and reduced project scopes
		Political Instability: Shifts in government priorities can disrupt funding and strategic alignment.	█	Political Advocacy: Maintain open communication with municipal leaders to align JOSHCO's strategic objectives with government priorities and secure funding continuity.
		Limited ability to access suitable buildings	█	Collaboration between GFIS, JPC, JOSHCO and Human Settlement
Compliance and Regulatory Risks		Non-Compliance with SHRA Standards: Evolving	█	Strengthen Internal Controls: Conduct regular

Type of Risk	Strategic Priority	Description		Mitigation Strategies
		regulatory requirements demand constant updates to processes and systems	🟥	audits and compliance reviews to ensure adherence to SHRA and MFMA standards Policy Alignment: Maintain close collaboration with SHRA to stay updated on regulatory changes and align processes accordingly
		Audit Findings: Risk of negative audit outcomes due to delayed reporting or insufficient internal controls	🟨	Enhance Reporting Mechanisms: Develop a live dashboard to track compliance metrics and flag potential issues in real-time
Reputational		Stakeholder Misalignment: Failure to meet stakeholder expectations, including tenants and funders, could erode trust and collaboration	🟨	Engage Stakeholders Regularly: Host quarterly meetings with key stakeholders, including tenants, the City, and funders, to share updates and address concerns
		Community Relations: Delays in delivering housing units can lead to dissatisfaction among beneficiaries and the public	🟨	Proactive Communication: Use transparent and timely communication to manage community expectations and mitigate dissatisfaction during project delays

13. CONCLUSION AND PATH FORWARD

South Africa's current macroeconomic landscape presents both challenges and opportunities for the social housing and student accommodation sectors. Increasing demand for social housing, driven by inflation, high unemployment, and economic instability, necessitates innovative solutions. However, the sector faces significant constraints due to high borrowing costs, political risks, and slow building activity. In the student accommodation sector, resilient demand in urban centres with major universities is te peered by the pressures of rental affordability and economic volatility. Both sectors highlight the urgent need for creative financing solutions, particularly public-private partnerships, to mitigate cost and growth challenges.

Against this backdrop, JOSHCO's long-term strategic plan is designed to position the organization as a pivotal player in addressing Johannesburg's housing needs. By focusing on affordable, sustainable housing solutions and efficient tenant management, JOSHCO aims to contribute meaningfully to the city's housing objectives. The plan's multi-pronged approach includes strengthening internal controls, leveraging technology responsibly, and proactively managing risks to ensure the long-term viability of its operations.

JOSHCO's emphasis on community engagement, social impact, and continuous improvement is central to fostering empowered, self-sufficient communities. By integrating social cohesion programs, training initiatives, and tenant satisfaction measures, JOSHCO will create environments where residents thrive. The adoption of advanced technologies and digital platforms will further streamline operations, enhance transparency, and improve the tenant experience, driving efficiency and sustainability.

Additionally, JOSHCO's innovative housing solutions, strategic outreach, and dynamic pricing strategies will attract a broad pool of tenants while maintaining high occupancy rates, ensuring financial sustainability. Accreditation, advocacy, and ongoing performance evaluation will also enhance JOSHCO's credibility, reinforcing its position as a leader in the housing sector. By aligning these strategies with the broader goals of urban development and social integration, JOSHCO will help shape a future of resilient, inclusive, and sustainable communities in Johannesburg.

In conclusion, JOSHCO's long-term strategic plan reflects a commitment to overcoming macroeconomic challenges and contributing to the socio-economic development of Johannesburg. Through effective stakeholder engagement, enhanced service delivery, and innovative solutions, JOSHCO will not only meet the housing needs of vulnerable communities but also foster economic growth, improve quality of life, and play a key role in the city's urban transformation.

11. Annexures to the Strategic Plan

Appendix 1: The JOSHCO Board of Directors

CURRENT BOARD MEMBER COMPOSITION/2024

NAME	SURNAME	POSITION
1. Theodore Zithulele	Dhlamini	Chairperson
2.Thandeka	Tshabalala	Board Member
3. Musa	Shibambo	Board Member
4. Thulani Alfred	Mdadane	Board Member
5. Thabisa	Poswa	Board Member
6. Zamikhaya Wauthase	Xalisa	Board Member
7. Lawrence Mduduzi	Ndlovu	Board Member
8. Ntokozo	Mjiyako	Board Member
9. Bayiphiwe	Simelane	Board Member
10. Jason	Sobekwa	Board Member
11. Nokwazi	Mtshali	Acting CEO & ED
12 Musa	Nkosi	Acting CFO & ED

2. Independent Audit Members

a) Ms Thulisile Mfusi

b) Mr Obed Thenga

c) Dr Steven Ngubeni

3. Requirements for the composition of the Board

In terms of section 93E of the Municipal System Act, the City of Johannesburg (COJ) as the parent municipality and sole shareholder is empowered to appoint the board of directors.

The Board shall compromise of a minimum of three directors. It must have the requisite range of expertise to effectively manage and guide the activities of JOSHCO.

In adherence to the COJ Policy, all Non-Executive Directors (NED) and Independent Audit Committee members (IAC) are appointed for a period of three (3) years, subject to the annual renewal at the discretion of the shareholder.

The Board must consist of at least the majority of the non-executive directors; have a non-executive Chairperson (who shall be designated by the COJ), an Accounting Officer or Chief Executive Officer, Chief Operating Officer and Chief Financial Officer appointed in terms of the COJ Policy.[1]

4. Summary of Board committees

The constitution of the Board Committees is guided by the COJ Group Shareholder Policy which recommends for the establishment of two statutory sub-committees (Audit and Risk Committee and the Social, Ethics and Human Resources Committee) and one additional committee. Accordingly, JOSHCO Board Committees[2] are as follows:

a) Audit and Risk Committee

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[1] *City of Johannesburg Group Shareholder Policy*

[2] *JOSHCO Board Charter*

b) The Committee is constituted as a statutory Committee of the Company in respect of its statutory duties in terms of section 94 (7) of the Companies Act; and an independent advisory body established by the Board in terms of Section 166 of the MFMA.

- The Committee is authorized to monitor the quarterly and annual performance of the Company, and any matters in relation thereto, inter alia, financial sustainability, and to advise the executive on any concerns highlighted therein and to advise on any mitigation measures to be put in place.

- The Audit and Risk committee shall consist of at least a minimum of 3 (three) Non-Executive Directors, and four (4) Independent Non-Executive Directors with appropriate experience and should be independent external members (Independent Audit & Risk Committee Members).

- The members of the Committee must collectively have sufficient qualifications and experience to fulfil their duties, including an understanding of the following: financial and sustainability reporting; internal financial controls; external audit process; internal audit process; corporate law; risk management; sustainability issues; information technology governance as it relates to integrated reporting; and governance processes within the company.

a. Social, Ethics and Human Resources Committee

- The Committee has an independent role with accountability to the Board.

