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JOHANNESBURG ROADS AGENCY SOC (LTD)

Reg. No. 2000/028993/30

Q2 PERFORMANCE REPORT FOR THE PERIOD OCTOBER TO DECEMBER 2024

MID - YEAR

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

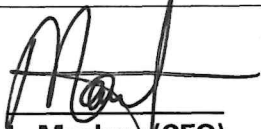



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Company Information

Registration number:	2000/028993/30
Registered address:	75 Helen Joseph Street, Johannesburg, 2001
Postal address:	Johannesburg Roads Agency, Private Bag X70, Braamfontein, 2017
Telephone number:	(011) 298-5001
Fax number:	(011) 298-5178
Website:	www.jra.org.za
Bankers:	Standard Bank of SA Limited
Auditors:	Auditor General South Africa (AGSA)

Approval

 L. Mashau (CFO)	Date: <u>29/01/2025</u>
 Z Nyathi (CEO)	Date: <u>29/01/2025</u>
 SC Clarke (Board Chairperson)	Date: <u>30/01/2025</u>
 K. Kunene (MMC: Transport)	Date: <u>03/02/2025</u>

Vision

The best city roads authority
that enables economic growth
and sustainability

Mission

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

CHAPTER 1: LEADERSHIP AND CORPORATE PROFILE

Section 1: Chief Executive Officer's Report



Introduction

I would like to share our performance highlights and the strategic initiatives that have defined our second quarter of the 2024/25 Financial Year at the Johannesburg Roads Agency.

In the period under review, we have achieved certain milestones that include the installation of road studs for enhanced visibility and improved safety on the M1 and M2 motorways. We continued to demonstrate our commitment to service delivery driven largely through the #OperationRestore initiative. Other milestones include;

- **Lilian Ngoyi Rehabilitation** – The JRA has appointed a replacement contractor, who has completed site establishment and is now on site.
- **Capital Projects Completion** – The JRA celebrated the completion and opening of critical projects as follows; Reconstruction of Maphumulo Bridge (Region D) on the 7th October 2024; and Completion of Phase 2 of the Kleinjukskei Bond Stream Stormwater Upgrade in Ferndale (Region B) on the 8th October 2024.

Road Resurfacing

- The entity resurfaced a total of 47,86Lkm against a target of 30lkm targeted for end of Quarter 2.

Service Standards Performance

- In the period under review, the JRA managed to achieve its targets for service requests in line with approved standards contained on the CoJ Customer Charter.

Organisational Development

- **Organisational Review Process** – To further enhance our ability to improve service delivery, the organisational review process is underway. This will ensure we are correctly configured and agile enough to deliver on our value creation model.

Support to SMMEs and EPWP

- A total of 54 SMMEs were supported as at Q2 against the target of 50 SMMEs.
- A total of 140 EPWP opportunities have been created against a target of 54.

Maintenance Activities

- In terms of road maintenance, 8582 potholes were repaired; 892 kerb inlets (KI) were unblocked and cleared; 42 manhole covers and 225.20m of guardrails were replaced
- In relation to traffic signals, the JRA has achieved 93.82% year to date on resolving traffic lights technical faults reported within 24 hours of being reported.

Clean Audit Process and Risk Management

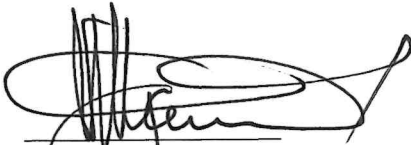
- The 2023/24 AGSA audit has just been concluded. The JRA maintained an unqualified audit opinion with material findings for the 2023/24 financial year. In Q2, the JRA also resolved 83% and 86% of Internal Audit and AG Findings respectively (*See Chapter 6*). The JRA is on track to implementing the Risk Management Action Plan and 100% of planned Q2 actions were implemented (*See Chapter 2*).

Challenges

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

Appreciation

- I would like to appreciate the unwavering support of the Board and the MMC, and the commitment of staff. This has been pivotal in navigating the challenges and opportunities that have arisen in Q2.



Z. Nyathi
Chief Executive Officer

Section 2: Chief Financial Officer Report



The purpose of this report is to present the high-level 2024/2025 Second quarter draft financial performance for the Johannesburg Roads Agency for the period ending 31st December 2024. The detailed financial performance information is contained in Chapter Five of this report and in Annexures C to G. As a service delivery entity, the JRA strives to balance the attainment of liquidity and profitability ratios with the attainment of key service delivery targets.

In 2024/25 financial year, JRA has an approved Operating budget of R1.581 billion. As at 31 December 2024, the Company had an Operating Expenditure and Income of R762 million and R720 million, respectively. This represents Expenditure exceeding Income by R42.6 million at the end of December 2024. The Operating Expenditure is therefore 48.23% of the total Budget and 96.52% of the quarter budget.

The JRA has a Capital Budget of R 795,320 million for 2024/25 financial year and R215 million for quarter two. As of 31 December 2024, the entity spent an actual of R 326,846 million, including accruals and commitments, which is 41% of the total budget and 152% spent on the quarter two budget (refer to Chapter 5 and Annexure E for details of expenditure).

The Table 1 below illustrates Five 2024/25 key ratios for the period ending 31 December 2024 that are in line with the Financial Development Plan (FDP) of the City of Johannesburg.

Table 1: Summary Ratios

KEY RATIO	Target FDP	December 2024(2024/25)
Current ratio	1	0.73
Solvency ratio	2	0.90
Accumulated Surplus/(Loss)	R50M	(593,387)
Cash on hand	R50M	(7,208)
Salaries ratio	35%	27.50%
Repairs & Maintenance ratio	7%	1.44%

The entity is under the FDP target of 1 as at the end of December 2024 for the current ratio. The current ratio measures the company's ability to pay its short-term obligations. With the Current ratio of 0.73, this means that JRA's current liabilities exceed the current assets and that JRA will not be able to meet its short-term obligations.

The 2023/24 solvency ratio for the period ending 31 December 2024 is below the FDP target of 2. The solvency ratio measures the company's ability to meet its long-term debt obligations. The entity's ratio of 0.90 indicates that JRA's cash flow is insufficient to meet its long-term liabilities. JRA remains technically insolvent for the period ending 31 December 2024. If the ratio is 1.5 or below indicates that the company will have difficulty meeting the interest on its debts.

The JRA's Remuneration to Operating Expenditure Ratio for the period ending 31 December 2024 is 27.50% according to the National Treasury norms and standards the norm range is between 25% and 40%.

The JRA intercompany Sweeping Account has an unfavourable balance of R (495,159) million at the end of December 2024. The Sweeping Balance represents a loan from Shareholders in the Statement of Financial Position. Developers Contribution Account has a balance of R 487,952 million as of 31 December 2024. Therefore, the total Net Cash on hand for the period ending 31 December 2024 amounts to R (7,208) million.

The total amount owed by related parties' debtors was R834 million in 2024/2025, which represented 97% of the total debtors. The related parties have decreased from R843 million to R 834 million in the 2024/2025 when compared with the previous quarter.

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



Lufuno Mashau
Chief Financial Officer

Section 3: Corporate Profile and Overview of the Entity

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

Section 4: Strategic Objectives

As a public roads agency, we ensure our strategic objectives align with the expectations of our key stakeholders, which include the Shareholder (CoJ), government bodies, taxpayers, users of the road infrastructure, and the wider community. We ensure alignment between our strategic objectives and stakeholder expectations by focusing on the development of a safe, efficient, and environmentally sustainable road network.

Our objectives include improving the quality of infrastructure through regular maintenance (Service Delivery), reducing inequality through roads infrastructure development (Infrastructure Development), reducing congestion, managing stormwater infrastructure and flooding hotspots as well as integrating smart technologies for traffic management (Smart City). Additionally, we engage with local communities and road users to ensure that their feedback is incorporated into our projects, delivering both short-term and long-term value (Engaged and Active Citizenry). We also promote good governance practices (Good Governance), sustainable financial management (Financial Sustainability), as well as the creation of job opportunities and support for SMMEs (Economic Growth and Job Creation).

CHAPTER 2: CORPORATE GOVERNANCE

In the JRA, Corporate Governance sets out relationships among the Company's Management, the Board, and Shareholders and other Stakeholders and outlines the rights and responsibilities of each party. This is to ensure accountability, fairness, and transparency in a company's operations, ultimately safeguarding the interests of Shareholders and promoting sustainable long-term growth. The Board and Management of the JRA are committed to the standards of corporate governance as promoted by the King Committee's Code of Corporate Practices and Conduct (KING IV). The Board is satisfied that Management endeavours to comply with all material aspects of the King Report and relevant legislation.

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

i. Composition of JRA Board Committees

The JRA Board has three Committees, namely, Audit Finance, Risk and Information Technology, Remuneration and Social Ethics and Service Deliver Committees. The mandates of committees are summarised below.

Table 2.1: Board Committees and Summary of Terms of Reference

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

Apportionment of members to each committee is informed by the skills matrix and the legislative requirements.

ii. Key Q2 Board Activities

On the 22nd November 2024 the Board of Directors convened a Strategic Planning Session for the Organisational Design. The primary objective for this session was to: -

- a) **Review the Draft Organization Design:** Examine the proposed structure and its alignment with the entity's strategic objectives;
 - b) **Engage in Constructive Dialogue:** Facilitate discussions among board members regarding potential improvements or adjustments based on their diverse perspectives and expertise;
 - c) **Assess Impact on Stakeholders:** Consider how changes may affect various stakeholders including employees, customers, and shareholders; and
 - d) **Strategise Implementation:** Discuss actionable steps for implementing the approved organization design effectively across all levels of the company
- The Strategic Session was attended by all Non-Executive Directors; Independent Audit Committee Members; Executive Management Team; Group Corporate and Shared Services and Group Governance representatives. This consultation process resulted into the Board of Director approving Phase One of the To-Be Organisational Design. This is a critical milestone and phase 2 will commence in the next quarter.
 - In this quarter under review Board members attended a two-day training with the Johannesburg Stock Exchange focusing of combined assurance and risk management and ethical leadership. Further conducted a site visit at the Asphalt Plant.

Good governance, Ethical conduct, Anti-corruption and Fraud Investigations

Awareness Campaigns

- On 04, 05 and 06 December 2024, the Ethics Management Forum (EMF) and Group Forensics and Investigation Services (GFIS), conducted a fraud and corruption awareness campaign at all JRA depots and head office.
- The Board of Directors attended a Corporate Ethics Training on Thursday, 05 December 2024. A key highlight from the awareness session was willingness from stakeholders to play a role in rooting out fraud and corruption in the organization. The awareness campaigns inspired employees to be eager in becoming active participants in creating a fraud and corruption free organization and showed how acts of unethical behavior have a prolific potential of perpetuating and resulting in severe consequences such as loss of employment and imprisonment. An area of concern which emanated from the sessions related to whistleblowing protection mechanisms, which ought to be strengthened.

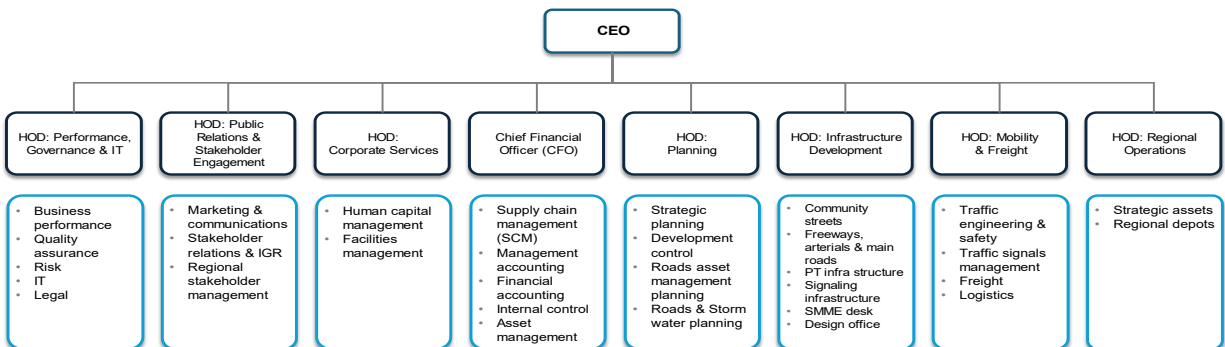
- Participants appreciated the mandate of EMF and GFIS during the sessions, including the awareness initiative, as it provided employees with confidence to report incidents relating to fraud and corruption, thus, there was willingness to work with the organisation to ensure that the future of the residents of Joburg is not stolen as result of an unethical culture. The organisation remains firm in striving towards inculcating a culture of ethical behavior and conduct in the workplace, thus ethics messages were circulated to the business through internal communication channels.

iii. Remuneration of JRA Board

In the JRA, Board members are remunerated in line with the City of Johannesburg Group Shareholder Policy on Governance of Group Advisory Committees (Annexure A).

Section 2: High-Level Organisational Structure

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



Executive Management Team (EMT)

The JRA Executive Management Team in Q2 is reflected below



Mr. Zweli Nyathi
Chief Executive Officer



Mr. Lufuno Mashau
Chief Financial Officer



Mr. Sipho Nhlapo
Acting HoD: Mobility and Freight



Mr. Khaya Gqibitole
HoD: Regional Operations



Mr. Musa Mkhacane
HoD: Infr. Planning



Mr. Kwazelela Mcetywa
HoD: Infr. Development



Ms. Ayanda Ntshingila
HoD: Public Relations & Stakeholder
Engagement



Ms. Puleng Hlatshwayo
HoD: Corporate Services



Mr. Sekati Mangena
**HoD: Performance, Governance
and IT**



Mr. Hemmy Malebati
Acting Ops. Manager: Internal Audit



Ms. Phumla Majola
Company Secretary

Section 3: Good governance and Ethical conduct

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

- Posters prompting Good and Ethical Governance erected throughout the JRA building and depots. Electronic messages promoting Good and Ethical Governance posted onto the JRA website. Anti-Fraud and Anti-Corruption messages communicated to all stakeholders.
- The JRA is committed to the highest level of openness, integrity and accountability and moreover aims to promote a culture in which employees are able to raise genuine and valid concerns without fear of victimization, discrimination or disadvantage. The forum has been instrumental in communicating this message to the business and its stakeholders.

Simplified policies

- Simplified code and ethical conduct, fraud and prevention policy; and whistleblowing policy messages were communicated to the business. Same will be translated into different vernacular languages.
- Electronic and physical posters are erected in the building and depots regarding an ethical culture.
- Suggestion boxes have been placed around the building and in depots. They are monitored quarterly.

Available Reporting Mechanisms

The following reporting mechanisms are operational in the JRA;

- Management request, Walk ins, Emails anticorruption@tipsoffs.com , Telephone, Whistle blowing (of which the protection of the whistle blower is provided) whistle@joburg.org.za; Anti-Fraud Hotline: 0800 002 587 (All official languages) Alleged fraud and corruption, and maladministration.