- The Committee's primary role is to supplement, support, advise and provide guidance on the effectiveness or otherwise of management's efforts in respect of labour relations, social and ethics and how it impacts on the generation of the Company's income and sustainability.

- The role of the Committee is to assist the Board with the governance of social and ethical matters relating to the Company, as described in the Committee's statutory and non-statutory responsibilities.

- The Committee shall be appointed by the Board of Directors and shall constitute of a minimum of four (4) non-executive directors, or such number as determined by the Board from time to time.

- The members must have relevant qualifications and experience to fulfil their duties.

b. Development Committee

- The Committee has an independent advisory and oversight role, in respect of JOSHCO's development and housing management obligations, through making recommendations to the Board for its consideration and final approval.

- Perform oversight, on behalf of the Board, concerning all JOSHCO's capital investment, housing development and housing management activities

- Members of the Committee are formally appointed by the Board and must, as a collective, possess a blend of skills, expertise and knowledge required to oversee investment decisions as well as the housing development and management business of the company.

- The Committee shall consist of a minimum of four (4) Non-executive Directors. The Committee is chaired by a Non-Executive Director.

5.   Code of Conduct applicable to the Board of Directors

The Board is appointed with the mandate to control and direct the business and affairs of JOSHCO. The role (including the responsibilities, duties, standards of conduct and liabilities) of the board and individual directors are set out in:

- Parts 5, 6 and 7 of Chapter 7 of the Municipal Systems Act (read with Schedule 1 of the Act).

- Part F of Chapter 2 of the Companies Act, specifically sections 66, 76 and 77.

- Clauses 6.3 and 6.4 of the Memorandum of Incorporation.

- The Shareholder Compact in relation to the duties owed to the COJ.

- COJ Group Policy on the Shareholder Governance of Boards of Directors of Municipal Entities (2020).

6. Evaluation of applicable principles of King IV

c. Principle 6; the Board should serve as the focal point for, and custodian of, corporate governance by managing its relationship with management, the shareholders and other stakeholders of the Company along sound corporate governance principles.

d. Principle 6 (1) (a - d); the Board shall steer and set strategic direction, approve policy and planning to give effect to the strategy. Ensure accountability for organisational performance and oversees or monitor execution by management.

e. Principle 4; appreciate that strategy, risk and opportunities, business model, performance and sustainable development are inseparable elements and give effect to this by:

- Contributing to and approving the strategy.

- Satisfying itself that the strategy and business plans do not give rise to risks that have not been thoroughly assessed by management.

- Identifying key performance and risk areas.

- Ensuring that the Strategy will result in sustainable outcomes. Considering sustainability as a business opportunity that guides strategy formulation.

f. Principle 1; provide effective and ethical leadership.

g. Principle 3; ensure that the company is and is seen to be a responsible corporate citizen by having regard to not only the financial aspects of the business of the company but also the impact that business operations have on the environment and the society within which it operates.

h. Ensure that the company's ethics are managed effectively.

i.   Act in the best interests of JOSHCO by ensuring that individual directors:

    a.   Adhere to legal standards of conduct.

    b.   Are permitted to take independent advice in connection with their duties following an agreed procedure.

    c.   Disclose real or perceived conflicts to the board and deal with them accordingly.

7. Summary of the Board role and scope of responsibility:

- Strategic Role

- Corporate Governance and Board Matters

- Risk Management, Compliance and Internal Control

- Financial and Integrated Reporting.

- Employee oversight in respect of the

  - Accounting Officer: The appointment, performance assessment, remuneration, compensation, succession planning and removal of the Accounting Officer/Chief Executive Officer in consultation with the COJ and in line with the applicable legislation and company policies.

  - Standards of Behaviour: Reviewing, approving and monitoring compliance with JOSHCO's Code of Conduct, which provides guidance regarding ethical behaviour

Appendix 2: Student Accommodation Long Term Plan

1. Introduction

JOSHCO provides accredited student accommodation primarily targeting students receiving financial support from NSFAS or attending institutions of higher learning. The initiative seeks to expand affordable, safe, and well-managed student housing within Johannesburg.

The City of Johannesburg has mandated JOSHCO to provide and manage student accommodation to address the housing crisis affecting students in the city. Many students live in backyards or are exploited by unregistered landlords charging exorbitant rental rates.

JOSHCO implemented its first student housing project in FY 2020/21 through the successful conversion of the Wolmarans building in the inner city. Over the next five years, the organization aims to provide at least 3000 student beds.

2. Justification

JOSHCO 's student accommodation plan is a sustainable & cost-effective strategy. The justification for in-housing student accommodation solutions is that reliance on third-party service providers is reduced and direct oversight on maintenance, security, and student experience will be provided. This approach will also increase revenue as all rental income stays within JOSHCO, improving financial sustainability.

In view of the eminent expiry of the contract between JOSHCO and the third-party service provider, the JOSCHO team will take on full control over meeting accreditation and compliance requirements for the targeted NSFAS & University Accreditation. It is envisaged that this strategic direction will result in strategic utilization of assets, maximizing on the use of JOSHCO-owned and managed buildings for revenue generation.

Currently JOSHCO has one student accommodation property - Dakalo which boosts 146 beds. There are plans to launch Nederburg Student accommodation which has 60 single rooms beds. For long-term growth and positioning JOSHCO as a leading student accommodation provider 81 Smit Street will also be developed into student accommodation. JOSHCO is also planning to participate in the city-wide bad building revitalisation strategy where some of the identified buildings are earmarked for student accommodation.

2. Implementation Strategy

Phase 1: Feasibility Study & Planning

a)   Review Existing Accommodation Contracts: Assess costs, terms, and weaknesses in current outsourcing agreements.

b)   Financial Analysis: Compare in-housing vs. outsourcing costs and outline initial capital investment.

c)   Infrastructure Assessment: Inspect current JOSHCO student housing facilities for necessary upgrades and expansion opportunities.

d)   Stakeholder Engagement: Engage NSFAS, universities (UJ, Wits, etc.), and student organizations to align expectations.

Phase 2: Transition from Outsourcing to In-House Management

a)   Gradual Takeover Plan: Develop a phased approach to bring services in-house while ensuring operational continuity.

b)   NSFAS & University Accreditation Compliance:

- Room size & bed capacity
- Wi-Fi connectivity & study areas
- Security (CCTV, access control, 24/7 guards)
- Maintenance & cleanliness standards

c)   Student Engagement & Feedback: Establish an online portal and feedback mechanisms for service improvements.