Categories of matters reported to GFIS anonymously

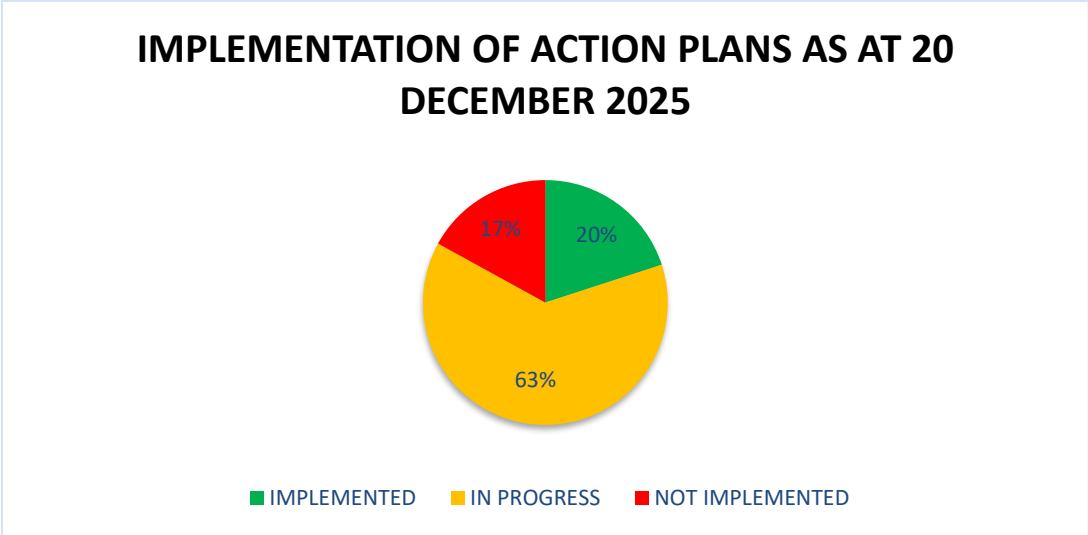
Categories of matters reported to GFIS include the following among others;

- Alleged recruitment process
- Alleged Fraud and Corruption
- Intimidation

Section 4: Risk Management

The company is currently managing 10 key strategic risks. Of these strategic risks, 2 are

Very High which is the highest level of risk exposure, and the rest are High. Risk Management Unit engages with departments, every month to monitor and evaluate the implementation of mitigation strategies aimed at reducing risk exposure. The engagements are conducted through formal and informal discussions and using the monitoring template that has been. The graph below shows implementation of mitigating actions as at end of December 2024.



There has been a slight improvement in the implementation of action plans. Completed actions have moved from 7% to 20%. There is a positive improvement noted with the progress when compared to last year this period. The implementation was at 16% at Q2 last year. This is indicative of the improvement as far as risk management is concerned. Below is the summary of the strategic risks identified and the current residual risk.

No	Strategic Risk	Q1 Residual Risk	Q2 Residual Risk
1.	Governance failures	High	High
2.	Ineffective Human Capital Management	High	High
3	Insufficient funding for capex & opex projects	Very High	Very High
4	Road Infrastructure Failure (roads, bridges, stormwater, traffic signals)	Very High	Very High
5	Delayed implementation & completion of projects	High	High
6	Inability to maximise asphalt plant	High	Medium
7	Theft, fraud and Corruption	High	High
8	Cyber-attack, data fraud and data theft	High	High
9	Failure to conduct research, development and application of innovation	High	Medium
10	Inability to recover after a major disruption	High	High

Section 5: Anti-corruption and Fraud Investigations

The JRA is committed to the fight against fraud and corruption which represent a significant potential risk to the JRA's assets, service delivery efficiency and reputation. Working together with the EMF and Group Forensic and Investigation Services in promoting an ethical culture within the organization. In mitigating against the fraud risks and promoting an ethical culture, the Ethics Management Forum carries out an awareness campaign through posters prompting Good and Ethical Governance that are erected throughout the JRA building and depots. Ethical suggesting boxes have been erected and an ethical survey has been conducted. Concluded forensic investigations received from Group Forensic Services are administered by the JRA management.

Section 6: Compliance with Laws and Regulations

In the quarter under review, the JRA conducted an awareness workshop relating to the Occupational Health Safety Act. Overall compliance is summarised below.

AREA	TOTAL	COMPLIANT	NON-COMPLIANT
Companies Act	6	6	0
Labour Relations & Employment Laws	10	7	3
Finance Tax	7	5	2
Environmental	3	2	1
Fraud Corruption Ethics and Compliance	5	5	0
Road and Traffic Management Act	3	2	1
ICT	1	1	0
Capital Projects Requirements	2	2	0
General – MFMA & MSA	13	13	0

6.1. Declaration of Interests

Summary of Declarations forms JRA employees

JRA component	staff	Total number of signed declarations forms	Total number of unsigned submitted declarations forms	Total number of employees who have declared interest
1506		650	9	5

All Board and Independent Audit Committee members have signed the code of ethical conduct and declaration of interest forms for the 2024 / 2025 financial year

6.2. Gifts and Favours

JRA staff component	Total number of signed gift and favours forms	Total number of unsigned submitted declarations forms	Total number of employees who have declared gifts and favours
1506	133	2	3

6.3. Compliance with Protection of Personal Information Act

The organization has taken deliberate steps to create consciousness in various departments around the importance of processing employee and stakeholder’s personal information within the ambit of the law. Ongoing communication with regards to the importance of adhering to POPIA is sent to the business. All PAIA requests are responded to timeously in line with PAIA requirements and POPIA requirements. The company remains compliant as the Board has approved the POPIA policy.

Section 7: ICT Governance

The Company operates based on an approved IT Governance Policy Framework which identifies key elements for the effective management of information and technology. As a result, JRA information and ICT systems are secure, protected, tested, controlled, developed and maintained in line with the company’s objectives and response to emerging technological trends. JDE (ERP) system availability remained at acceptable levels, improved network connectivity and improved incident management (service desk) in the quarter.

CHAPTER 3: SERVICE DELIVERY PERFORMANCE

Section 1: Highlights and Achievements

- Lilian Ngoyi Rehabilitation – The JRA has appointed a replacement contractor, who has completed site establishment and is now on site. Works have commenced.
- Capital Projects Completion – The JRA celebrated the completion and opening of critical projects as follows:
 - Reconstruction of Maphumulo Bridge (Region D) on the 7th October 2024.
 - Completion of Phase 2 of the Kleinjukskei Bond Stream Stormwater Upgrade in Ferndale (Region B) on the 8th October 2024.
- Road Resurfacing – The resurfaced a total of 47,84 Lkm against a target of 30lkm targeted for end of Quarter 2.
- A total of 54 SMMEs were supported as at Q2 against the target of 50 SMMEs.
- A total of 123 EPWP opportunities have been created against a target of 54.
- In relation to traffic signals, the JRA has achieved both service delivery KPI's, achieving 93.82% year to date on resolving traffic lights technical faults reported within 24 hours of being reported. 77.04% of 135 technical faults service requests, from 104 signalized sites, were resolved within 24 hours, contributing to 82.95% performance.
- JRA appointed an Operations Manager Internal Audit, this appointment will provide stability in the execution of the Internal Audit function.

Section 2: Service Delivery Challenges.

In Q2 the JRA experienced challenges as follows:

Challenges	Mitigations
In this quarter theft and vandalism of the traffic infrastructure continues to affect the optimization of our traffic light systems.	The department continues to work with enforcement agencies towards identifying our stolen assets that leads towards successful convictions of the perpetrators.
Lilian Ngoyi Rehabilitation – The contractor was terminated due to poor performance, subsequently leading to project schedule delays.	The JRA has appointed a replacement contractor. Site Establishment has been completed and construction works have commenced.
Major Plant required for grading	Additional funding will be requested.

Section 3: Response to Strategic Direction

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

i. Roads Resurfacing Programme.

For Q2, the quarterly target of 30 lane km roads resurfaced was targeted, the JRA resurfaced an additional 25,67 lane kilometers in addition to a total of 22,191Km constructed in Q1, hence achieving a Total of 47.861km in Q2. The resurfacing work was undertaken in the following areas among others, Wards 132 (Region A), Ward 97 (Region C), Wards 77 (Region E), Wards 54 and 124 (Region F) and Ward 17 and 125 (Region G).

ii. Gravel Road Upgrade Programme

The JRA also upgrades gravel roads into surfaced roads mostly in marginalized areas across the City of Johannesburg. The upgrading of gravel roads to surfaced standard roads is currently in progress with road layer works and stormwater pipes installation. The bulk of the work was undertaken in Doornkop/ Thulani, Tshepisoong, Lawley and Orange Farm. A total of 1.47km was upgraded from gravel roads to surface standards. A total of 3.21km are at various stages of upgrading.

iii. Bridges Management Programme

There are currently sixty-eight bridges that require urgent rehabilitation and/or reconstruction across the City. For Q2, the JRA has undertaken on-going upgrading/rehabilitation on the following bridges:

Project	Status
M2 Bridge from Maritzburg offramp to crown interchange	Stage 4 completed (Acceptance of Stage 4)
Platina Street Bridge Cellular Rehabilitation	Inception completed. PDR draft completed and submission due.
Sjampanje Street Culvert, Wilgeheuwel.	Acceptance of Stage 4
FNB Stadium Pedestrian Bridge Over the Soweto Highway(M70).	Stage 4

iv. Open Drains Conversions

The JRA embarked on a programme of converting open storm water channel systems into underground pipe and or culvert systems. During the 2024/25 financial year the focus is on Braamfischerville, Orange Farm, and Ivory Park. Year-to-date, designs and appointments of contractors are in progress for open stormwater channels to be converted to underground stormwater system.

v. Infrastructure Planning (IP)

a. Bridge Management System (BMS)

Only one (bridge structure was inspected in Q2 due to limited budget. This was the FNB pedestrian bridge over the M70 Soweto Highway.

b. Traffic Management Systems (TMS)

As at the end of Q2, HN Consulting (JRA/24/23) had already been appointed and a kick-off meeting was also conducted for Visual Condition Assessments (VCA/VCI) for the Road Traffic Signs City wide. The project is currently at Inception/Concept stage and expected to be completed in April 2025.

c. Roads and Stormwater Masterplanning

There are four (04) sub-catchments that are prioritized for Stormwater Master Planning (SMP) studies and one (01) sub-catchment for Roads Master Planning (RMP) for the fiscal year 2024/25.

d. Dams

There are seven (07) registered dams in the City that are deemed at risk according to the National Water Act. These dams are classified as Category II dams. Since 2019, IP has completed 13 detailed dam designs in the City. Designs for the priority dams are awaiting budgets for implementation. Florida Lake Dam has become a priority project for rehabilitation in 24/25 which impacts on 2 downstream structures i.e. Albertina Sisulu culvert crossing and Main Reef Road culvert crossing.

Project	Status
Florida Lake Stormwater Outlet and Channel (within C and Ward 70)	This budget is for the CAPEX planning of the rehabilitation of the Florida Lake spillway and the downstream channel which includes the Albertina Sisulu culvert crossing and the Main Reef Road Culvert Crossing. Preliminary designs have been completed. Detailed designs and tender documentation to be completed over 2 nd and 3 rd quarter of 24/25FY. Implementation will be budget dependant

e. River Rehabilitation and Erosion Protection Measures

Project	Status
Sandspruit River	This project was awarded at the end of August and kicked off in September 2024. The first stage is a feasibility assessment over a period of 2 months. The feasibility study is expected to be completed by mid Q2 with the subsequent stages expected to be completed by the end of the financial year.
Innesfree Park	This project has rolled over from the previous year while still actively in Stage 2

Tributary	of the project. Stage 2 is expected to be completed by the beginning of Q2.
Sloane Cnr Ebury	Stage 2 of the project will be finalised by the beginning of Q2. The remaining stages are to be completed within the FY.

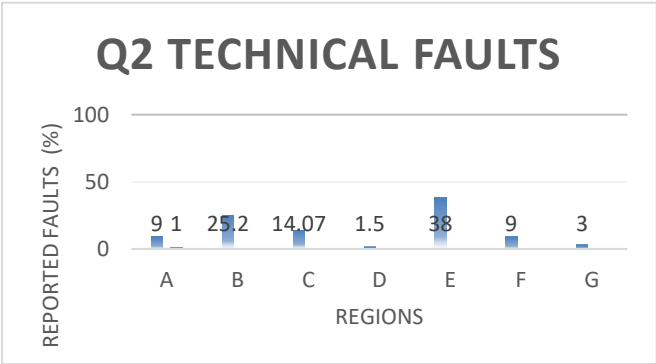
f. Roads Planning

The table below gives a summary on the progress of roads projects that are funded on the 2024/2025 financial year.

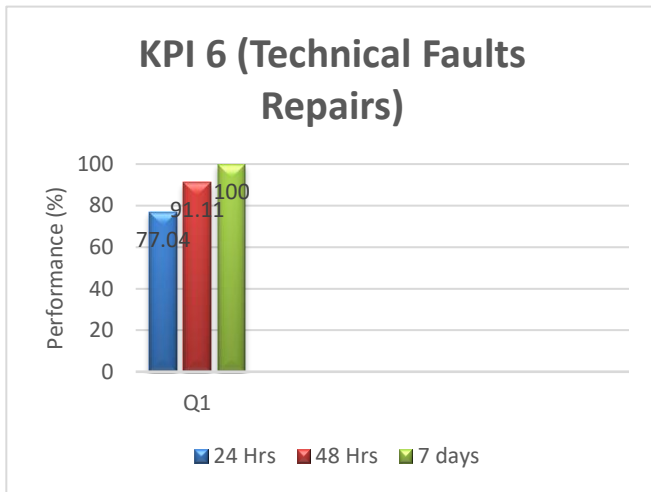
Project	Status
Extension of Spencer Road from Main Reef road to Soweto Highway	The project is at Detailed Design Stage: DDR is 90% complete. PSP is busy with the amendment of the future N17 basic Plan and the detailed design of 6 Rand water crossings

vi. Mobility and Freight (MF)

The Mobility and Freight Department is made up of a Traffic Engineering Unit, responsible for traffic, safety investigations, petitions and traffic light phasings and timings. It also has a Traffic Management and Network Support Unit which supports the Intelligent Transport Systems (ITS) and a Traffic Operations Centre (TOC) responsible for electronic data collection on the network, traffic signals maintenance and management. The Freight Movement Support is responsible for identifying freight routes, signage and markings relevant to freight, conducting campaigns against overloading.

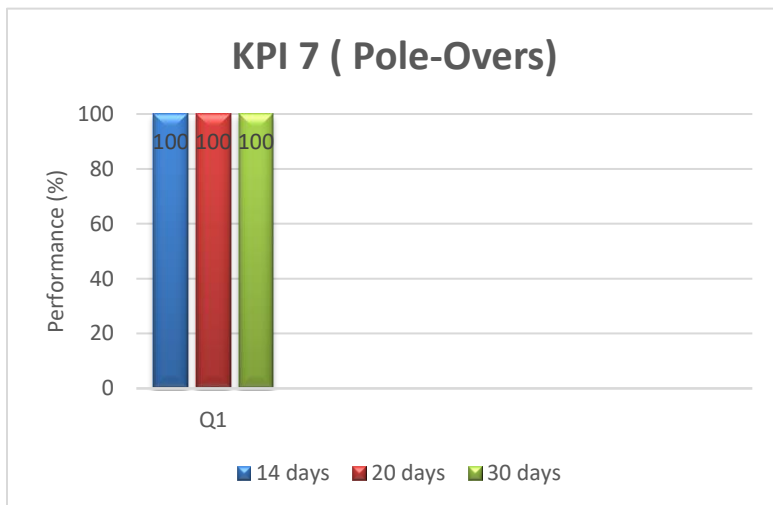


JRA’s remote monitoring systems (RMS) contribute over 80% of the reports from over 90% coverage, making it quicker for the maintenance teams to respond. The graph below gives further illustration on KPI 6 performance, in line with the business plan.



Power utility companies' load management initiatives continue to affect mobility systems optimization. In addition to the impact of such initiatives, about 34% of the reported faulty signalized sites were affected by electrical power related challenges during Q2 and YTD, with region B and F remain the most affected. City Power and ESKOM remain the primary power suppliers and JRA continues to liaise with them to restore power at signalized sites of concern.

- To reduce the impact of load management initiatives and power outages, the Department continues to keep the window open for installation of backup power from third parties, in addition to over 130 intersections which are already adopted.
- 100% of pole-over service requests have been resolved in less than 14 days of each report, in Q2 and YTD, as illustrated in the figure below, also in line with the company's business plan.



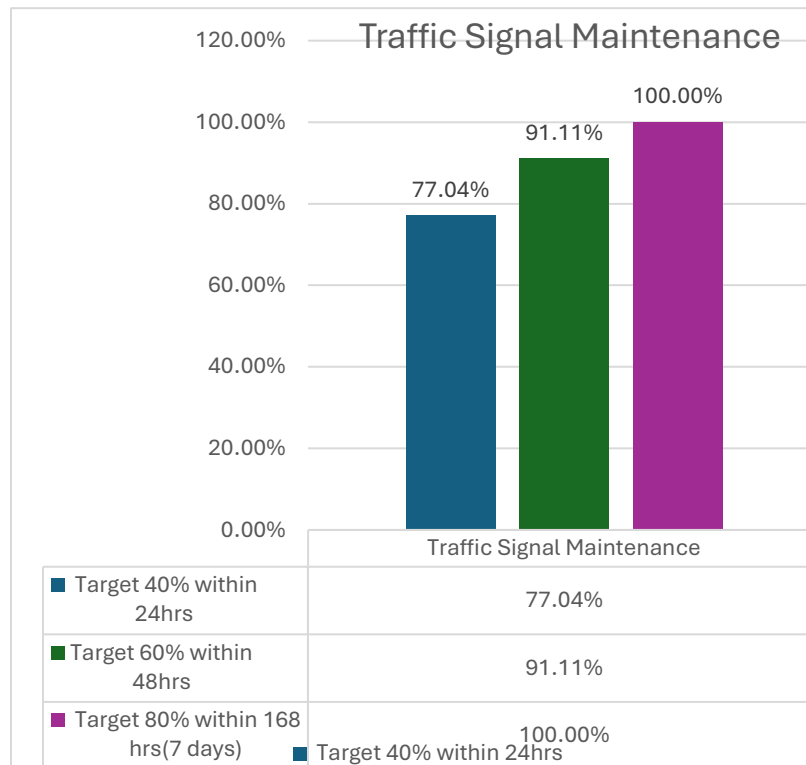
In addition to Pole-overs, theft and vandalism of signals infrastructure remain a serious challenge. JRA still requires over R70 million to restore over 365 sites that have been damaged, of which over 194 sites remain non-functional across the CoJ, with Region F being the highly affected, although region B, C, D and E collectively suffered the highest impact, as well as equally sharing the same.

Investigations, Signal Designs, Impact Assessments and Petitions Investigations

The table below illustrates performance on safety investigations, signal designs, traffic impact studies and petitions investigated.

		Annual	Q1	Oct 24	Nov 24	Dec 24	2nd Quarter	Half year
Number of road safety investigations completed	Target	300	75	30	25	20	75	150
	Actual	252	167	55	28	2	85	252
Number of signal designs completed	Target	200	40	20	20	20	60	100
	Actual	140	61	16	23	40	79	140
Number of Traffic Impact Assessment evaluated	Target	350	70	30	35	25	90	160
	Actual	147	70	47	21	9	77	147
Number of petitions investigated	90% of petition reports received investigated	Received	36	1	6	0	7	43
		Completed	36	1	6	0	7	43
		100%	100%	100%	100%	n/a	100%	100%

The graph below illustrates performance against traffic signal maintenance service standards.

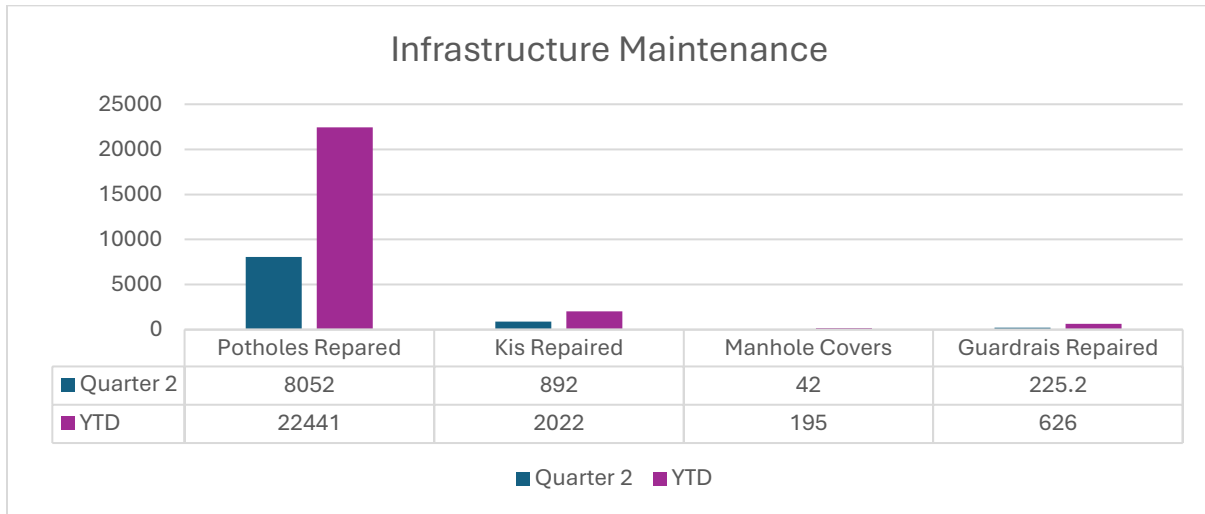


This graph illustrates JRA performance on Traffic Signal maintenance as per CoJ Customer Charter Standards. The JRA met CoJ service standards commitments in the period under review

vii. Infrastructure Maintenance

The JRA is responsible for both proactive and reactive maintenance of the road network within the City of Johannesburg. The activities include inter alia, different methodologies of routine maintenance, 8 582 potholes were repaired during the quarter under review. In

terms of other road maintenance, a total of 892 kerb inlets (KI) were unblocked and cleared. Furthermore, 42 manhole covers were replaced and 225.20m of guardrails were replaced as part of rain season preparations.



viii. Asphalt Performance

During quarter two (Q2) of the current financial year (2024/2025) the Asphalt Plant produced hot-mix asphalt with 100% plant availability (Zero breakdown).

Q2 2024/2025 (01 Oct To 31 Dec 2024)			
Region	Requested	Collected	Collection Rate
RSD Paving	14190	8677.44	61%
RSD Patching	2080	1123.46	54%
Region A	282	262.7	93%
Region B	572	332.76	58%
Region C	735	317.62	43%
Region D	385	333.08	87%
Region E	997	566.02	57%
Region F	467	308.56	66%
Region G	376	194.8	52%
Motorways	21.5	3	14%
Asphalt Sales	300	271.82	91%
Total	20405.5	12391.26	61%

ix. Support to SMMEs and EPWP

- a. **SMMEs Supported** – The JRA has a programme to support SMMEs and to create EPWP opportunities. In relation to SMME support, as at Q2, the JRA has supported 54 SMMEs against a target of 50.
- b. **EPWP Jobs Created** – In relation to EPWP opportunities created, as at Q2 the JRA

has created 140 EPWP opportunities against a target of 54. The numbers are linked to the implementation of capital projects in the JRA.

x. **Public Relation and Stakeholder Engagements**

Regional stakeholder engagements were held in various constituencies to ensure better-informed communities of road users. JRA’s branding was also set up at identified sites for brand visibility and maximum exposure. Some of these events include;

- **SMARTER Mobility Africa Summit** in Region A where the JRA sponsored a Silver Package at the conference, which included an exhibition booth designed to promote the agency's key activities and provide a platform for meaningful networking opportunities.
- **Metro Park Water Point** in Region F as part of CoJ cycling event, aimed at promoting a healthy lifestyle and encouraging non-motorized transport.
- The **ribbon-cutting ceremony in Zola**, celebrating the successful completion of the Maphumulo Bridge in Region D.
- The **ribbon-cutting ceremony in Ferndale**, and the sod-turning ceremony in Parktown, which officially marked the commencement of the stormwater remedial project.
- **Community Based Planning (CBP)** meetings aimed providing feedback on previous submissions for IDPs. The event also featured information sharing on various services and offerings provided by different departments and entities. Meetings were held in Regions C, D, F, G A, Region B, and E.

In the period under the review, the JRA also recorded the following customer relations issues.

Customer Relations Management				
Service Request type	October	November	December	Q2 Total
Potholes	1 338	1 418	1 002	3 758
Blocked Stormwater	163	143	867	1 173
Manhole Covers	62	49	70	181
Reinstatements	295	290	204	789
Road Markings	97	45	79	221
Pole Overs	15	21	19	55
Traffic Signals	642	635	357	1 634
Other (guardrails, bollards)	188	176	178	542
Switchboard	535	176	310	1 021

- Operation Restore remains a very effective programme in bringing Service query numbers down however with the sporadic rains in November, there was an increase in potholes queries.

IGR – Petitions Management

Currently, there are one thousand five hundred and forty-nine (1 549) petition requests received through the Speaker’s Office dating back from 2010. Ninety-five percent of these petition requests relates to traffic calming measures while:

- 5% pertains to various capex projects, for example request pedestrian foot bridges, storm water drainage system or upgrade for gravel roads.

No new petitions received in December 2024 and no investigation reports.

Update on management of petitions (2010-2024)			
Out of the 1 549 petitions received, total of 344 were closed, 876 remain opened and 329 on the spreadsheet awaiting implementation			
Region	Open	Closed	Awaiting Implementation
A	42	13	22
B	76	16	43
C	71	21	35
D	431	248	162
E	61	11	18
F	71	9	18
G	124	26	31
	876	344	329

Traffic Calming measures installed:

Petition no.	Ward	Suburbs	Streets	Quantity
P44/10/20	31	Orlando East	Sofasonke Street	4
P13/07/19	29	Noordgesig	Central Road	2
P13/07/19	29	Noordgesig	Stadium Road	4
P185/02/13	27	Diepkloof	Makhura street	6
P46/11/24	27	Diepkloof	Redshaw street	1
P216/05/04	27	Diepkloof	Montoeli street	2
P73/03/23	27	Diepkloof	Tau street	1
P47/11/24	27	Diepkloof	Bopanang street	1
P185/02/13	27	Diepkloof	Makhura street	6

- Due to budget unavailability, no petitions were implemented or closed.

Section 4: Performance Against Service Standards.

The JRA achieved 21 (100%) against twenty-one targets (See Annexure H).

Section 5: Performance Against Pre-Determined Objectives

There are thirty-two KPIs on the JRA Business Plan. Three of these KPIs were not due in Q2. Of the due KPIs (29) the JRA achieved 16 (55%) and failed to achieve 13 (45%) as reflected in the table below.

JRA Programmes	No. of KPIs	Achieved	Not Achieved	Not Due	%age
Institutional SDBIP KPIs	3	1	2	0	33%
Entity Scorecards KPIs	8	4	2	2	67%
Gatekeeper KPIs	11	5	5	1	50%
Circular 88 Indicators	10	6	4	0	60%
Total	32	16	13	3	55%

Institutional SDBIP KPIs

KPI No.	KPI	2024/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	YTD
1	Number of lane kilometres of roads resurfaced.	60 L/km	10 L/km	22.19 lkm	30lkm	47,86 lkm	The overall programme progressed faster than anticipated. The work was implemented City Wide by internal teams (RSD)	Not Applicable	47,86 lkm
2	Number of kilometres of gravel roads upgraded to surfaced roads	12.5 km	2.5 km	0 km	5km	1.47km	<ul style="list-style-type: none"> • Gravel Roads in Orange Farm Phase 4A – Ward 1 – Delays in appointing SMME’s, site closure by SMME, contractor management of SMMEs, inclement weather, underground water and Contractor cashflow problems. There we also delays due to Joburg Water sewer blocked drains flowing into works and relocation of powerlines by ESKOM. Overall progress is currently at 66% (Subgrade 89%; Subbase 74%; Base 0%; Stormwater 77%; Surfacing 0%). • Gravel Roads in Orange Farm Phase 4B – Ward 131 – Delays in appointment of SMMEs, inclement weather and underground water, Contractor performance and relocation of existing services. Overall progress is currently at 60% (Subgrade, 90%; Subbase, 83%; Base, 85%; Stormwater, 55%; Surfacing, 0%). • Orange Farm Gravel Roads Phase 4C – Delays as a result of community issues, termination of CLO, delays in appointment of SMMEs to start with the stormwater works. Overall Progress is currently at 48% (Subgrade, 95%; Subbase, 63%; Base, 0%; Stormwater, 76%; and Surfacing, 0%). • Diepsloot Gravel Roads Phase 6 – Project is underway after contractor appointed on 13/11/2024, stakeholder engagement and appointment of the CLO concluded by the 	<p>Though the target has not been met for the quarter, it should be noted that the entity has spent 44,52% of the allocated budget and will be able to meet the yearly target however, and in terms of reporting the KPI, all stages of road upgrade (which cover all road layers including final surfacing layer and stormwater system) should be completed in order to report a km.</p> <p>All stages of road upgrade might be complete but KPI (kms) cannot be reported as achieved until the road is surfaced as per the TID. The entity is currently revising the TID to report on all stages of the project.</p>	1.47km

KPI No.	KPI	2024/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	YTD
							<p>25/11/2025 and Site Establishment commenced on the 01/12/2024. Overall progress is at 5%</p> <ul style="list-style-type: none"> • Doornkop Thulani Gravel Roads Upgrade Phase 6 – Project affected by inclement weather; work-to-date is 0.4km. The remaining 0.6km will be undertaken in January 2025 when site re-opens. • Ivory Park upgrade of Gravel Roads phase 8 – Delays due to the resubmission of designs, however the designs have been approved. Procurement process of the contractor has commenced • Lawley Gravel Roads Upgrade Phase 5A and Lawley Gravel Roads Upgrade Phase 5B – Contractors are currently at 10% overall progress, commenced with work in November 2024. • Bramfischerville Gravel Roads Upgrade Phase 4 – Contractor has been terminated due poor performance. Procurement process for the appointment of a replacement contractor has commenced. Tshephisong Gravel Roads Upgrade Phase 7 – Contractor has surfaced 1.07km in Q2. Project overall progress is at 96%. 		
3	Number of kilometres of open storm water drains converted to underground systems	1.50 km	0km	Not Due	0.5km	0km	<ul style="list-style-type: none"> • Ivory Park Phase 7 – Delays due to the resubmission of designs. • Orange Farm- Palm Drive – Delays due to pending community engagements to prioritise Link road Project • Bramfischerville – Consultant is currently finalising the contract document for contractor procurement. 	<ul style="list-style-type: none"> • The designs have been approved and the RFQ for contractor was submitted in 11/12/2024 • Interventions were made and eventually the community agreed and the RFQ was submitted on the 24/10/2024 for 	0 km

KPI No.	KPI	2024/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	YTD
								<ul style="list-style-type: none"> Palm Drive. RFQ for procurement to be submitted in January 2025. Improved performance anticipated in Q3. 	