Existing and Planned Projects

- **Wolmarans Building**: Successfully converted to student accommodation near WITS.
- **Nederburg Residence**: 60-unit accommodation for TVET students.
- **Future Expansions**: 81 Smit Street earmarked for student accommodation in 2025/2006 and beyond that the team will identify additional properties near major universities and TVET colleges.

Precinct Development Strategy

JOSHCO will develop a secure and technologically advanced student precinct using the SMART City approach. Key initiatives include:

- **Property Acquisition**: Work with Johannesburg Property Company to secure buildings near higher education institutions.
- **Building Conversions**: Convert underutilized structures into student housing.
- **Phased Expansion**: Prioritize high-demand areas and gradually expand based on occupancy rates.
- **Technology Integration**: Implement biometric access, high-speed internet, and digital learning spaces.

Key Performance Indicators (KPIs)

Outcome	Key Performance Areas (KPA)	Key Performance Indicators (KPI)	Annual Targets
Occupancy Rate	Student allocation	% of occupied units	95%
Financial Sustainability	Revenue collection	% of rental income collected	90%
Student Satisfaction	Service quality	Satisfaction rating from student surveys	85%
Infrastructure Maintenance	Response time	Average repair time for reported issues	<48 hours

3. Operational Requirements & Cost Breakdown for the existing Student Accommodation: Dakalo

Cost Components	Description	Estimated Annual Costs Rands
Buses and Transport	Shuttle services for students UJ, Wits Routes	1,5M- 2M
Wi-Fi and Internet	High Speed, Uncapped internet	500k-800k
Maintenance	Repairs, plumbing, electrical	1M-1,5M
Utilities	Water & Electricity Costs	R3M-R4M
Security	24/7 security, CCTV, Access Control	R2M-R3M
Cleaning Services	Daily Cleaning Staff	R1M-R1,2M
Furniture and Equipment	Beds, Desks, Chairs, Kitchen appliances and utensils etc	R2M-R3M
Estimated annual Costs		R10M-19M

4. Staffing & Governance

Position	Responsibility	Estimated Annual Salary
Resident Manager	Managing student relations compliance and reporting	R400K to R600
Caretaker	overseeing building operations and maintenance	R350K to R450K
Handyman	Electrical, plumbing and general repairs	R 300K to R400K
Security Staff	24/7 on site security monitoring	R 1.2 to R2 million
IT Support	Wi-Fi and technology maintenance	R 400 to R500K

5. Risk Management & Mitigation Strategies

Area of risk	potential issue	mitigation strategy
Financial risks	budget overruns, NSFAS payment delays	cost controls and alternative revenue streams
Operational risks	staff shortages, security issues	backup staff, third party services MOUs
Regulatory risks	changes in NSFAS or university policies	proactive policy monitoring
Tenant/Student Welfare risks	payment defaults, property damages	student deposit policy,

		strict T & Cs play

6. Revenue Generation & Sustainability Plan

JOSHCO is committed to maintaining affordable student rental fees while ensuring financial sustainability by covering operational costs. To secure a consistent revenue flow, we will prioritize NSFAS accreditation, enabling eligible students to access funding for accommodation. Strengthening partnerships with universities will be a key focus, as long-term accommodation contracts with institutions will provide stability and guaranteed occupancy. Additionally, JOSHCO will implement cost-efficiency measures such as integrating solar energy to reduce electricity expenses and adopting automated maintenance tracking systems for proactive repairs, minimizing long-term costs. These strategies will enhance affordability, operational efficiency, and long-term sustainability in student housing.

7. Digital Transformation & Smart Housing Solutions

JOSHCO will enhance operational efficiency and student convenience through smart technological solutions. A digital payment platform will be introduced to streamline rent collection, ensuring seamless and secure transactions while reducing administrative burdens. To improve safety and facility maintenance, JOSHCO will implement IoT-based security systems with AI-powered monitoring, enabling real-time surveillance and automated alerts for potential security threats or maintenance issues. Additionally, a dedicated student mobile app will provide a centralized platform for real-time updates, lodging complaints, and booking facilities, enhancing communication and service responsiveness. These innovations will create a smarter, safer, and more student-friendly living environment.

8. Growth & Expansion Strategy

8.1 Market Demand & Needs Assessment

To ensure strategic expansion and alignment with student needs, JOSHCO will commission a comprehensive market demand analysis, considering student population growth and NSFAS funding trends. This study will assess affordability constraints to determine rental pricing that balances cost

recovery with student financial limitations. Additionally, it will identify preferred housing features, such as Wi-Fi connectivity, study areas, and security measures, to enhance student satisfaction. The analysis will also pinpoint institutions with the highest demand for student accommodation, enabling JOSHCO to prioritize locations where the need is most urgent. This data-driven approach will guide sustainable investment and operational planning.

8.2 Development and Operational Cost

8.2.1 Development Costs (Green Projects)

JOSHCO will integrate sustainability initiatives into its student housing projects by incorporating solar energy, water conservation systems, and green building designs to reduce environmental impact and operational costs. A thorough estimation of infrastructure costs will be conducted to ensure financial feasibility, with funding sought through municipal budgets, impact investors, and development grants. Additionally, JOSHCO will leverage public-private partnerships to secure project financing, fostering collaboration between government agencies, private developers, and financial institutions. These efforts will not only enhance affordability and resource efficiency but also contribute to the long-term sustainability of student accommodation in Johannesburg.

8.2.2 Operational Costs

JOSHCO will conduct a detailed assessment of recurring expenses, including property management, security, utilities, and maintenance, to ensure financial sustainability in student housing operations. By analyzing these costs, a balanced cost-recovery model will be developed, ensuring that rental fees remain affordable for students while covering operational expenditures. This model will incorporate efficiency strategies such as energy-saving initiatives and predictive maintenance to optimize long-term cost management. By maintaining a sustainable financial structure, JOSHCO aims to provide high-quality, secure, and well-maintained student accommodation without compromising affordability.

8.2.2 Participation in the Bad Building Programme

The City of Johannesburg has implemented the Bad Buildings Programme (BBP) to address the challenges posed by dilapidated and illegally occupied structures, commonly referred to as "bad buildings." These buildings often lack basic services and are associated with heightened crime rates, posing significant risks to occupants and surrounding communities.

The BBP aims to rehabilitate these structures, transforming them into safe and productive assets. A key component of this strategy involves the Johannesburg Social Housing Company (JOSHCO), which has been instrumental in converting neglected buildings into affordable housing solutions, including

student accommodation. This initiative not only provides students with safe and affordable living spaces but also revitalizes urban areas, contributing to broader city regeneration efforts.

By focusing on the refurbishment of bad buildings for student housing, the City addresses the pressing demand for affordable student accommodation while simultaneously tackling urban decay. This approach enhances the quality of life for students and promotes sustainable urban development.