Entity Scorecard KPIs

KPI No.	KPI	24/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	YTD
4	Km of surface roads rehabilitated and reconstructed	0.4 km	0.km	Not Due	0.1km	0Km	Lilian Ngoyi Rehabilitation – Contractor terminated due to poor performance. The dispute delayed the appointment of a replacement contractor.	<p>A replacement Contractor has been appointed in Q2 and has completed site establishment.</p> <p>The KPI will also be included in the deviation report to be reduced to 0km as the work package 1 is scheduled to be completed on the 31st August 2025. Therefore, The 0.4km KPI will not be achieved in financial year 2024/25 as the road surfacing and road furniture will be implemented last based on the nature of the project.</p>	0 km
5	Number of bridges (Pedestrian & Vehicular) being reconstructed (replacement) and or rehabilitated	7 Bridges	3 Bridges	4 Bridges	4 Bridges	6 Bridges	<p>Progress on;</p> <ul style="list-style-type: none"> M2 Bridge from Maritzburg offramp to crown interchange); Platina Street Bridge Cellular Rehabilitation; Sjampanje Street Culvert; FNB Stadium Pedestrian Bridge 	Not Applicable	6 Bridges

KPI No.	KPI	24/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement / exceeding target	Action plan to improve performance	YTD
6	Number of SMMEs supported	90 SMMEs	25 SMMEs	31 SMMEs	50 SMMEs	54 SMMEs	The over achievement is attributed to the SMME appointment challenges being resolved which led to several SMME appointments being finalised.	Not Applicable	54 SMMEs
7	Number of signalised traffic intersections upgraded	30 Traffic Intersections	10 Traffic Intersections	0 Traffic Intersections	20 Traffic Intersections	0 Traffic Intersections	The Contractors were appointed at the end of Q2.	Contractors appointed in Q2, and It is anticipated that progress will increase in the following quarter and improved performance will be reported on the KPI.	0 Traffic Intersections
8	Number of EPWP jobs created	150 EPWP Jobs	30 EPWP Jobs	50 EPWP Jobs	54 EPWP Jobs	140 EPWP Jobs	The target was exceeded due to the acceleration of work on some projects and the implementation of Emergency projects has contributed to this overachievement.	Not Applicable	140 EPWP Jobs
9	Number of lane kilometres of roads resurfaced on M1 Motorway	1.5 L/Km	0L/Km	Not Due	0L/Km	Not Due	The planning for streets to be prioritized is in progress.	Not Applicable	Not Applicable
10	Number of lane kilometres of roads resurfaced on M2 Motorway	2L/Km	0L/Km	Not Due	0L/Km	5.66 lkm	The overall programme progressed faster than anticipated. The work was implemented City Wide by internal teams (RSD).	Not Applicable	5,66lkm
11	Number of lane kilometres of roads resurfaced on M70 Motorway (Soweto Highway)	2L/Km	0L/Km	Not Due	0L/Km	0lkm	Assessments have been undertaken and does not require resurfacing; budgets will be moved to city wide at budget adjustment	Not Applicable	Not Applicable

Gatekeeping (UISP) Indicators

KPI No.	KPI	24/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement / exceeding target	Action Plan To Improve Performance	YTD
12	Percentage spent on operating budget against approved operating budget	95%	95%	84%	95%	96.52%	Not Applicable	Not Applicable	96.52%
13	Percentage spent on capital budget against approved capital budget	90%	90%	109.14%	90%	152%	Not Applicable	Not Applicable	152%
14	Percentage spent on repairs and maintenance to property, plant and equipment	8%	8%	0.36%	8%	1.44%	It should be noted that in the main, repairs and maintenance is done on assets owned by the City. This means that when using the Repairs and Maintenance formula we are not comparing apples with apples. The formula is Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value). The Property, Plants and Equipment and Investment Property (Carrying Value) is not in JRA books but the City's books.	The JRA will request that this KPI be included in the mid-term deviation report as approved in 2024/25 financial year	1.44%
15	Percentage reduction in unauthorized, irregular, fruitless and wasteful (UIFW) expenditure incurred	50%	50%	0%	50%	0%	Delays in the process of addressing UIFW matters. Additionally there were new matters identified only after the regulatory audit is completed in December.	The adjustment of the target to better align with the operational realities of the investigation and reporting timelines, ensuring that efforts to reduce unauthorized, irregular, fruitless, and wasteful expenditure are accurately	0%

KPI No.	KPI	24/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement / exceeding target	Action Plan To Improve Performance	YTD
								measured and fairly assessed.	
16	Percentage of valid invoices paid within 30 days of invoice date	100%	100%	78.67%	100%	97.33%	The core reason for this non-compliance to the 100% target is cash flow constraints by the City, however there has been improvement from Q1.	Engagements with COJ to honour outstanding invoices as JRA is currently on overdraft.	88%
17	Percentage resolution of Internal Audit findings	95%	95%	68%	95%	83%	<ul style="list-style-type: none"> Resource constraints e.g., budget & human resources (infrastructure related corrective actions) Complexity of Issues (management of interdependencies to resolve complex audit findings) Interdependency delays i.e., SCM 	<ul style="list-style-type: none"> Internal Audit has also commenced with the tracking of both AGSA and Internal Audit findings on weekly basis through the Audit Steering Committee meetings. 	83%
18	Percentage resolution of AG findings	85%	85%	76%	85%	86%	Not Applicable	Not Applicable	86%
19	Audit Outcome	Unqualified without material finding	-	Not Due	Not Due	Not Due	Not Applicable	Not Applicable	Not Applicable
20	Percentage implementation of the strategic risk management action plan	90%	90%	89%	90%	100%	Some activities were initiated in Q1 contributing to positive performance in Q2	Not Applicable	100%
21	Percentage achievement of service standards	75%	75%	100%	75%	100%	Service delivery blitzes have assisted in resolving logged requests	Not Applicable	100%
22	Percentage of predetermined objective achieved	80%	80%	44%	80%	55%	Underperformance is attributed to various reasons including disruptions on project sites,	Action plans to improve performance have been provided for each KPI	55%

KPI No.	KPI	24/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement / exceeding target	Action Plan To Improve Performance	YTD
							moratorium on filling of vacancies, among others.	that has not been achieved.	

National Treasury Circular 88 KPIs

KPI No.	KPI	2024/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement and or exceeding target	Action plan to improve performance	(YTD)
23 (TR 6.2)	Number of potholes reported per 10km of municipal road network	Average 73	73	4	73	3	The resurfacing programme and service delivery blitzes have assisted in resolving reported road failures	Not Applicable	3
24 (TR 6.11)	Percentage of unsurfaced roads graded	50% (659km/1318km)	12.5% (165km/1318km)	11.55% (152,33 km / 1318km)	25% (330 / 1318km)	21.5% (283.76km / 1318)	Major Plant required for grading	Additional funding will be requested for Plant Hire. Depots also informed of targets per quarter and improved planning on achievements.	21.5%
25 (TR6.12)	Percentage of municipal road lanes which has been resurfaced and resealed	1.5 (26km/1711km)	0.25% (4km/1711 km)	1.2%	0.75% (10km / 1711km)	2.79%	The overall programme progressed faster than anticipated. The work was implemented City Wide by internal teams (RSD)	Not Applicable	2.79%
26 (TR6.13)	KMs of new municipal road network	25km	5km	1.8km	10km	6.42km	<ul style="list-style-type: none"> Delayed payment of contractors which led to suspension of projects by contractors until payments were made. This led to delays in the implementation of projects. No Works in Bramfischerville, awaiting appointment of replacement contractor. Tshepiso and Doornkop contributed to the 2.94km 	<ul style="list-style-type: none"> The contractor was terminated and Supply Chain process for the replacement contractor has been initiated for Bram Fischerville. Appointment is anticipated in Q3. Percentage Progress achieved in Orange Farm, Thulani/Doornkop, Diepsloot, Lawley, Drieziek and Orange Farm. 	6.42km

KPI No.	KPI	2024/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement and or exceeding target	Action plan to improve performance	(YTD)
								<ul style="list-style-type: none"> Overall progress achieved in Tshephisong is 96%, with 1,07km surfaced in December 2024. It is anticipated that progress will increase in the following quarter and an improved performance will be reported on the KPI. 	
27 (TR 6.21)	Percentage of reported potholes complaints resolved within standard municipal response time	40%: 14 days	40%: 14days	Total received within the period: 13243. Total repaired within 14 days: 10893 (82.25%)	40%: 14days	Total received within the period: 8620 • 83.82% (7225 repaired within 14 days:	N/A	Not Applicable	81.53%
		60%: 20 days	60%: 20 days	Total repaired within 20 days: 11417 (86.21%)	60%: 20 days	90.49% (7800) repaired within 20 days	N/A	Not Applicable	87.02%
		80%: 30 days	80%: 30 days	Total repaired within 30 days: 11950 (90.24%)	80%: 30 days	93.36% (8048) repaired within 30 days	N/A	Not Applicable	90.97%
28 (GG1.21)	Staff vacancy rate	10%	5%	4.6%	N/A	0.14%	Automation of the recruitment process has assisted in shortening the turnaround time.	Not Applicable	0.14%
29 (GG1.122)	Percentage of vacant posts filled within 3 months	1%	0.5%	3%	0%	0%	The JRA has implemented a moratorium due to the process of OD which is underway, only approved positions by the CEO are filled.	Not Applicable	3%

KPI No.	KPI	2024/25 Target	Q1 Target	Q1 Actual	Q2 Target	Q2 Actual	Reasons for non-achievement and or exceeding target	Action plan to improve performance	(YTD)
30 (GG.11)	Number of active suspensions longer than three months	≤28	13	18	10	22	Some cases had to be postponed due to circumstances outside of the employer's control	Long outstanding cases will be prioritised	22
31 (GG5.12)	Quarterly salary bill of suspended officials	≤ R12 000 000	< R12 000 000	R6,422 277. 82	R9 000 000	R 6,487,943.95	Internal processes have improved and have enabled the resolution of matters before suspensions	Not Applicable	R 6,487,943.95
32 (GG3.11)	Number of repeat audit findings	2	-	Not Due	2	4	<ul style="list-style-type: none"> • Resource constraints e.g., budget & human resources (infrastructure related corrective actions) • Complexity of Issues (management of interdependencies to resolve complex audit findings) • Interdependency delays i.e., SCM 	Internal Audit has also commenced with the tracking of both AGSA and Internal Audit findings on weekly basis through the Audit Steering Committee meetings.	-

CHAPTER 4: HUMAN RESOURCES AND ORGANISATIONAL MANAGEMENT

Section 1: Employee Remuneration Highlights and Achievements

Table 4.1: Total employee costs

Category	Q2 (R)
Executive Management	1,741,249.76
Senior Management	4,784,474.95
Professionally qualified and experienced specialists and mid-management	31,124,096.62
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	52,408,349.29
Semi-skilled and discretionary decision making	83,593,360.45
Total	248,811,021.06

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

R	Quarter 2 Cumulative
Total Salary Cost	430,022,326
Operating Budget 2024/25	1,581,000,000.00
% of Salary to Operating Budget	27%

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

Section 2: Key Vacancies

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

Vacant Post	Progress
Head: Corporate Service	Position filled
Head: Regional Operations	Position filled
Regional Operation Manager: Region D and E	Positions filled

Vacancy Rate

This section provides information about rate of vacancies against the total population of funded posts within the approved organisational structure. The company has 2523 authorised positions on the approved structure of which 1898 positions are funded and 897 are unfunded. Of the 1898 funded positions, 1506 are filled as of 31 December 2024. There are currently 120 active funded vacancies in the process of being filled.

Table 4.4: Vacancy ratio

Grade / Level	Authorised Complement	Number of funded Vacancies			
		Q1	Vacant	Q2	Vacant
Executive Management + HODs	9	1	11.11	1	11.11
Senior Management	36	7	19.4	3	8.33
Professionally qualified and experienced specialists and mid-management	100	7	7	10	10
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	218	39	17.88	41	18.80
Semi-skilled and discretionary decision making	944	49	5.1	51	5.4
Unskilled and defined decision making	1216	13	1	14	1.1
Total	2523	116	17.66	120	16.75

Staff Turn-Over

The total percentage of staff turnover versus the authorized staff numbers for the 2nd quarter is 0.38%) as illustrated in the table below:

Table 4.5: Staff Turnover

Turnover (Reason)	Q1	Q2	Total
Resignation	4	1	5
Death	0	2	2
Dismissal	0	0	0
Medical Boarding	0	0	0
Retirement	7	9	16
Contract Termination	0	0	0
Total	11	12	23

Staff Movement

The below table provides an illustration of the staff movement recorded during this reporting period.

Table 4.6: Staff Movement

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

Section 3: Employment Equity

The Employment Equity Committee meeting took place on the 24 October 2024. Table 5: Number of JRA Employees as of December 2024.

OCCUPATIONAL LEVEL (High Level)	MALE				FEMALE				TOTAL
	A	C	I	W	A	C	I	W	
Top Management	5				2				7
Senior Management	17		1	4	7			2	31
Professional Qualified	101	4	4	12	77	4	3	4	209
Skilled Technical	206	5		7	155	3		8	384
Semi-Skilled	584	3	4	7	270	3	1	3	875
Unskilled									
Temporary									
TOTAL	913	12	9	30	511	10	4	17	1506

JRA Workforce Profile during Q2 of 2024/2025

Description	MALE				FEMALE				TOTAL
	A	C	I	W	A	C	I	W	
Province population	45.30%	1.30%	1.90%	7.40%	35.70%	1.30%	1.00%	6.10%	
Current no employees	913	12	9	30	511	10	4	17	1506
Required no of employees to EAP	745	21	31	121	587	21	16	100	
Gap	-168	9	22	91	76	11	12	83	
Current %	62.40%	0.70%	0.40%	2%	32.50%	0.60%	0.10%	1.20%	100%
Gap %	-17%	0.6%	1.5%	5.4%	3.2%	0.7%	0.9%	4.9%	
Representation status	over	under	under	under	under	under	under	under	

Section 4: Skills Development and Training

Table 4.8: Status of skills development at JRA

Strategic Skills	Education and Training Priority	Internal Training Provider	External Training provider	Total Number of Training
Improve Efficiency	Degrees/Diplomas/Certificates (Employees)	-	21	21
	MFMP Executive Managers	-	6	6
	MFMP Senior Managers	-	1	1
	Apprentice (Electrical)	-	4	4
	Building Bridges Workshop (OD & Review)	-	803	803
Total				835

Section 5: Performance Management

The Performance Management unit completed the quality assurance process and the capturing of the performance scoresheets for employees at levels 2 to 9 for the 2023/2024 financial year. Additionally, the balanced scorecards and performance agreements for the 2024/2025 financial year have been submitted and captured. However, some documents are still undergoing quality assurance, and a number of balanced scorecards are being returned to employees for corrections to ensure alignment with the Performance Management and Development Policy.

Moderation sessions for employees at levels 6–9 were held on November 22, 2024, and for employees at levels 3–5 on November 25, 2024. The Internal Audit verification process began on November 25, 2024 and was concluded on December 6, 2024. The HCD unit received the signed Board resolution regarding the payment of bonuses for the 2023/2024 financial year. Performance bonuses are expected to be paid during December 2024.

Departments	PA and BSC submitted	Total Number of Employees	BSC submission percentage per department
CEO's Office	6	12	50
Infrastructure Development	26	31	83.870
Mobility and Freight	119	130	91.538
Planning	37	40	92.5
PR & Stakeholder Engagement	36	40	90
Finance	95	102	93.137
Corporate Services	59	92	64.130
PG&IT	34	38	89.473
Regional Operations	954	1001	95.304
Total	1 366 (91.924%)	1486	

Organizational Design

After several engagements with the JRA Board of Directors during November 2024, the Board approved the To-Be structure at the end of November 2024.

Since October 2024, the following project activities were recorded:

Project Activities	Number
Skills Transfer Sessions	1
Workshops with departments on To-Be structure and integration of digitization into the structure	22
Sessions to finalise the standardisation of job profiles & Competencies	2
Presentation to Executive management of the proposed To-Be structure:	2
Road Show sessions at all depots:	12

To-Be structure benchmarking exercise: The proposed To-Be structure was benchmarked against the structures of the following similar sized entities, and organisations: City Power,

Joburg Water, Ekurhuleni Roads & Stormwater ,SANRAL, Limpopo Roads Agency, SARS.

Change Management interventions:

- **Road shows to all depots:** This critical change management initiative ensured that the purpose and progress of the OD Review - Building Bridges to 2027 project reach all levels within the organization, promoting project awareness, encouraging participation, and keeping everyone informed.
- **Change Champions:** Change Champions were nominated to help spread awareness and facilitate communication within their units throughout the organizational design process. The Change Champions will share project updates, information, provide feedback and suggestions, as well as support their colleagues through the transition, and drive a culture of collaboration and openness.
- **Project Communication:** Project communication and awareness were maintained during this period with the already implemented channels, i.e. weekly newsletters, WhatsApp groups and the wearing of project branded shirts on Fridays.