Timeframes	Goals	Actions	Expected Outcomes
Short-Term (1-2 Years)	Fully transition outsourced student accommodation to in-house management.	- Conduct audits of current outsourced services. - Develop internal management teams. - Implement transition plans with minimal disruption.	- Improved control over operations. - Cost savings on outsourcing fees. - Better service delivery.
	Upgrade Wi-Fi, transport, security, and maintenance systems.	- Invest in high-speed Wi-Fi infrastructure. - Increase security personnel & surveillance systems. - Improve transport scheduling & maintenance protocols.	- Enhanced student satisfaction. - Safer and more efficient living environment.
	Secure NSFAS & university accreditation.	- Engage with NSFAS and universities for compliance requirements. - Submit required documentation & make necessary adjustments.	- Increased student access to financial aid. - Higher occupancy rates due to official recognition.
Medium-Term (3-5 Years)	Expand JOSHCO-managed student housing by acquiring new properties.	- Identify high-demand areas for student housing. - Secure funding & partnerships for property acquisition.	- Increased accommodation capacity. - Higher revenue from student housing.
	Increase transport capacity (more buses, campus routes).	- Conduct transport demand analysis. - Partner with transport providers or invest in company-owned buses.	- Reduced transport shortages. - Better accessibility for students.
	Improve student experience with	- Upgrade common spaces with better furniture & recreational areas. - Introduce	- Higher student retention and satisfaction. - Increased

Timeframes	Goals	Actions	Expected Outcomes
	modernized communal areas.	student engagement programs.	competitiveness in the student housing market.
Long-Term (5+ Years)	Establish JOSHCO as a leading student accommodation provider.	- Strengthen brand positioning through marketing & partnerships. - Continuously improve service delivery based on feedback.	- Recognized as a top student housing provider. - Higher demand & occupancy rates.
	Develop affordable student housing across multiple locations.	- Conduct feasibility studies for expansion into new regions. - Partner with developers and government programs for funding.	- Greater housing accessibility for students. - Sustainable growth in student accommodation.
	Strengthen university collaborations for direct student placements.	- Formalize agreements with universities for direct student allocations. - Offer tailored accommodation solutions based on university needs.	- Guaranteed occupancy rates through university partnerships. - Streamlined student intake process.

9. Community & Stakeholder Engagement

JOSHCO is committed to fostering strong community and stakeholder engagement to enhance the student living experience. Through local business partnerships, JOSCHO plans to support student employment and entrepreneurship by creating job opportunities and facilitating business incubation programs. To ease transportation costs, JOSHCO will establish agreements with taxi and bus services to offer discounted student transport, ensuring affordability and convenience.

Additionally, through collaboration with universities JOSHCO will focus on aligning student accommodation services to student needs and academic calendars, providing a seamless living and learning environment. By integrating these initiatives, JOSHCO seeks to build a supportive, accessible, and student-centered housing ecosystem.

Stakeholder Engagement & Partnerships

- Partner with NSFAS and tertiary institutions to guarantee student market access.
- Establish agreements with private sector investors for co-funding opportunities.
- Engage the City of Johannesburg for regulatory and policy support

10. Exit Strategy & Performance Review

JOSHCO will implement an annual performance evaluation to assess both financial sustainability and service quality, ensuring that the student accommodation operations remain efficient and responsive to student needs.

As part of the strategic approach, JOSHCO will conduct a comprehensive reassessment of the in-house management model after three years to evaluate its effectiveness and identify areas for improvement. Should the in-house model prove financially or operationally unsustainable, the team will explore alternative solutions, including hybrid models that combine in-house management with selective outsourcing to optimize cost efficiency and service delivery. This proactive approach will enable JOSHCO to maintain high standards while adapting to evolving demands in the student housing sector.

11. Conclusion

By transitioning to in-house student accommodation management, JOSHCO can cut costs, improve service quality, and maximize revenue while ensuring safe, well-maintained, and NSFAS-compliant housing. With a phased approach, risk management plan, and digital transformation strategies, JOSHCO will be well-positioned for long-term success in the student housing sector. This strategy secures JOSHCO's leadership in student accommodation, ensuring financial sustainability and future expansion.

Appendix 3: Planned Development projects: 2025/26 to 2027/2028

JOSHCO DEVELOPMENT PROGRAMME						
Financial Year: 2024-2025						
Strategic Objective: Pro-Poor Development	**Projects**	**Programme**	**Project Unit yield**	**WIP units: 2024/25**	**Completed units 2024/25**	**Financial year budget: 2024-25**
Soweto Corridor	Lufhereng Social Housing Development		350	140		7 000 000
	Nancefield Social Housing Development		372		372	55 000 000
	Golden Highway/Devland		333	0		40 000 000
SUB TOTAL			**1 055**	**140**	**372**	**102 000 000**
JHB CBD and Surrounds	Existing stock Redevelopment; upgrade and major maintenance	**Brown Fields**	0	0	0	5 849 900
	Inner City upgrades		0			
	280 Smit Street Student Accommodation		200	50		10 000 000
	Abel Street Social Housing Development Ph3		102			
	Claim Street					
	Nederberg					
	Malvern Development		50			7 000 000
	Casa Mia		250	0	0	
	Park Chambers Social Housing Development		165			10 000 000
	Booysens		40	0		30 000 000
	Rissik Street Social Housing Development		120	20		7 000 000
SUB TOTAL			**927**	**70**	**0**	**69 849 900,00**
Empire perth	Frank Brown/Milpark Social Housing Dev		300			6 000 000
SUB TOTAL			**300**	**0**	**0**	**6 000 000**
Alexandra - Marlboro, Sandton-Randburg, Midrand	Lombardy East	**Greenfields & Turnkeys**	514	0	0	10 066 200,00
	Kelvin Social Housing Development		200			7 000 000,00
	Randburg Selkirk		570	0	0	40 000 000
	Marlboro Social Housing Dev		200	0	0	5 000 000
	Region A: Riverside View Project		1108	180	180	30 000 000
	Tum-Key 1: Region B		1032	0	0	1 000 000
	Region F: Denver Turnkey Project		1336	100	0	1 000 000
SUB-TOTAL			**4960**	**280**	**184**	**94 066 200,00**
GRAND TOTAL			**7 242**	**490**	**556**	**271 916 100**

Financial Year: 2025-2026				Budget		
Strategic Objective: Pro-Poor Development	**Projects**	**Programme**	**Project Unit yield**	**WIP Units**	**Completed Units**	**Financial year budget: 2025-26**
SOWETO CORRIDOR	Lufhereng Social Housing Development		552	40	0	59 231 000,00
	Nancefield Social Housing Development		372	0	172	14 760 000,00
	Golden Highway/Devland		333	0	171	29 520 000,00
SUB TOTAL			**1 257**	**40**	**343**	**165 000 000**
JHB CBD and Surrounds	Existing stock Redevelopment; upgrade and major maintenance	**Brown Fields**	0	0	0	11 211 000,00
	Inner City Rejuvenation		0	0	0	-
	280 Smit Street Student Accommodation		200	100	0	47 146 000,00
	Abel Street Social Housing Development Ph3		103	0	0	-
	Malvern Development		150	0	0	8 200 000,00
	Casa Mia		218	0	0	8 200 000,00
	Park Chambers Social Housing Development		97	40	0	-
	Booysens		40	0	40	5 740 000,00
	Rissik Street Social Housing Development		120	0	0	3 280 000,00
SUB TOTAL			**928**	**140**	**40**	**160 000 000**
Empire perth	Frank Brown/Milpark Social Housing Dev		300	**0**	0	3 280 000,00
SUB TOTAL			**300**	**0**	**0**	**3 280 000**
Alexandra -Marlboro, Sandton-Randburg, Midrand, Diepsloot, Orange Farm	Lombardy East	**Greenfields & Turnkeys**	400	0	0	2 949 000,00
	Kelvin Social Housing Development		200	0	0	-
	Randburg Selkirk		476	**70**	0	-
	Marlboro Social Housing Dev		200	0	0	1 640 000,00
	Region A (Midrand Rabie Ridge)		2000	0	0	-
	Region A: Riverside View Project		1108	402	120	-
	Tum-Key 1: Region B Edenberg/Rivonia		350	0	0	8 200 000,00
	Region F: Denver Turnkey Project		1041	0	0	3 280 000,00
	Region A: Tanganani (Diepsloot)		219	0	0	-
	Region G: Southern Farm (Orange Farm)		1000	0	0	-

SUB-TOTAL			6994	472	120	160 690 000
GRAND TOTAL			9 479	652	503	206 637 000

JOSHCO DEVELOPMENT PROGRAMME						
Financial Year: 2026-2027						
Strategic Objective: Pro-Poor	**Projects**	**Programme**	**Project Unit yield**	**WIP units: 2026/27**	**Completed units 2026/27**	**Financial year budget: 2026/27**
	Lufhereng Social Housing Development		550	210		120 000 000
	Golden Highway/Devland		171	0		5 000 000
SUB TOTAL			**721**	**210**	**-**	**125 000 000**
JHB CBD and Surrounds	Existing stock Redevelopment; upgrade and major maintenance	**Brown Fields**	0	0	0	30 000 000
	Inner City		0			
	280 Smit Street Student Accommodation		200	120		100 000 000
	Abel Street Social Housing Development Ph3		80			0
	Malvern Development		50			10 000 000
	Auckland Park Social Housing Region B		200			
	Casa Mia		245	0	0	10 000 000
	Park Chambers Social Housing Development		79	20		35 000 000
	Booysens		40			5 000 000
	Rissik Street Social Housing Development		145	0	35	70 000 000
SUB TOTAL			**1039**	**140**	**35**	**260 000 000,00**
Empire perth	Frank Brown/Milpark Social Housing Dev		300	0		95 000 000
SUB tTOTAL			**300**	**0**	**0**	**95 000 000,00**
Alexandra - Marlboro, Sandton-Randburg, Midrand	Lombardy East	**Greenfields & Turnkeys**	514	0	0	10 000 000
	Kelvin Social Housing Development		200			10 000 000
	Randburg Selkirk		570		145	100 000 000
	Marlboro Social Housing Dev		200	0	0	10 000 000
	Region A: Riverside View Project		1108	320	300	100 000 000
	Tum-Key 1: Region B		1032	0	0	10 000 000
	Region F: Denver Turnkey Project		1336	0	0	10 000 000
SUB-TOTAL			**4960**	**320**	**445**	**250 000 000,00**
GRAND TOTAL			**7 020**	**670**	**480**	**730 000 000**

Strategic Objective: Pro-Poor	Projects	Programme	Project Unit yield	WIP units: 2026/27	Completed units 2026/27	Financial year budget: 2026/27
	JOSHCO DEVELOPMENT PROGRAMME					
	Financial Year: 2027-2028					
	Lufhereng Social Housing Development		550	200		105 000 000
	Golden Highway/Devland		333	0		
SUB TOTAL			**883**	**200**	**-**	**105 000 000**
JHB CBD and Surrounds	Existing stock Redevelopment; upgrade and major maintenance	**Brown Fields**	0	0	0	20 000 000
	Inner City		0			
	280 Smit Street Student Accommodation		200	80	0	30 000 000
	Abel Street Social Housing Development Ph3		80			0
	Malvern Development		50			0
	Auckland Park Social Housing Region B		200			
	Casa Mia		245	20	0	70 000 000
	Park Chambers Social Housing Development		97		97	30 000 000
	Booysens		40			
	Rissik Street Social Housing Development		145	40		80 000 000
SUB TOTAL			**1057**	**140**	**97**	**230 000 000,00**
Empire perth	Frank Brown/Milpark Social Housing Dev		300			107 000 000
SUB tTOTAL			**300**	**0**	**0**	**107 000 000,00**
Alexandra - Marlboro, Sandton-Randburg, Midrand	Lombardy East	**Greenfields & Turnkeys**	514	0	0	85 000 000
	Kelvin Social Housing Development		200			65 000 000
	Randburg Selkirk Phase 2		321		0	80 000 000
	Marlboro Social Housing Dev		200	0	0	45 000 000
	Region A: Riverside View Project		1108	224	300	70 000 000
	Tum-Key 1: Region B		1032	0	0	2 000 000
	Region F: Denver Turnkey Project		1336	0	0	60 000 000
SUB-TOTAL			**4711**	**224**	**300**	**407 000 000,00**
GRAND TOTAL			**6 951**	**564**	**397**	**849 000 000**

Appendix 4: Service Level Standard

The relationship between JOSHCO and the COJ, as its parent municipality and JOSHCO's sole shareholder, is formalised through various processes and forms of documentation, including the Service Delivery Agreement (SDA) and the Shareholder Compact. Section 93B (a) of the Municipal Systems Act stipulates conditions around "Parent municipalities having sole control."

A parent municipality which has sole control of a municipal entity:

Must ensure that annual performance objectives and indicators for the municipal entity are established by agreement with the municipal entity and included in the municipal entity's multi-year business plan.

As such, JOSHCO and the City sign a five-year SDA that is reviewed annually, and the agreement outlines the entity's scorecard and seven service-level standards that JOSHCO should adhere to when delivering its services to the Johannesburg communities.

JOSHCO reports on performance against seven pre-determined targets for Service Level Standards (SLS). The agreed SLS with the City are included below.