Communication to all and participation by all employees were further encouraged with the following interventions:

- **Suggestion boxes** were placed at head office and all depots where employees can submit suggestions on how to improve on current project initiatives and processes to further improve buy-in and ensure project success.
- **Fridays' Coffee with HOD sessions:** HODs engage with their teams in an informal setting to discuss the progress on the OD project. These sessions are a valuable opportunity for the HODs to provide updates, gather feedback, and ensure that everyone is on the same page regarding the objectives and outcomes of the project. The informal atmosphere encourages open communication, allowing team members to share insights and contribute to the project's overall success.
- **OD Project Awareness competition:** Employees participated in a competition by answering 3 project related questions. 45 prizes were up for grabs!

Section 6: Disciplinary Matters and Outcomes

Disciplinary Cases conducted and finalized.

There are currently twenty-six (26) recorded cases of employees that are currently being conducted. The table below reflects the circumstances and duration of each of these cases.

Table 4.10 Suspensions at the JRA

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

SUSPENSION						
No	Employee Level	Position	Date Suspensions	Category of Violations	Details of Disciplinary Action taken or status of case	Legal fees incurred
1	Level 3	Ops Manager: SCM	2023.01.26	Alleged dishonesty by soliciting bribes from appointed contractors	A request giving permission to extend the scope of MMM Attorneys to initiate the disciplinary proceedings has been approved, the matter will be set down for the 3 rd quarter of the FY, dates to be confirmed.	No legal fees incurred yet.
2	Level 4	Manager: Internal Audit	19.10.2023	Alleged misconduct	Disciplinary hearing has been scheduled for February 2025, date to be confirmed; One of the employees was on maternity leave, hence the hearing for both employees was delayed as the matter is joint.	No legal fees incurred yet.
3	Level 4	Manager: Internal Audit	23.10.2023	Alleged misconduct	Disciplinary hearing has been scheduled for February 2025, date to be confirmed; One of the employees was on maternity leave, hence the hearing for both employees was delayed as the matter is joint.	No legal fees incurred yet.
4	Level 5	Assistant Manager: Wellness	28.11.2023	Alleged misconduct	Hearing scheduled for 15 January 2025	No legal fees incurred yet.
5	Level 9	Cleaner	24.04.2023	Alleged theft of laptops	An employee has since been recalled working, however, placed in a different depot due to shortage of resources, the hearing is due to commence in the 3 rd quarter of the year	No legal fees incurred yet.
6	Level 5	Assistant Manager: Fleet	13.02.2024	Alleged misconduct	Disciplinary hearing postponed, new date to be confirmed when all parties have agreed.	No legal fees incurred yet.
7	Level 6	Foreman	20.03.2024	Theft	Charges to be served before December recess	No legal fees incurred yet.
8	Level 6	Foreman	20.03.2024	Theft	Charges to be served before December recess	No legal fees incurred yet.
9	Level 6	Team Leader	20.03.2024	Theft	Charges to be served before December recess	No legal fees incurred yet.
10	Level 6	Team Leader	20.03.2024	Theft	Charges to be served before December recess	No legal fees incurred yet.
11	Level 6	Team Leader	20.03.2024	Theft	Charges to be served before December recess	No legal fees incurred yet.
12	Level 6	Team Leader	20.03.2024	Theft	Charges to be served before December recess	No legal fees incurred yet.
13	Level 6	Team Leader	20.03.2024	Theft	Charges to be served before December recess	No legal fees incurred yet.
14	Level 3	Operations Manager: Facilities	20.05.2024	Misconduct	Matter under investigation	No legal fees incurred yet.
15	Level 4	Depot Manager	21.05.2024	Misconduct	Matter under investigation	No legal fees incurred yet.
16	Level 4	Manager: Facilities	11.10.2024	Misconduct	Matter under investigation	No legal fees incurred yet.
17	Level 9	General Worker	11.10.2024	Misconduct	Matter under investigation	No legal fees incurred yet.
18	Level 9	General Worker	12.10.2024	Misconduct	Matter under investigation	No legal fees incurred yet.

19	Level 3	Operations Manager: CMU	23.08.2024	Misconduct	An initiator has been appointed, in the process of formulating the charges	No legal fees incurred yet.
20	Level 3	Operations Manager: Expenditure and Liabilities	14.10.2024	Misconduct	Matter under investigation	No legal fees incurred yet.
21	Level 9	General Worker	09.10.2024	Misconduct	Matter set down on the 18 December 2024 and postponed to January 2025	No legal fees incurred yet.
22	Level 4	Manager: Talent Acquisitions & Admin	24.10.2024	Misconduct	Matter under investigation	No legal fees incurred yet.

Conciliations, Arbitrations, and Grievances

The below conciliations and arbitrations are currently being conducted as reflected in the table below.

CONCILIATIONS, ARBITRATIONS AND LABOUR COURT MATTERS				
NO	NAME	NATURE OF DISPUTE	PROCESS	STATUS
1	Level 5	Unfair dismissal	Labour Court	Matter was set down at the Bargaining Council on the 25, 26 and 28 November 2024 and it was postponed to 13, 14 January 2025, 24, 25 26 and 27 February 2025
2	Level 3	Unfair dismissal	Labour Court	Awaiting date for Labour Court
3	Level 3	Self-Review of the internal disciplinary proceedings	Labour Court	Matter set for review at the Labour Court, date not yet communicated to parties.
4	Level 3	Unfair dismissal	Labour Court	Matter set down for the 05 November 2024, postponed for parties to enter into settlement, JRA filed for re-instatement, filed on the 11 November 2024

Employee Wellness

- The wellness unit has Hundred and one (101) active cases of which ten (10) were new referral received in the month of November 2024.
- Thirty-two (32) counselling sessions from the new and old referrals were conducted, two (02) were telephonic and thirty (30) were face-to-face.
- No external referral was made in the month of November 2024.

Other Wellness unit activities:

- Five (05) self-referrals; Eleven (11) Management referrals; Seven (07) peer/champ's referrals; and,
- One (01) referral made by the family members of the employees.

Increased number of management referrals confirm that management is taking initiatives in assisting employees by referring them to wellness for intervention. Common presenting problems include; absenteeism and substance abuse; personal, family / marital challenges; financial challenges; work related issues and trauma and grief. Financial challenges, substance abuse and absenteeism remain to be a challenge. Service provider – Metropolitan has been engaged to assist in conducting survey to all JRA employees with the aim to address financial challenges faced by the employees. The survey is anticipated to be conducted in the 3rd quarter. To address the issue of substance abuse in the workplace, SANCA and JMPD were engaged to assist in this regard. ER department anticipates commencing the process in the 3rd quarter.

Achievements

- Blood donation drive was conducted on 04 November 2024 and thirteen (13) employees donated blood.

- b) A Retirement Workshop to bid farewell to the ten (10) retirees who will be leaving employment in January 2025 was conducted on 06 November 2024. The event was held at the Johannesburg Zoo. Speakers from different external stakeholders and previously retired JRA employees shared their expertise to empower the retirees.
- c) JRA sports lovers received an invitation from the Department of Correctional Services to participate in the Interdepartmental Sports, Health, and Wellness Day on 20 November 2024. The JRA team Netball and Volleyball brought us pride by attaining 1st and 3rd positions respectively.
- d) Annual commemoration of 16 days of Activism against Gender-Based Violence and World Aids Day event was successfully attended by JRA and Transport employees on 04 December 2024 where external stakeholders from POWA, Lifeline, WITS-RHI and Metropolitan shed light on issues around gender-based violence, mental health, financial management and progress made on treatment of HIV/AIDS.

Section 7: Leave & Productivity Management

A summary of the leave provisions during the 2nd quarter is presented below.

Figure 4.12: Leave and productivity management.

Category	Number of leave days
Annual leave	11054
Sick leave	2082
Family Responsibility leave	265
Study leave	116
Long service leave	217
Extended sick leave	0
Unpaid leave	205
IOD Leave days	3

Section 8: Employee Wellness

The wellness unit has eighty (80) active cases of which thirteen (13) were new referral received in the first quarter of 2024. Thirty-one (31) counselling sessions from the new and old referrals were conducted, one (03) was a telephonic and twenty-eight (28) were face-to-face. No external referral was made to the external service provider for the month in question. Five (5) matters were finalized.

Training

Employee Wellness Officials received Basic Counselling Skills training to better equip themselves with situations that may arise. The central role of counseling skills is vital in the psychology field. These communication skills are developed in order to help individuals in tough situations to improve their level of functioning. These skills focus on the ways in which the person can be helped to learn their own solutions to problem situations. Counseling is a process in which an individual, the counselor, helps another individual, the counselee, in a setting that the counselor provides free from outside interference.

Section 9: Employee Benefits

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

Table 4.14: Pensions and Medical Aid Funds

	Name of the Medical Aid	No of employees
MEDICAL AID	Bonitas	324
	Key Health	116
	Sizwe Hosmed	56
	LA Health	339
	SAMWU Med	165
	Non members	506
	Total	1506
	Name of Fund	No of employees
PENSION FUNDS	E-Joburg	1311
	City of Johannesburg Pension Fund	125
	Municipality Gratuity & Pension Fund	68
	National Fund for Municipal Workers	1
	Employees who were given the option to have their own Retirement Annuity when employed by JRA	1
	Total	1506

Section 10: Occupational Health and Safety Programmes

Injury incidents at the company are reported using Disabling Injury Frequency Rate (DIFR) values. DIFR is defined as the number of disabling injuries per 200 000 employees' hours worked over a 12-month period (an accident resulting in the loss of one or more shifts). The acceptable and recommended best practice DIFR value is one (1). It is important to manage injury incidents to levels below the value of one. In the second quarter, fourteen (14) disabling occupational accidents were reported.

Table 4.15: Injuries on Duty

	Activity	Q1		Q2		Q3		Q4		Target / Comment
		23/24	24/25	23/24	24/25	23/24	24/25	23/24	24/25	
Injuries on Duty	Injuries on Duty (No reportable cases)	13	7	12	14	8		9		The acceptable and recommended best practice DIFR value is a value of one.
	Reportable Cases Rate (DIFR)	0,486	0,232	0,936	0,680	1,12		1,36		
	KPIs									

The table denotes that the DIFR is below the value of one (1) and is currently standing at 0,680, which is within the acceptable level of one (1). Table 4.15 demonstrates Q 2 recorded fourteen

(14) occupational accidents higher than (12) of the last financial year (2023/24). Recorded occupational accidents during Q 2 are as follows i.e. Dobsonville (5), Norwood (2), Head Office (2), RSD (1) Fleet and Plant (1), Motorways (1), Zandfontein (1), and Waterval (1).

Current implemented mitigating measures

The Safety and Health Environment (SHE) Unit recommended that an action plan be developed by the Regional Operations Department and Facilities Management unit to ensure that health and safety challenges are addressed towards maintaining a safe working environment that is hazard free for employees. Fourteen (14) recorded occupational accidents, sixteen (16) lost days and three (3) open cases to show that the employees have been unfit and require further medical treatment. Leading causes of accidents includes collisions with one or more vehicles, falling of machinery and tools, struck against the objects and losing control of motor vehicle. SHE unit attended Regional Operations meeting with the Head of Department and Depot Managers on 11 December 2024 to address the escalating number of accidents and other safety related challenges at the depots in order to improve the current state of health and safety compliance.

Table 4.16: Summary of Occupational Accidents (October – December 2024)

# Of Injuries	Depot	Summary of incident	Lost days	Mitigating
December 2024				
1	Dobsonville	An employee accidentally bumped the door injuring her forehead her right eye while exiting the office.	Still open	The depot manager should conduct behavior health and safety awareness to prevent same accident to happen.
1	Fleet and Plant	An employee accidentally bumped his head against the suction pipe mounted at the back of the truck and injured his left eye.	Still open	The line manager should conduct behavioral-based safety awareness with all employees to ensure that they focus on the activities that they are executing.
November 2024				
1	Head Office	A foreign object accidentally got into the employee's eye while removing rubble from the basement at the JRA 66 Pixley Ka Semme Street.	3	The line manager should conduct an incident investigation and establish corrective measures. It is recommended that the employees should be provided with adequate PPE including an eye protection - goggles when removing rubbles.
1	Norwood	An employee was loading a hot plate vibrator onto the truck when it slipped and fell, resulting in a burn injury on the arm.	0	The depot manager must investigate the incident, develop corrective actions, and conduct awareness for employees' safety while loading machines onto trucks.
October 2024				
2	Dobsonville	Employees (2) were travelling to the Head Office, at the intersection a public vehicle crushed into the oncoming truck causing the driver to lose control and hit a nearby fence,	2	The depot manager should investigate the incident, establish mitigation measures, and conduct driver safety awareness to prevent similar incidents from occurring.

		and a tree. Employees sustained injuries on the head, back, and chest.		
1		A truck ferrying employee to site was approaching a group of public members throwing stones at each other. The driver speed over a speed hump to avoid the attack, one of the employees hit against the roof of the truck sustaining a head and neck injury.	Still open	
1	Fleet and Plant	An employee was replacing a hydraulic pipe of the Jet-vac truck when the spanner slipped from the colleague's hand on top of the truck and injured his head.	2	The depot manager should conduct an incident investigation, establish corrective measures, and conduct safe working awareness with all employees.
1	Norwood	An employee was bumped by a passing public vehicle injuring his right leg while working on site.	0	The depot manager must investigate the incident, develop corrective actions, and conduct awareness for employees' safety while working on the roads.
1	RSD	An employee was bending while using a roller machine and sustained a lower back injury.	1	The depot manager must conduct an incident investigation and establish actions to prevent the reoccurrence of similar incidents.
1	Motorways	An employee fell from the truck while offloading signage with a colleague and sustained a fractured left rib.	2	The depot manager should investigate the incident, establish mitigation measures, and conduct safety awareness to prevent similar incidents from occurring.
1	Waterval	An employee was pulling a jet-vac pipe from the KI with the colleague and the pipe accidentally slipped and injured the face and the lower lip.	Still open	The depot manager should investigate the incident, establish mitigation measures, and conduct safety awareness to prevent similar incidents from occurring.
1	Head Office (Security)	The employee was exiting the building at the reception area when a colleague accidentally struck and injure the left index finger against the revolving entrance gate.	4	The manager should investigate the incident, establish mitigation measures, and conduct safety awareness to prevent similar incidents from occurring.

Occupational Health Service Programmes

Table 4.16: Medical Surveillance

Table 1: Exit Medicals

Exit Medicals	Depot	Total scheduled	Total completed	Total outstanding	Referrals: Suspected Noise-induced Hearing Loss (NIHL)	Referrals: Medical	
	October 2024						
	Traffic Signal	1	1	0	0	0	
	November 2024						
	Midrand	1	1	0	Not Tested	0	
	RSD	1	1	0	N/A	0	
	December 2024						
	Fleet and Plant	1	1	0	Not Tested	0	
	Strijdompark	1	1	0	Not tested	0	
	RSD	1	0	1	Not Tested	-	
Total	6	5	1	0	0		

The above table demonstrates that six (6) exit medical medicals were booked and five (5) attended.

Table 4.17: Occupational Health Awareness sessions conducted Quarter 2

Date (Month)	Depots	Number of participants	Theme
Traffic counts	9/10/2024	19	Cancer
Traffic Signal	9/10/2024	53	
Traffic Marking	10/10/2024	19	
Benrose	10/10/2024	39	
Fleet and Plant	11/10/2024	11	
RSD	16/10/2024	75	
Motorways	17/10/2024	55	
Laboratory	15/10/2024	12	
Strydompark	14/10/2024	41	
Avalon	21/10/2024	55	
Waterval	21/10/2024	57	
Dobsonville	22/10/2024	77	
Hamburg	23/10/2024	67	
Midrand	23/10/2024	72	
Total		652	

The table above shows the depots and employees (652) that attended health awareness sessions.