Core Service	Key Performance Indicator
% Accurate bills of all active customers.	98% accurate bills of all active customers
Attending to request to maintenance	96% of maintenance request attended within 14 working days of the logged call
Routine Building maintenance	Routine building maintenance once per year and as when required
Application for rental housing	Outcome of enquiry to be sent to application within 5 days
Application for rental housing	Outcome of the application communicated within 10 working days
Resolution of complaints	Acknowledgement and response within 24 hours of complaint being logged
Resolution of complaints	Resolution of the complaints/ queries within 5 workings days.

Appendix 5: Long Term Focus Turnaround Strategies and Quick Wins

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
Financial Resilience and Sustainability	improve revenue collection and cash flow management: Implement a rent roll forecasting system:	Develop a strategy to diversify revenue streams, reducing reliance solely on rental income including the onboarding of most tenants onboarded on debi-check.	Diversified income streams reduce reliance on rental income, operational stability. Timeline:1-3 years
		Create a reserve fund for operational stability during periods of high delinquency	Enhance its ability to manage revenue more effectively and make more data-driven decisions that contribute to its financial sustainability. Timeline 7-12 months from initial assessment to full implementation and stabilization.
	Use data analytics to predict and optimize cash flow from rent. (Build models to better forecast tenant behaviour, rent collections, and occupancy rates, which will allow for more accurate budgeting and planning	Continuous Monitoring and Feedback: Implement a system for regular reporting on collection rates and arrears by property or region. Use feedback from tenants and staff to refine processes continually.	Data-driven decision-making enhances adaptability and effectiveness of collections. Timeline 9-12 months Ongoing: After full implementation, continuous optimization and monitoring will be necessary to ensure the system remains effective and responsive to changes in the business environment.

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
	Customer Data Audit and Update: Conduct a rapid audit to ensure customer records are accurate and up to date, focusing on contact details and payment histories. Improve customer service by setting up a dedicated hotline for queries about collections and billing.		
	Streamlined Billing and Communication: address billing discrepancies by deploying a task force to resolve outstanding issues. ensuring that user-friendly statements that outline due amounts, payment methods, and deadlines are given to the tenants timeously.		
		Build a Long-Term Financial Resilience Plan: Establish a comprehensive financial resilience plan that includes maintaining a reserve fund, controlling debt levels, and diversifying revenue streams (e.g., mixed-use developments, social enterprises	Improved long-term financial stability, ensuring the organization can weather economic fluctuations and other risks. Timeline: Ongoing, with long-term impact
Capacity Building for Financial Management	.	Invest in building internal capacity by providing training to staff on financial management, grant writing, fundraising, and other skills to improve financial governance and sustainability	Stronger internal financial management practices leading to improved financial oversight and sustainable growth. Timeline: Ongoing, with results expected over 1-2 years.

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
Improving operational inefficiencies	Revise Payment Terms and Collection Strategies: Shorten Payment Cycles: Tighten up payment terms to reduce the time it takes to collect rent or service fees from tenants	Digital Transformation: Implement technology solutions i.e. property management software, customer relationship management tools to streamline operations, improve reporting accuracy, reduce administrative costs, and enable data-driven decision-making.	Shortening payment cycles and tightening payment terms will lead to improved cash flow, reduced arrears, better budgeting, increased financial stability, and enhanced operational efficiency. These improvements can also strengthen tenant relationships and encourage timely payments, creating a more stable financial environment for JOSCHO. Timeline: 7-12months
		Automatic Payment Systems: Implement digital payment methods (e.g., mobile money, online payment portals) to facilitate easier and quicker payments and send reminders for overdue payments. Automate administrative tasks, such as rent invoicing, payment reminders, and tenant communications, to reduce labour costs.	This reduces arrears and ensures timely collection of rental income and improve efficiencies This will also lower administrative costs, reduced arrears, and faster revenue collection. Timeline: 1-2 years.
	Debt Collection and Arrears Management: Enforce a structured debt recovery plan targeting overdue accounts, offering tenants flexible payment options (e.g., payment plans).	Streamline rent collection processes, implement digital payment solutions,	Increased cash flow from timely payments, reduced arrears. Timeline: 1-2 months.
	Renegotiate Debt Terms and Financing: Assess current debt obligations and explore opportunities for renegotiating loan		Immediate reduction in financial outflows related to debt servicing. Timeline: 1-3 months.

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
	terms, refinancing at lower interest rates, or consolidating debt to reduce interest payments.		
	Debt Recovery Blitz: Launch a targeted debt recovery campaign focused on high-value arrears. And use external debt collectors or legal action for accounts that remain delinquent beyond a certain threshold.		reduction in high-value arrears; improved cash flow and financial stability Timeline :3-6 months.
	Implement a robust collection process with escalations for long overdue payments (e.g., legal action, penalties, or debt write-offs where appropriate).		Increased efficiency in tracking overdue accounts and quicker response times to overdue payments. Timeline: 2 months to integrate tracking system with current software tools.
	Centralize and Digitize Administrative Processes: Implement centralized and digital systems for administrative tasks (e.g., leasing, tenant applications, invoicing, and document management). Transition to cloud-based platforms to reduce the reliance on paper and manual processes		Reduced administrative costs, faster processing times, and reduced risk of human error. Timeline: 3-6 months.
Prioritise the implementation of an effective record management system	implement a proper record control and management system over access to information to ensure that all information is available upon request	Records management systems should be improved to ensure that records are safely stored and easily retrievable to support the financial and performance reporting. all	ensure that records are management appropriately. Timelines:6 -12 months Ongoing monitoring

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
		documents are stored electronically in the shared drive	
Introduce New Revenue Streams	Rent Increase Strategy: Implement small, incremental rent increases based on market trends, inflation, or cost of living. Ensure that tenants are notified in advance and provide transparency on the reasons for the increases.		enhance its financial sustainability while maintaining tenant satisfaction and retention. Transparency about the reasons for the increase and providing ample notice helps foster trust with tenants, making them more likely to accept gradual adjustments. Timeline: a Year with monthly milestones
	Diversify Revenue Streams focusing on activities like outdoor advertising	Look for long-term opportunities to diversify revenue sources beyond rental income. This can include: Public-private partnerships to develop new projects (e.g., mixed-use developments that combine residential, retail, and commercial spaces).	Reduce dependence on single revenue sources, creating a more stable income base. Timeline: 1-3 years
		Exploring new funding models, like impact investment or social bonds green bonds (for environmentally sustainable housing projects or crowd funding for specific development projects and capital for community-based housing projects. Setting up property management services for third-party landlords	Long-term increase in revenue streams through diversified real estate assets. Timeline: 2-5 years.

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
		Introduce Value-Added Services: Offer additional services such as Wi-Fi, laundry facilities, or maintenance services for an extra fee to generate supplemental income	Access to capital for large-scale development or renovation projects, while also reducing reliance on traditional loans Timeline: 1-2 years.
Financial Planning Budgeting	Review Budgeting Practices: Ensure that budgeting is based on realistic and data-driven projections. Conduct regular reviews of income and expenditure to identify any deviations from the budget and take corrective actions.		Reviewing and refining budgeting practices to ensure that they are based on realistic, data-driven projections will lead to better financial control, improved resource allocation, timely identification of deviations, and more proactive decision-making Timeline: The process will take around 8-12 months
	Establish Financial Sustainability Models: Implement long-term financial planning models that ensure the organization's ability to maintain financial health over time, considering factors like inflation, market changes, and tenant income fluctuations. This includes forecasting for: Rent adjustments. Maintenance and repair costs. Long-term capital expenditure needs.		Will enable JOSCHO to make informed, data-driven decisions regarding rent adjustments, maintenance costs, and capital expenditures. Timeline: around 8-12 months,

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
Enhance Financial Reporting & Data Analytics	Improve Financial Reporting and Transparency: Develop a more robust financial reporting system that provides real-time data on income, expenditure, and cash flow. This can help management make informed decisions and react promptly to any financial issues.	invest in improving financial data collection and reporting systems, using data analytics to monitor financial performance, identify trends, and make data-driven decisions.	Better financial visibility and the ability to optimize resource allocation and performance. Timeline: 1 year.
		Centralized Data Analytics for Decision Making: Create a centralized data platform that consolidates financial, operational, and tenant data to enable better decision-making and resource allocation. This system can help identify cost-saving opportunities, track performance, and predict trends.	Better decision-making based on data, leading to more efficient operations and cost savings. Timeline: 1-3 years.
Strategic Asset Management and Property Utilisation	Asset Monetization: Review and identify underutilized assets that could be monetized (e.g., parking spaces, vacant land, or buildings that could be leased out for commercial purposes).		Immediate infusion of cash from asset sales or rental income Timeline: 3-6 months.
Funding and Capital Allocations	Government funding and grants: keep exploring and apply for government grants, subsidies, or donor funding aimed at improving low-income housing or addressing indigent communities as the governments provides funding for housing organizations that provide services to vulnerable population).	Continuously Identify and apply for government funding programs, social housing grants, or low-interest loans available for infrastructure or operational improvements	Improved liquidity through external financial support. Timeline: 1-3 months and or a year (depending on application cycles).

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
	Increase Partnerships and Collaborative Funding Models: Forge new partnerships with other housing organizations, private developers, or non-profits for co-funding projects and sharing resources.		Shared risk and new revenue streams. Timeline: 2-4 months.
Cost Optimization and Efficiency Gains	Cost Containment and Expense Management: Review Operational Costs: Perform a thorough review of all operational expenses to identify areas of waste or inefficiency (e.g., utilities, maintenance, cleaning, or security).. Negotiate better rates with suppliers or service providers, or explore bulk purchasing		Immediate reduction in operating expenses and improved cash flow. Timeline: 1-3 months.
	Prioritize Essential Spending: Focus on critical expenses that support the core operations (e.g., rent collection, tenant services) while postponing or cutting back on non-essential expenditures.	.	to maintain financial stability by directing funds toward critical operations like rent collection, tenant services, and property maintenance. Timeline: will take about 3-6 months, with ongoing monitoring to ensure that financial resources are continuously aligned with core operational needs.
	Energy and Utility Efficiency: Invest in energy-efficient systems (e.g., LED lighting, solar panels, water-saving devices) to reduce the long-term costs of utilities. Consider	Invest in renewable energy sources (e.g., solar panels, energy-efficient building systems) for properties to reduce long-term utility costs and	Reduced operating costs and enhanced sustainability credentials, leading to long-term savings and potential for higher rents or property value appreciation.

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
	introducing tenant-driven sustainability initiatives, like energy-saving incentives, that can reduce overall consumption	attract environmentally conscious tenants	Timeline: 2-5 years
	Energy Efficiency Audits and Smart Metering: Conduct an energy audit of properties to identify opportunities for energy savings (e.g., LED lighting, insulation improvements). Implement smart meters and sensors to monitor and optimize energy consumption in real time		Immediate reduction in utility costs and lower operational expenses. Timeline: 1-3 months (depending on the scale of implementation).
Streamline Operations	Outsource non-core activities: Consider outsourcing activities such as security, maintenance, and cleaning services, which might reduce overhead and improve service quality through specialized contractors trained and developed within the tenants residing in the JOSHCO properties.		Reduced costs through outsourcing, which can be more cost-efficient than in-house management. Timeline: 2-4 months.
	Improve maintenance scheduling: Move from reactive to preventive maintenance. Establish a regular maintenance schedule to prevent costly emergency repairs and increase the lifespan of assets.		significantly reduce unplanned downtime, extend the life of assets, lower repair costs, and improve overall efficiency. The shift will take several months to fully implement but should begin yielding noticeable timeline improvements in asset performance and cost savings within the first 6 months. Regular monitoring and adjustments will

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
			ensure the long-term success of the program.
Strengthening Supply Chain Management	Review and Streamline Procurement Processes: Conduct a review of existing contracts and suppliers to ensure that JOSCHO is getting the best value for money. Negotiate better terms or seek alternative suppliers for commonly used materials and services (e.g., maintenance, cleaning, utilities).		Enhance JOSCHO's financial sustainability by reducing procurement costs, improving cash flow management, and minimizing risks from supply chain disruptions. The integration of more efficient procurement, improved vendor relationships, and sustainable practices will not only reduce costs but also enhance operational resilience and tenant satisfaction. Timeline: 8-12 months
Personnel Efficiency	Review Staff Roles and Structure: Assess whether the current staffing structure is cost-effective. Identify positions that could be combined or streamlined. Avoid layoffs where possible by reducing staff turnover, improving staff morale and productivity, or offering cross-training:	.	focusing on cross-training, improving morale, and streamlining roles where possible, organizations can reduce staffing costs and improve productivity without resorting to layoffs. This solution, when implemented effectively, can deliver cost savings and boost employee engagement over the long term. The overall impact is likely to be seen within Timeline 6–12 months, depending on the complexity of the changes.