3.3 Hepatitis B Vaccinations:

Table 3: Hepatitis B Vaccinations:

Depots	Dates	Scheduled	Total Completed	Total Outstanding
October 2024				
Avalon	8/10/2024	17	15	2
Fleet and plant	8/10/2024	1	1	
Motorways	8/10/2024	1	1	
Midrand	22/10/2024	9	9	
November 2024				
Midrand	11/12/2024	9	8	1
Motorways	11/12/2024	1	1	

Fleet and Plant	11/12/2024	1	1	
Total		39	36	3

The above table demonstrates that thirty six (36) employees were vaccinated for Hepatitis B and three (3) were outstanding.

3.4 Pre-employment Medicals

Table 4: Pre-employment Medicals:

Total scheduled	Total completed	Total outstanding	Referrals: Suspected Noise-induced Hearing Loss (NIHL)	Referrals: Medical
November 2024				
131	126	5	Not Tested	16
December 2024				
16	13	3	Not tested	3
147	139	8	0	19

The above table shows that pre-employment medical surveillance with 147 booked and 139 attended, however 19 employees were referred for further medical assessment to the nearest health institution. The 8 outstanding employees will be rescheduled.

CHAPTER 5: FINANCIAL PERFORMANCE AND EXPOSURE

Section 1: Statement of Financial Position

(End of December 2024)

	2024-2025 R (000)
2024/2025 Operating loss as of 31 December 2024	R42,678
2024/2025 Cash on hand (Developer's account and loan to COJ)	R (7,208)
2024/2025 Accumulative Surplus (Loss)	(R593 387)

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

Section 2: Statement of Financial Performance

Component	2024/2025 Operating Budget	Q2 Projected amounts	Actual (24/25)	Variance	Comment
2024/2025 Income	R'000 R1 581 566	R'000 R790 783	R'000 R720 138	R'000 R70 645	Part of being under the projected income is that most capex December claims will be claimed January 2025.
2024/2025 Expenditure	R1 581 566	R790 298	R762 819	R 27,482	Underspent for the quarter
2024/2025 Surplus / (Deficit)	-		(R42 678)		

Notes to financial position / performance (as of 31 December 2024):

The 2024/2025 quarter 2 cumulative Actual Income is under budget by R 70 645 million.

This is due to the following reasons:

- Jobbings and reinstatements are over budget for the second quarter. There has been an increase in work costed and finalized. There was also billing for the BRT traffic signals that was billed in this quarter.
- Sales for asphalt has begun but not costed yet so not showing within this quarter.
- The Sundry Income is over budget for the period.
- The 2024/2025 Cumulative Operating expenditure is below budget the by R27 462 million, this is contributed to by the following reasons:

Over/Under spending:

- **2024/2025 Consulting fees:** Consultant Fees are underspent for the 2nd quarter, this is due to slow spending from user departments.
- **2024/2025 Audit Fees:** The audit fees are overspent for the quarter; audit has been in progress and was finalized in December but were within budget for this financial year.
- **2024/2025 Depreciation and asset impairment:** The depreciation is under budget in the second quarter, even though new assets have been purchased many are still in the WIP account. This should steadily improve in the next quarters.

- **2024/2025 Materials expenditure** Material costs for the quarter are under budget, there are transactions which have not been captured due to the power outage.
- **2024/2025 Leased Expenditure:** Leased expenditure is under budget for the second quarter. Several contracted service invoices like fleet have not been captured due to the early close of the period due to the holidays.
- **2024/2025 Municipal Charges:** Municipal charges are under budget for the quarter as operating costs for landlord and City of Johannesburg have not been captured on JDE.
- **2024/2025 Employee Costs:** Employee-related costs for the quarter are over budget, this is due the 13th cheque that was paid end of November. The performance bonus was also paid but the figure used was the actual for the previous financial year due to Finance not receiving the salaries on time from COJ for December.
- **2024/2025 Data Services:** Data services remain over budget for the current quarter. This is due to the number of contracts being paid from this budget. With the calculation done, this budget will be overspent at the end of the financial year. Some intervention is needed in this regard.
- **2024/2025 Security:** This budget is really overspent monthly and for the quarter. This budget will also be overspent at the end of the financial year. This is due the private security that is being paid monthly.
- **2024/202 Office Equipment:** Invoices for the photocopiers were delayed from the previous financial year and hence have pushed this quarter spend over budget.
- **2024/2025 Legal Expenses:** Legal expenses is overspent due to the number of cases that are in progress currently.

Section 3: Cashflow Statement

Refer to Annexure D for 2024/25 Cash Flow Statement

Section 4: Capital Projects and Expenditure.

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

Budget		Q1	Q2 Cumulative	Q3 Cumulative	Q4 Cumulative
2016-17 (R 1 472 946 000)	Expenditure	R 213,644 850	R 519 285 867	R 702, 044, 000	R 1, 288, 026, 000
	%	14,84 %	36,06%	47,7%	87,4%
2017-18 (R 1 121 086 000)	Expenditure	R 140 052 822	R 458 622 627	R 640 007 000	R 1,092,688,501
	%	11.5%	37,8%	57,1%	97, 4%
2018-19 (R 1 301 847 000)	Expenditure	R 162 494 005	R 494,151,605	R 681,126,046	R 1, 292, 145, 004
	%	13.5%	40,96%	52,32%	99%
2019-20	Expenditure	R 340 901 123	R 682 223 153	R 798, 736, 529	R 934, 521, 550
	%	29, 88%	59,8%	70%	82%
2020-21	Expenditure	R 66 059 812	R 204 845 109	R 320 170 903	R726 091 878

Budget		Q1	Q2 Cumulative	Q3 Cumulative	Q4 Cumulative
(R 978 195 300)					
	%	6,38%	19,78%	30,93%	74,23%
2021-22 (R 863 707 000)	Expenditure	R147 585 152	R354 669 469	R497 382 976	R736 361 602
	%	16,96%	40,76%	57,16%	85,26%
2022-23 (R 795 214 000.)	Expenditure	R149 453 580.77	R244,774 910	R373,803,734.38	675,298,475.78
	%	14%	22%	47.01%	85%
2023-24 (R 859,650,000.)	Expenditure	R177,323,358.73	461,849,606.55	R 539,535,410	R 731,556,222.00
	%	21%	46%	66.67%	97%
2024-25 (R 795,320,000.)	Expenditure	86,799,641.69	326,846,003.58		
	%	11%	41%		

Capital Projects & Expenditure (2024/2025 CAPEX expenditure)

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

Funding Sources

Table 5.1: Funding Source

Details	Budget (R'000)	Actual (R'000) (2024/2025)	2024/25 % Spent
COJ Funding	509,841,000.00	217,008,577.81	42.56%
USDG	285,479,000.00	109,837,425.77	38.47%
Total	795,320,000.00	326,846,003.58	41.10%

Section 5: Ratio analysis

Table 5.2: Summary Ratios

KEY RATIO	Target FDP	December 2024(2024/25)
Current ratio	1	0.73
Solvency ratio	2	0.90
Accumulated Surplus/(Loss)	R50M	(593,387)
Cash on hand	R50M	(7,208)
Salaries ratio	35%	27,50%
Repairs & Maintenance ratio	7%	1.44%

Notes
Salaries ratio: the total employee related cost is R 524,593,838 and the repairs and maintenance of road infrastructure employee cost component is R314,818,282. When the employee related cost related to repairs and maintenance of road infrastructure is deducted the actual employee related cost becomes R 209,775,556.
Although some of the FDP targets were not met on ratios, the company is financially sound.

Cost coverage: The 2024/2025 cost coverage ratio for JRA is 0.06 Months. This is calculated based on Cash on Hand (sweeping and developers contribution) divided by average monthly operating budget for expenditure.

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

Section 6: Supply Chain Management and BBBEE

Table 5.3: BBBEE Expenditure

	%
Total payments made (excluding payroll amounts) – R 167,620,322.24	54.86 (% Against a target of 75% p.a.).

Capex Percentage	72,149,107.03	25.86%
Opex Percentage	41,303,275.97	29.00%

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

Payment of suppliers within 30 days

	2024: Q1	2024: Q2	Target
% compliance in respect of payment of all Service Providers made within 30 days	July 100% August 64% September 98% Average 87.33%	October 94% November 99% December 99% Average 97.33	100%

The compliance rate on payment within 30 days for Quarter 2 is 97,33%. This is 18.66% higher than Quarter 1 (78.67%) for the 2024 financial year. Most payments could be executed per the Payment Plan due to cash flow availability. Interventions for cashflow approvals from the City were in the main successful. Defaulters’ reports were sent to respective units and an update will be communicated. Non-compliance with the 30 days payments per MFMA, s65, remains a challenge and risk to audit findings.

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

Irregular expenditure – The opening balance on the 1st of July 2024 is R 282,895,638, the movement for the year is R 33,412,287.15 and the board had authorised the writing off of R30,161,546.53 which brings the total accumulative amount of irregular expenditure to date to R 286,146,378.62.

Fruitless and Wasteful Expenditure – The Fruitless and Wasteful Expenditure incurred for Quarter 2 is R4,165,200.58 compared to R28,700.82 in Quarter 1. The main contribution to the increased fruitless & wasteful expenditure emanates from our negative bank balance i.e. interest on overdraft. The board had authorised the writing off of R883,339. The YTD amount is R87,723,022.58 which includes the opening balance of R84,441,161 from the previous financial years.

Deviations - For the Quarter 2 ending 31 December 2024, there were 2 deviation appointments. There is a total of (9) deviations of from July 2024 to 31 December 2024 which five (5) have an appointment amounted of R1,704,038.29 and the other Two (2) were appointed on rates. Deviations were approved by the Accounting Officer.

Debtors

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

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

The following summary of the Age Analysis for the 2nd Quarter by category of Debtor:

Description	Open Amount	%	Current	31 - 60	61 - 90	91 - 120	Over 120
Related Parties	833,958,002.67	97.07%	6,869,498.38	92,711,556.76	114,622,884.98	45,542,740.83	574,211,321.72
Other Government Entities	22,080,476.75	2.57%	1,032.01	-	-	-	22,079,444.74
Third Parties	3,093,286.19	0.36%	31,353.65	-	115,503.33	2,695.29	2,943,733.92
Total	859,131,765.61	100.00%	6,901,884.04	92,711,556.76	114,738,388.31	45,545,436.12	599,234,500.38

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

- i. That, the overall debtors' book shows a decrease from a figure of R868m to R 859,132 million in the financial year 2024/25. Furthermore, billing was stagnant for all other entities approaching December month due to limited completion of projects during this period.
- ii. Related Parties are those entities that fall within the ownership and control of the City of Johannesburg with whom the JRA does business. Under normal circumstances, the transactions between the entities are underpinned by the SLA failing which, a purchase order may become a trigger for doing business. The total amount owed by related parties' debtors was R834 million, which represented 97% of the total debtors. Related Parties pose minimal risk of payment to the JRA. The normal process requires all related entities to confirm the outstanding balances owing/owed to one another, as well as the transactions

that gave rise to those balances. This process ensures that all disputes are eradicated. Furthermore, due to the austerity measures of intercompany confirmations and reporting for each quarter and monthly, management is confident that the bulk of the invoices will be settled, as the departments clear all accrued transactions. Corporate Finance unit is continuously engaging with City of Johannesburg departments to resolve the queries being raised on old invoices.

- iii. Third Parties are non-government-owned and controlled entities. They account for 0.04% of the total debtors' book, an increase of 5% from the 1st quarter. Third party debtors amounting to R146k in this category have been created because of staff that have exited the JRA system with outstanding amounts. A debtor was raised in the 1st quarter amounting to R2,7m, for the auctioneering services of disposal of the JRA old assets has not been collected yet. The amount is over 120 days due to fact that few vehicles registration paper for vehicles that were sold are not yet obtained by the CoJ at the licensing department. The auctioneer will release the funds upon receipts of all registration papers. JRA is continuously engaging the CoJ to fast track the process with licensing department. Defaulting debtors are provided for against this category to the amount of R208 thousand as of the 2nd quarter. Follow-up process on any outstanding or due amounts still to be paid is performed to ensure recovery. Interest charges have been levied in the line item at prime rate on monthly basis.
- iv. Other Government Entities are owned and controlled by other spheres of government but fall outside the City of Johannesburg. This category of debtor's accounts for 3% of the overall book in the 2nd quarter. These debtors are stagnant and follow-up on the over 120 days due by the DRT and IDC is being made. A commitment to settle the account was made by DRT and IDC. However, the monies have not yet been paid into our account.
- v. **Bad Debts Provision**

The bad debts provision for the 2nd quarter remained at R83 million and was disclosed against JRA debtors. All debtors are assessed monthly, and provisions made and adjusted during the impairment & uncollectability assessment as per GRAP 104. The JRA provision is against the following debtors as per below schedule:

		Open A/R Summary
Address		
Number	Description	Amount
	JRA	
1545622	Prepayments and Developers Income	135,401.41
120624	Institute for Local Government	5,750.00
1589050	Malebe TV	9,916.04
1589048	Mavuso PP	12,275.00
1589046	Mohale SD	11,275.15
1589049	Ramotshwane ME	34,237.28
	Outstanding Metro Claims	83,309,658.00
	TOTAL	83,518,512.88

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

Table: Pending litigations and possible liabilities

Litigation area	Total number of cases
Contractual disputes	1
Delict (damages)	1
Labour (review applications)	0
Others (No relief sought from JRA)	1
Letters of Demand	5

Section 8: Statement on Amounts Owed

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

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

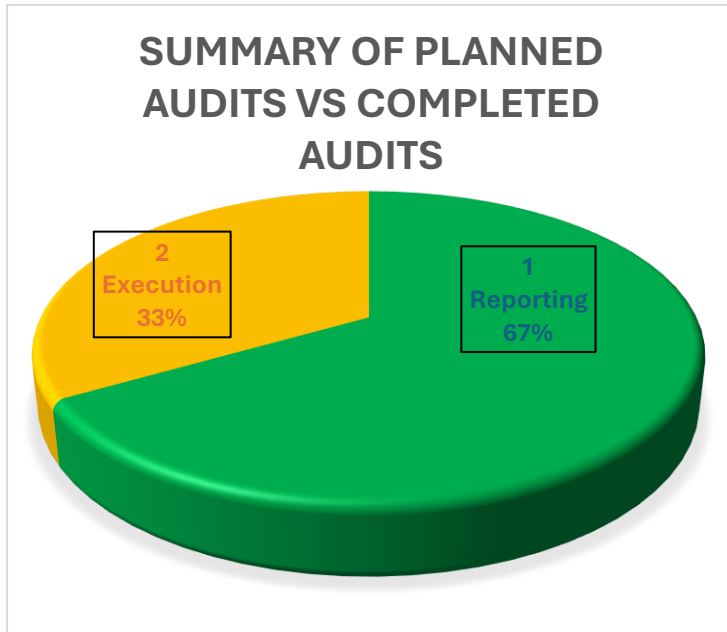
CHAPTER 6: INTERNAL AND EXTERNAL AUDIT FINDINGS

Section 1: Progress on Internal Audit Plan

Results of the audits completed within the quarter are presented in the figure below.

Table 6.1: Progress with audit plan

As of 31 December 2024, the following three audits were outstanding:



As of 31 December 2024, the following three audits were outstanding;

- Public Liability Management Follow-up Audit
- Occupational Health and Safety and Recruitment Audits:
- Asphalt Plant Management including waste management and Marketing and Communication

Section 2: Progress on the Resolution of Internal Audit Findings

In the preceding quarter, Internal Audit reported and monitored a total of 90 findings, with 44 being resolved, resulting in 46 remaining unresolved. 2 findings were added as they became due, bringing the monitored total to 48 transitioning into the second quarter. Over the course of Q2, Management successfully resolved 24 of these findings, which accounts for 50% of the total, (84% year-to-date).