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
	Staff responsible for revenue collection can be provided with immediate training especially for frontline collection staff on conflict resolution and customer engagement. As well as empowering staff to negotiate feasible repayment plans directly with tenants.	Performance Management for Staff Introduce KPIs tied to collection performance for relevant staff. Recognize and reward teams or individuals achieving collection targets	Enhanced staff capacity to handle tenant queries and negotiate repayments. And Increased accountability and motivation among collection teams. Timeline: 1-6 months
		Implement Lean Management Practices: Adopt lean management principles to continuously optimize processes, minimize waste, and improve productivity across all departments. This may involve training staff, redesigning workflows, or eliminating redundant processes.	Long-term efficiency improvements across all levels of operation, resulting in cost savings and higher productivity. Timeline: 1-2 years
		Corporate Culture of Cost Awareness and Accountability: Foster a culture where employees at all levels are encouraged and rewarded for identifying cost-saving opportunities and improving efficiency. This could involve creating incentive programs, training staff on financial literacy, and promoting a mindset of continuous improvement.	Long-term behavioural change, leading to sustained cost optimization and a more financially conscious organization. Timeline: Ongoing.
Risk Management	Establish a comprehensive risk management framework to manage financial, operational, and external risks (e.g., changes in market	Develop a robust financial risk management plan, including the creation of a contingency fund,	Mitigated financial risks from unexpected crises or economic downturns, ensuring smoother financial operations.

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
	conditions, tenant behaviour, or political instability). This includes creating contingency reserves or establishing insurance coverage to mitigate potential risks	insurance optimization, and strategic debt management.	Improved ability to manage financial risks and avoid liquidity issues. Timeline: 1-2 years.
Optimize Existing Property Portfolio	Conduct a full assessment of the current asset portfolio and identify underperforming or high-maintenance properties that could be sold, restructured, or repurposed for higher income potential. for example, if certain properties are too costly to maintain, consider converting them to a different use or leasing them out for alternative purposes (e.g., commercial or mixed-use).	Develop a Long-Term Asset Strategy: Create a comprehensive long-term strategy for managing and growing assets. This could include: Regular portfolio assessments to identify opportunities for acquisition, disposal, or repositioning.	Reduced maintenance costs and improved asset performance over time. Timeline: Ongoing with periodic reviews (e.g., annually)
		Investing in properties or projects that are in high-demand locations, or in sectors with strong growth potential (e.g., affordable housing in urban areas or eco-friendly developments)	
Prioritize Capital Projects:	Focus on high-impact capital projects that improve revenue generation or reduce costs (e.g., upgrading key properties for higher rent, improving energy efficiency to reduce utility costs, or renovating underperforming properties to increase occupancy rates)	Property Development: Consider developing new properties or expanding existing ones, especially if there's strong demand in the market. Look for opportunities where development can be funded through loans, joint ventures, or government incentives.	
		Invest in Sustainable Infrastructure: undertake long-term projects to	☐ Substantial reduction in ongoing energy and maintenance costs,

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
		build or upgrade properties with energy-efficient features, such as solar panels, high-efficiency HVAC systems, and green building materials. This can significantly lower long-term operating costs related to utilities and maintenance	with an additional benefit of reducing carbon footprint. □ Timeline: 2-5 years.
Tenant Engagement and Retention	Strengthen Tenant Relationships Ensure good communication with tenants to reduce turnover and improve rental collection. Regularly engage tenants through feedback surveys, open meetings, or community events to make them feel valued and reduce dissatisfaction.	Focus on Affordable Housing: Ensure a balance between affordability and sustainability by focusing on offering affordable housing options for low-income tenants while still achieving operational sustainability. Government subsidies and grants remain a critical part of this	Timeline: Ongoing.
	Continuous community Engagement and Collaboration:	Establish tenant committees to foster dialogue and collaboration on payment challenges. Engage local leaders or influencers to advocate for a culture of responsibility among tenants.	Improved tenant relationships and buy-in for payment obligations. Timeline: Ongoing.
	Introduce Tenant Loyalty Programs Provide incentives such as rent discounts or loyalty bonuses for tenants who stay for extended periods or make consistent payments. Such as offering short-term payment incentives, such as discounts for settling overdue accounts within a specified timeframe.	Focus on tenant engagement through better service delivery, timely communication, and community-building efforts (e.g., local events, skill-building and tenant educational programs).	Cultivation of a payment culture; long-term reduction in delinquency rates. Timeline: Start at 6 months ongoing
		Roll out financial literacy workshops for tenants to emphasize the importance of timely payments and explain the consequences of arrears.	Increased tenant satisfaction and retention, which improves overall revenue predictability and reduces tenant turnover costs. Timeline: 1-2 years.

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
	Rewarding consistent payers with benefits like early renewal options or loyalty discounts	Develop communication campaigns highlighting how rental income supports maintenance and improvements.	
Tenant Self-Service Platforms	implement a self-service platform for tenants to handle tasks like rent payments, maintenance requests, and service inquiries online. This will reduce the number of manual interventions by staff, resulting in operational savings.		Improved tenant experience while reducing operational costs related to customer service. Timeline: 1-3 months.
Expenditure Management	Managing Unbudgeted Costs: Governance and Staff Related Costs		can have a significant impact on a company's financial performance, profitability, and operational efficiency. Timeline 1 Year
	Adequate provision for bad debts written off: Project related costs		To avoid unexpected financial strain, enhances the accuracy of project budgeting, and ensures that project profitability reflects true operational costs. The provision for bad debts directly impacts cash flow, risk management, and financial reporting, making it a crucial part of overall financial strategy. Timeline 1 Year
	Focusing on critical maintenance only and deferring repairs for those defaulting on rentals: Repairs and Maintenance. JOSHCO must		Reduced emergency repair costs and better long-term asset management.

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
	implement a more efficient maintenance strategy, such as scheduled preventative maintenance and cost-effective supplier contracts.		Timeline: 3-12 months.
		Adopt Predictive Analytics for Maintenance and Operations: Implement predictive maintenance tools and data analytics to forecast when repairs or replacements are likely to be needed (e.g., HVAC, elevators, plumbing). This data can be used to schedule timely maintenance, prevent breakdowns, and optimize inventory management.	Reduced unexpected repair costs, lower downtime, and longer asset lifespan. Timeline: 1-3 years.
	In Sourcing / SME development and Community Empowerment at the facilities: Cleaning and Gardening		Integrating sourcing, SME development, and community empowerment at the facilities is not only a way to strengthen the business's supply chain but also a powerful tool for fostering long-term community growth and ensuring social sustainability. These initiatives have the potential to reduce costs, improve operational efficiency, create jobs, and enhance the overall reputation of the business within the local community. By focusing on these areas, a facility can build stronger, mutually beneficial relationships with local stakeholders, contribute to economic development, and
	In Sourcing / SME development and Community Empowerment at the facilities Security		
	Administrative Costs: Effectively manage and monitor utility costs, consulting services and legal or any other high costs.		

Area of Focus	Actionable Quick Wins (Short term Goals and Immediate Actions)	Long Term Vision and Focused Solutions	Impact and Timeline
			improve its own operational resilience Timeline: Implementable in phases from 3months to 2 years
Policy Revisions and Enforcement		Review and enforce stricter lease agreements, including penalties for late payments. Standardize repayment plans and consequences for arrears.	Stronger legal and procedural framework reduces chronic arrears. Timeline: 6-12 months