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

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

Additional Actions by Internal Audit

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

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

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

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

Description	Total number of findings	Resolved between 1 July – 31 December 2024	Unresolved
Matters affecting the audit report	3	1	2
Other important Matters	2	1	1
Administrative matters	4	2	2
Total	9	4	5
% Resolution of AGSA Audit Findings		44%	56%

6.3.1.1. 2023/24 AG Audit

As indicated in the table above, during the first quarter, there were nine findings that were due, and out of these, 4 were resolved which translates to 44% and 86% year-to-date.





6.3.2 2022/23 AG repeat findings








Of the six repeat findings that were due in Q2, one was resolved in this quarter.

Section 4: Overall State of internal Controls

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

Table 6.3: State of internal controls

Name Audit Area	Date Completed	Opinion Expressed	Original Rating	Rating (Only applicable to follow up audits)
Occupational Health and Safety	December 2024	Adequate but ineffective		N/A
Recruitment Audit	December 2024	Adequate but ineffective		N/A
Employee Relations and Wellness Management Follow Up	December 2024	Adequate but ineffective		

Name Audit Area	Date Completed	Opinion Expressed	Original Rating	Rating (Only applicable to follow up audits)
EPWP (follow – up)	December 2024	Adequate but ineffective		
Corporate Governance	December 2024	Adequate but ineffective		N/A
Audit of Performance Information Audit Q4	December 2024	Adequate but ineffective		N/A
Probity Audits Q2	December 2024	Adequate but ineffective		N/A
RFQ closing process Q2	December 2024	Adequate and effective		N/A
Bids closing process Q2	December 2024	Adequate and effective		N/A

ANNEXURES

Annexure A: Board Fees Schedule

Committees	Fees Per Sitting
Board or Group Advisory Committee Chairperson Fee	R16 000
Board or Group Advisory Committee Member Fee	R12 000
Chairperson of an ME Audit and Risk Committee And When Attending GAC Meeting	R10 000
Ordinary Member of Audit and Risk Committee	R8 000
Chairperson of Remuneration and Human Resources and Social Ethics Committee	R10 000
Ordinary Member of Remuneration and Human Resources and Social Ethics Committee	R8 000
Chairperson of Service Delivery Committee	R10 000
Ordinary Member of Service Delivery Committee	R8 000

Annexure B: Attendance to Board and Board Committee Meetings

Non-Executive Directors (NEDs)	REMSEC 10-10-2024	SDC 11-10-2024	AFR&ITC 15-10-2024	Board 29-10-2024	SPECIAL MEETINGS	Special REMSEC 26-11-2024	Special AFR&ITC 26-11-2024	Special SDC 27-11-2024	Special BOARD 29-11-2024	Special REMSEC 02-12-2024	Special BOARD 05-12-2024
Simon Clarke	n/a	n/a	n/a	✓		n/a	n/a	n/a	✓	n/a	✓
Andre Smith	✓	n/a	n/a	✓		✓	n/a	n/a	✓	✓	✓
Daniel Nyamazane	n/a	n/a	✓	✓		n/a	✓	n/a	✓	n/a	✓
Bruce Nimmerhoudt	n/a	✓	n/a	✓		n/a	n/a	✓	✓	n/a	✓
Ravendran Govender	✓	n/a	n/a	✓		✓	n/a	n/a	✓	✓	✓
Cleopatra Lourens	✓	n/a	n/a	✓		✓	n/a	n/a	✓	✓	✓
Kabelo Mofokeng	✓	n/a	n/a	✓		✓	n/a	n/a	✓	✓	✓
Sharon Kleinbooi	✓	n/a	n/a	✓		✓	n/a	n/a	✓	✓	✓
Siphosethu Mtanzeli	n/a	✓	n/a	✓		n/a	n/a	✓	✓	n/a	✓
Zenzokuhle Xaba	n/a	✓	n/a	✓		n/a	n/a	✓	✓	n/a	✓
Omphemetse Mokgosi	n/a	✓	n/a	✓		n/a	n/a	✓	✓	n/a	✓
INDEPENDENT AUDIT COMMITTEE (IAC)											
Nison Khosa	n/a	n/a	✓	n/a		n/a	X	n/a	n/a	n/a	n/a
Derek Martin	n/a	n/a	✓	n/a	n/a	✓	n/a	n/a	n/a	n/a	
Alvarno Francis	n/a	n/a	✓	n/a	n/a	✓	n/a	n/a	n/a	n/a	

✓: denotes attendance
X: denotes absenteeism
n/a: denotes not applicable

Annexure C: Statement of Financial Position As At December 2024

		2025 June R'000	2024 June R'000
Assets	Notes		
Current assets		938,691	1,351,368
Inventories	5	86,767	64,675
Loan to Shareholders - Sweeping	15	(495,159)	176,261
Trade and other receivables	4	859,132	670,332
Cash and Cash Equivalents	6	487,952	440,099
Non-Current assets		253,055	267,372
Property plant and equipment	1	199,089	211,962
Intangible Assets	2	2,099	2,185
Employee benefits investment	3	51,867	53,225
Total Assets		1,191,746	1,618,740
Liabilities			
Current Liabilities		1,285,111	1,686,088
Trade and other payables	10	1,057,594	1,405,921
Finance lease obligations	9	15,257	15,257
Operating Lease Liability	16	-	-
Loan from Shareholders - Overdraft		-	-
Taxation	14	-	-
Provisions	12	212,261	264,909
Non-Current Liabilities		35,222	37,523
Employee benefit obligations	8	35,222	37,253
Finance lease obligations	11	-	-
Total Liabilities		1,320,333	1,723,339
NET ASSETS		(128,587)	(104,599)
Equity		(128,587)	(104,600)
Contribution from owner	7	464,800	446,108
Accumulated Surplus		(593,387)	(550,708)

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

JOHANNESBURG ROADS AGENCY (PTY) LIMITED			
		2024	2024
		September	June
		R'000	R'000
	Note		
Cash Flows from Operating Activities			
Cash used in operations	13	(625,791)	(52,413)
Interest income		5,953	(13,828)
Finance Costs		-	-
Net Cash from operating activities		(619,838)	(66,241)
Cash flows from investing activities			
Purchase of property, plant and equipment		-3,597	(10,461)
Proceeds from sale of property, plant and equipment			-
Increase/(Decrease) in Developers contribution		671,421	30,316
Decrease in Loan to shareholder			-
Net Cash from investing activities		677,824	19,855
Cash Flow from Financing Activities			
Decrease in shareholder's loan		-	(8,840)
Repayment of finance lease obligations-noncurrent			17,397
Net Cash From financing activities		-	8,557
Total Cash Movement for the period		47,985	(37,829)
Cash at the beginning of the period		440,099	477,928
Total cash at the end of the period		488,085	440,099

Project Number	Project Description	Source of funding	Original Budget	Actual Expenditure	Open Commitments	YTD Expenditure	Budget Variance
60012025.24100.306	Tarring of Gravel Roads: Diepsloot	USDG	49,000,000.00	11,570,735.51		11,570,735.51	37,429,264.49
60062025.24100.306	Tarring of Gravel Roads: Mayibuye	USDG	10,000,000.00	1,229,291.63		1,229,291.63	8,770,708.37
60072025.24100.306	Tarring of Gravel Roads: Orang	USDG	70,000,000.00	42,157,340.44		42,157,340.44	27,842,659.56
60092025.24100.306	Tarring of Gravel Roads: Tshepisoong	USDG	20,000,000.00	10,063,478.36		10,063,478.36	9,936,521.64
60102025.24100.306	Tarring of Gravel Roads: Kaalf	USDG	15,000,000.00	9,445,184.13		9,445,184.13	5,554,815.87
60152025.24100.301	Bridge Rehabilitation	EFF	45,183,000.00	27,884,227.10		27,884,227.10	17,298,772.90
60162025.24100.305	Bridges: Visual Condition Asse	CRR	4,000,000.00	3,628,200.67		3,628,200.67	371,799.33
60172025.24100.301	Bridges: Replacement of bridge	EFF	12,280,000.00	2,731,524.08		2,731,524.08	9,548,475.92
60172025.24100.305	Bridges: Replacement of bridge	CRR	32,121,000.00	16,411,348.97		16,411,348.97	15,709,651.03
60242025.24100.301	Emergency Stormwater Improvement	EFF	9,500,000.00			-	9,500,000.00
60302025.24100.306	Klein Jukskei Catchment: Bond	USDG	9,500,000.00	1,440,694.54		1,440,694.54	8,059,305.46
60332025.24100.305	Conversion of Open Drains Bram Fischer	CRR	10,148,000.00	2,525,832.34		2,525,832.34	7,622,167.66
60352025.24100.305	Conversion of Open Drains Orange Farm	CRR	15,270,000.00	354,344.64		354,344.64	14,915,655.36
60372025.24100.305	Operational Capital: Depot upgrades	CRR	13,595,000.00	3,932,120.46		3,932,120.46	9,662,879.54
60392025.24100.305	Operational Capital	CRR	5,595,000.00	270,642.48	1,112,622.15	1,383,264.63	4,211,735.37
60422025.24100.305	Dam Safety Rehabilitation	CRR	5,472,000.00	233,040.90		233,040.90	5,238,959.10
60452025.24100.305	Integrated Roads and Stormwate	CRR	9,487,000.00	3,465,601.23		3,465,601.23	6,021,398.77
60462025.24100.305	Investigate and Design Future	CRR	2,400,000.00	1,359,132.72		1,359,132.72	1,040,867.28
60472025.24100.301	Emergency, Critical and urgent	EFF	40,946,000.00	36,183,479.30		36,183,479.30	4,762,520.70
60512025.24100.305	Geometric Improvements	CRR	1,440,000.00			-	1,440,000.00
60532025.24100.305	Alternative Power Sources (LE	CRR	1,600,000.00		1,560,545.58	1,560,545.58	39,454.42
60542025.24100.301	Alternative Power Sources (UPS	EFF	4,750,000.00	36,060.00	1,153,215.24	1,189,275.24	3,560,724.76
60562025.24100.305	Installation of New Warranted	CRR	4,000,000.00	197,105.00	3,704,990.14	3,902,095.14	97,904.86
60582025.24100.305	Recabling of Traffic Signals	CRR	22,023,000.00		16,482,372.75	16,482,372.75	5,540,627.25
60592025.24100.305	Remote Monitoring	CRR	1,200,000.00	107,986.00	1,060,979.11	1,168,965.11	31,034.89
60602025.24100.305	SARTSM	CRR	14,319,000.00		11,595,103.00	11,595,103.00	2,723,897.00

60622025.24100.305	Upgrading of Traffic Signal Co	CRR	11,134,000.00	3,962,617.00	6,886,095.40	10,848,712.40	285,287.60
60632025.24100.305	Upgrading Controllers and Phase	CRR	1,800,000.00		1,755,594.30	1,755,594.30	44,405.70
60642025.24100.305	GIS Improvement	CRR	2,400,000.00			-	2,400,000.00
60662025.24100.301	Rehabilitation of Open Channel	EFF	5,000,000.00			-	5,000,000.00
60662025.24100.305	Rehabilitation of Open Channel	CRR	7,200,000.00			-	7,200,000.00
60682025.24100.305	Resurfacing of M1 Motorway	CRR	4,000,000.00			-	4,000,000.00
60692025.24100.305	Resurfacing of M2 Motorway	CRR	5,669,000.00	837,183.97		837,183.97	4,831,816.03
60702025.24100.306	Resurfacing of Soweto Highway	USDG	5,368,000.00			-	5,368,000.00
60712025.24100.301	Resurfacing of Roads	EFF	51,422,000.00	35,953,181.16		35,953,181.16	15,468,818.84
60712025.24100.305	Resurfacing of Roads	CRR	19,104,000.00			-	19,104,000.00
60752025.24100.305	Spencer Road New Link New Road	CRR	2,400,000.00	144,299.50		144,299.50	2,255,700.50
60812025.24100.301	Richards Drive Upgrading Renew	EFF	4,750,000.00			-	4,750,000.00
60892025.24100.305	Vorna Valley	CRR	1,440,000.00	1,626,008.23		1,626,008.23	-186,008.23
60942025.24100.301	Flooding intervention and alle	EFF	3,439,000.00	3,706,722.15		3,706,722.15	-267,722.15
60942025.24100.306	Flooding intervention and alle	USDG	7,961,000.00	7,961,000.00		7,961,000.00	-
60972025.24100.306	Tarring of Gravel Roads: City	USDG	60,000,000.00	26,088,874.95		26,088,874.95	33,911,125.05
60982025.24100.301	Rehabilitation of aged and incapacitated infrastructure	EFF	2,400,000.00	750,450.41		750,450.41	1,649,549.59
60992025.24100.305	River rehabilitation and erosion	CRR	3,200,000.00	621,113.05		621,113.05	2,578,886.95
61152025.24100.306	Upgrade roads Klipfonteinview	USDG	14,250,000.00	-250,213.58		-250,213.58	14,500,213.58
61162025.24100.301	Stormwater Conversion: wards	EFF	2,750,000.00	137,663.17		137,663.17	2,612,336.83
61162025.24100.306	Stormwater Conversion: wards	USDG	7,000,000.00			-	7,000,000.00
61172025.24100.301	Capital Equipment New Plant an	EFF	22,325,000.00	14,962,500.00		14,962,500.00	7,362,500.00
61182025.24100.306	Tarring of gravel roads: Ivory	USDG	17,400,000.00	131,039.79		131,039.79	17,268,960.21
61232025.24100.305	Intelligent Transport Systems	CRR	2,400,000.00			-	2,400,000.00
61242025.24100.305	Traffic Management Centre	CRR	3,080,000.00	65,016.76	2,786,000.24	2,851,017.00	228,983.00
61262025.24100.305	RAMS-Visual Condition Assessment	CRR	2,500,000.00			-	2,500,000.00
61272025.24100.305	Boundary Road(Eldorado) Upgrade	CRR	2,000,000.00			-	2,000,000.00
61352025.24100.301	Lillian Ngoyi Region F	EFF	94,099,000.00	6,823,658.61		6,823,658.61	87,275,341.39
			795,320,000.00	278,748,485.67	48,097,517.91	326,846,003.58	468,473,996.42

Annexure F: JRA Detailed Income Statement

Description	Q2 Actual Amount	Q2 Budget Amount	Variance Amount	Variance %	YTD Actual	YTD Budget Amount	YTD Variance Amt	YTD Variance %	Current Year Total Approved Budget
REVENUE					000	000	000		
RENT RECEIVED	-	1,339	-1,339	-100.00%	2,038	2,678	-640	-23.89%	5,355
COJ MAINTENANCE	348,650	348,650	-	0.00%	697,301	697,301	-	0.00%	1,394,601
MANAGEMENT FEES	4,838	7,162	-2,324	-32.45%	5,868	14,325	8,456	-59.03%	28,649
TOTAL REVENUE	353,488	357,151	-3,663		705,207	714,303	-9,096		1,428,605
DIRECT COSTS									
MATERIAL COST	16,881	26,817	9,936	37.05%	37,370	53,633	16,264	30.32%	107,267
EXTRA ITEMS	-2,232	-	2,232	100.00%	4,127	-	4,127	100.00%	-
STOCK ADJUSTMENT	3,516	-	3,516	-100.00%	3,516	-	-3,516	-100.00%	-
TOTAL DIRECT COST	18,166	26,817	8,651		36,758	53,633	16,875		107,267
GROSS PROFIT	335,322	330,335	4,988		668,448	660,669	7,779		1,321,338
OTHER INCOME									
RECOVERIES TELEPHONES CALLS,FAXES	0	-	0	100.00%	0	-	0	100.00%	
ASPHALT SALES	-	25,000	25,000	-100.00%	-	50,000	-50,000	-100.00%	100,000
INTEREST FROM INTERCOMPANIES	5,578	5,943	11,521	-193.87%	6,109	11,886	-17,995	-151.40%	23,772
INTEREST RECEIVED DEBTOR	146	-	146	100.00%	156	-	156	100.00%	248
INTEREST RECEIVED FROM BANK	-	-	-	0.00%	-	-	-	0.00%	

Description	Q2 Actual Amount	Q2 Budget Amount	Variance Amount	Variance %	YTD Actual	YTD Budget Amount	YTD Variance Amt	YTD Variance %	Current Year Total Approved Budget
JOBBINGS	5,123	3,328	1,796	53.96%	5,125	6,655	-1,530	-22.99%	47,994
DEVELOPERS CONTRIBUTION	-	-	-	0.00%	-	-	-	0.00%	
REINSTATEMENTS	7,511	3,787	3,724	98.32%	8,822	7,575	1,247	16.47%	17,742
ROAD CLOSURES	302	-	302	100.00%	363	-	363	100.00%	612
DCP TESTING	18	66	48	-72.53%	18	132	-114	-86.26%	252
INSURANCE CLAIMS	3,497	-	3,497	100.00%	3,497	-	3,497	100.00%	
SUNDRY INCOME	2,072	116	1,956	1683.79%	3,058	232	2,826	1216.59%	7,297
TOTAL OTHER INCOME	13,091	38,240	25,149		14,931	76,480	-61,549		152,961
INDIRECT COSTS									
ADVERTISING	145	141	4	-2.67%	229	283	54	19.05%	566
AUDITORS REMUNERATION FEES	4,161	1,170	2,991	-255.64%	4,374	2,340	-2,034	-86.92%	4,680
BANK CHARGES	13	21	9	41.01%	28	43	15	34.85%	86
FINANCE CHARGES	-	743	743	100.00%	-	1,485	1,485	100.00%	2,971
CONSULTING FEES	1,200	4,212	3,012	71.52%	2,692	8,424	5,732	68.05%	16,847
CONTRACTORS JRA	14,192	10,050	4,143	-41.22%	18,010	20,100	2,090	10.40%	40,199
CONTRACTORS OUTSOURCED	1,554	4,521	2,967	65.63%	2,154	9,043	6,889	76.18%	18,085
CONSUMABLES	4,843	3,429	1,414	-41.23%	6,851	6,858	7	0.11%	13,716

Description	Q2 Actual Amount	Q2 Budget Amount	Variance Amount	Variance %	YTD Actual	YTD Budget Amount	YTD Variance Amt	YTD Variance %	Current Year Total Approved Budget
DEPRECIATION	8,344	17,345	9,001	51.89%	16,689	34,691	18,002	51.89%	69,381
DIRECTORS EMOLUMENTS	662	622	40	-6.51%	1,358	1,244	-115	-9.22%	2,487
ENTERTAINMENT	23	26	2	9.48%	62	52	-10	-19.13%	103
CORPORATE PROMOTIONS	251	198	53	-26.63%	593	397	-196	-49.48%	793
INSURANCE	5,202	4,722	480	-10.17%	10,302	9,444	-858	-9.09%	18,888
INTERCOMPANY CHARGES	-	655	655	100.00%	-	1,311	1,311	100.00%	2,621
INTEREST AND PENALTIES	0	0	0	-236.00%	0	0	-0	-263.00%	0
LEASED CONTRACT SERVICES	51,657	26,410	25,248	-95.60%	65,684	52,819	-12,865	-24.36%	105,638
OFFICES(PARKING)	525	1,975	1,450	73.42%	2,325	3,950	1,625	41.14%	7,901
OFFICE BUILDING(RENTAL)	2,493	11,496	9,003	78.31%	13,056	22,993	9,937	43.22%	45,986
OFFICE EQUIPMENT	2,405	593	1,812	-305.68%	2,705	1,186	-1,519	-128.14%	2,371
LEGAL EXPENSES	-212	1,296	1,509	116.39%	3,463	2,592	-871	-33.58%	5,185
LICENSES	400	948	548	57.78%	1,056	1,896	840	44.32%	3,792
MAGAZINES, BOOKS AND PERIODICALS	154	120	34	-28.00%	154	240	86	36.00%	480
MUNICIPAL SERVICES CHARGES	3,753	5,279	1,526	28.91%	8,857	10,557	1,701	16.11%	21,115
STATIONARY	-	593	593	100.00%	-	1,185	1,185	100.00%	2,370
PRINTING	570	726	156	21.49%	570	1,453	882	60.75%	2,905
REPAIRS & MAINTENANCE	2,122	2,163	40	1.87%	2,860	4,325	1,465	33.88%	8,651

Description	Q2 Actual Amount	Q2 Budget Amount	Variance Amount	Variance %	YTD Actual	YTD Budget Amount	YTD Variance Amt	YTD Variance %	Current Year Total Approved Budget
STRATEGIC PLANNING	24	28	4	14.18%	50	56	6	10.66%	112
EMPLOYEE & RELATED COSTS	277,036	253,018	24,018	-9.49%	517,255	506,036	-11,219	-2.22%	1,012,072
INTERNS STIPEND COST	-	15	15	100.00%	-	30	30	100.00%	59
PLACEMENT FEES	-	12	12	100.00%	-	25	25	100.00%	50
EMPLOYEE WELLNESS	28	94	66	70.57%	46	187	141	75.18%	374
SECURITY	8,439	2,314	6,125	-264.62%	10,698	4,629	-6,069	-131.12%	9,258
TELEPHONE & FAX	-	-	-	0.00%	-	-	-	0.00%	-
TRAINING	205	1,221	1,016	83.20%	502	2,443	1,941	79.45%	4,886
CONFERENCES AND SEMINARS	-	47	47	100.00%	90	94	4	4.19%	187
TRAVEL EXPENSES	-	35	35	100.00%	138	70	-68	-97.28%	140
DATA SERVICES	5,339	2,989	2,350	-78.64%	10,676	5,977	-4,699	-78.61%	11,955
REALISED GAINS/LOSSES	428	8	421	-5608.57%	578	15	-563	-3750.16%	30
TOTAL INDIRECT COST	395,958	359,235	36,723			704,103	718,469	14,366	1,436,939
OPERATING PROFIT	47,544	9,340	56,884		20,724	18,680	-39,404	62,275	37,360
INTERNAL TRANSFERS									
CONSULTING FEES	92	289	197	68.21%	92	578	486	84.10%	1,155
EMPLOYEE & RELATED COSTS	7,361	2,003	5,358	-267.49%	7,339	4,006	-3,333	-83.20%	8,012

Description	Q2 Actual Amount	Q2 Budget Amount	Variance Amount	Variance %	YTD Actual	YTD Budget Amount	YTD Variance Amt	YTD Variance %	Current Year Total Approved Budget
INTERCOMPANY CHARGES	3,553	2,132	- 1,421	-66.67%	3,553	4,263	711	16.67%	8,526
LEASED CONTRACT SERVICES	860	2,816	1,956	69.47%	5,369	5,632	263	4.66%	11,264
LEGAL EXPENSES	5,122	1,759	- 3,362	-191.12%	5,602	3,519	-2,084	-59.22%	7,037
PRINTING	-	25	25	100.00%	-	49	49	100.00%	98
TRAINING	-	75	75	100.00%	-	150	150	100.00%	299
TOTAL INTERNAL TRANSFERS	16,986	9,098	- 7,889		21,955	18,196	-3,759		36,391
NET INCOME BEFORE TAX	- 64,530	- 242	- 64,773		- 42,678	- 485	-43,163		969

Annexure G: Notes to Financial Statements

			December '24 'R'000	June 24'R'000
1. Property, plant and equipment		Accumulated	Carrying	
	Cost	Depreciation	Value	
	R'000	R'000	R'000	
Buildings	91,685	25,281	66,604	63,672
Land	17,294	-	17,294	17,294
IT Equipment	58,516	47,842	10,674	14,713
Furniture and Fittings	16,273	12,756	3,516	3,995
Office Equipment	4,812	2,897	2,439	2,439
Motor Vehicles	63,106	31,360	40,695	40,695
Tools and Loose Gear	181	68	131	131
Assets (WIP)	63,307	-	63,175	63,175
Plant and Machinery	131,287	126,782	4,506	5,849
Total	446,461	247,372	199,089	211,962
2. Intangible Assets				
Assets (WIP)	-		-	
Computer Software	14,836	12,737	2,099	2,185
Total	14,836	12,737	2,099	2,185
3. Employee benefit investment				
Post-retirement Gratuity			15,300	18,025
Post-retirement Housing Subsidy				
Post-retirement Medical Aid			36,567	36,527
			51,867	54,592
4. Trade and other receivables				

			December '24 'R'000	June 24'R'000
Trade Debtors			(18,852)	25,310
Related party Receivables			789,402	628,647
Prepayments			338	544
Provision for bad debts			(83,519)	-83,519
Electricity Deposit			1,076	1,076
Rental Deposit			6,999	6,999
Interest Receivable			-	2,984
SARS Payments			0	0
Unclaimed Amounts			161,726	86,597
Staff debtors - subsidised education			1,956	2,061
Sundry Debtors			6	6
CoJ - Capital expenditure				
JRA - COJ Dev Contr Transfer				
Loans to shareholders (Sweeping account)				
			859,132	670,706
5. Inventories				
Raw Materials			85,359	71,904
Consumables			-	-
Disclosure of Consumables			-	-
Manufactured Products			-	-
Impairments			1,408	7,228

	December '24 'R'000	June 24'R'000
	86,767	64,675
6. Bank Balances and Cash		
Standard Bank Accounts	-	-
Developers' contribution	487,952	440,099
	487,952	440,099
7. Contribution from Owner		
Share Capital	1	1
Shareholders Loan	464,799	446,107
	464,800	446,108
8. Employee Benefit Obligation		
Gratuity Liabilities	23,386	25,417
Post-retirement medical aid	7,055	7,055
Post-retirement housing subsidy	4,781	4,781
9. Finance Lease Obligation		
Current lease portion	15,257	15,257
	15,257	15,257
10. Trade and other payables		
Trade Payables	43,211	449,226
Capital Creditors and Accruals	(215)	-215
Leave Pay Provision	56,352	55,422
Retention	128,351	128,370
Related Party Creditors	326,836	273,870
Payroll Accruals	4,642	10,457
Value Added Tax (VAT)	2,060	4,354
Prepayments		
Other Creditors		
Debtors Reclassification		
SARS - Tax Payments		
Bonus Provision: 13th Cheque	11,425	25,898

			December '24 'R'000	June 24'R'000
Capitalizing Interest			484,932	449,185
			1,057,594	1,396,567
11. Finance Lease Obligation				
Long term portion of finance lease			-	-
			-	-
12. Provision				
Legal Claim Provision			199,991	217,365
Other Provisions			-	-
Bonus Provision: Performance			12,270	56,900
			212,261	274,265
13. Cash Utilised in Operations				
Surplus / (Deficit) before taxation			(42,678)	23,141
Adjusted for:				
Depreciation and amortisation			16,689	37,977
Interest Earned			(5,953)	13,828
Gain on sales of property, plant and equipment				
Finance Costs				
Decrease in loan to shareholder				
Other non-cash movements				-101,911
Movement in provisions			(52,649)	25,753
Movement in Tax Receivable and Payable				-101,911
Movement in shareholders loan			18,692	74,006
Assets purchased through finance lease			-	-
Movement in retirement benefit obligation			(673)	353

			December '24 'R'000	June 24'R'000
Changes in Working Capital				
Receivables from Exchange Transactions				
Inventories			(22,092)	28,305
Trade and other receivables			188,800	(305,707)
Other Receivables from Non-Exchange Transaction				
Trade and other payables			(348,327)	310,364
			(625,791)	(52,413)
14. Taxation			-	101,911
15. Sweeping Account Balance			(495,159)	176,261
16. Operating Lease Liability			0	0

Annexure H: Performance Against Service Standards

KPI No.	Core Service	Service Level Standard Target	Q2 Actual	Reasons for non-achievement	Mitigations
1	% of damaged / missing road barriers or guardrails repaired from when a valid call is logged:	40% within 14 days	Total calls received within the period: 158.2 Total repaired within 14 days: 157.20 (99.37%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 157.20 (99.37%)	Target Achieved	N/A
		80% within 30 days	Total repaired within 30 days: 157.20 (99.37%)	Target Achieved	N/A
2	% of blocked Storm water kerb inlets (KI's) repaired from when a valid call is logged.	40% within 14 days	Total calls received within the period: 797 Total repaired within 14 days: 734 (92.10%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 743 (93.22%)	Target Achieved	N/A
		80% within 30 days.	Total repaired within 30 days: 762 (95.61%)	Target Achieved	N/A
3	% of missing JRA manhole covers made safe and replaced after a valid call is logged.	40% within 14 days	Total calls received within the period: 46 Total repaired within 14 days: 38 (82.61%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 39 (84.78%)	Target Achieved	N/A
		80% within 30 days.	Total repaired within 30 days: 42 (91.30%)	Target Achieved	N/A
4	% of reported damaged / missing regulatory road traffic signs replaced or repaired from the time when a valid call is logged	40% within 14 days	Total calls received within the period:1683 Total repaired within 14 days: 1611 (95.72%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 1611 (95.72%)	Target Achieved	N/A
		80% within 30 days.	Total repaired within 30 days: 1637 (97.27%)	Target Achieved	N/A
5	% of reported potholes repaired from time of recording of a genuine pothole by the JRA from all Phakama, Hotline, Urban Regional Inspectors (from Regional Directors Office)	40% within 14 days	Total received within the period: 8620 Total repaired within 14 days: 7225 (83.82%)	Target Achieved	N/A
		60% within 20 days	Total repaired within 20 days: 7800 (90.49%)	Target Achieved	N/A
		80% within 30 days.	Total repaired within 30 days: 8048 (93.36%)	Target Achieved	N/A
6	% of reported faulty traffic signals within 24 working hours	40% within 24 hours	Total received within the period: 135 Total completed within 24 hrs.:1044 (77.04%)	Target Achieved	N/A
		60% within 48 hours	Total completed within 48 hrs.:123 (91.11%)	Target Achieved	N/A
		80% within 7 days	Total completed within 7 days:135 (100%)	Target Achieved	N/A
7	% of reported damaged traffic signal poles repaired/replaced from when a valid	40% within 14 days	Total received within the period: 1 Total completed within 14 days: 1 (100%)	Target Achieved	N/A
		60% within 20 days	Total completed within 20 days: 1 (100%)	Target Achieved	N/A
		80% within 30 days	Total completed within 30 days: 1 (100%)	Target	N/A

KPI No.	Core Service	Service Level Standard Target	Q2 Actual	Reasons for non-achievement	Mitigations
	call is logged			Achieved	

Annexure I: Areas of Non-Compliance and Mitigation Measures

COMPLIANCE WITH LAWS AND REGULATIONS				
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	STATUS	RISK
MFMA	Section 32 of the MFMA MFMA Circular 68	Unauthorized, Irregular, Fruitless and Wasteful	NON- COMPLIANT Irregular expenditure for the year is R72 014 438.25 and is R10 787 067.85 for the month of June. Board approved the write off R384 489 119.56 which has led to the irregular expenditure to decrease to R 105 232 046.69. UIFW, incurred is R17 809 379.48, the cumulative total amounts to R84 442 152.16including the opening balance of R66 632 772.68.	Audit finding Penalties / fines / recoverability Consequence management
MFMA Section 65(2) (e)	Section 65(2) (e)	Valid invoices of Service providers must be paid within the 30-day period after its submission	NON- COMPLIANT First quarter performance is at 78,76% against the target of 100%.	Non-Compliance to section 65 MFMA National Treasury issued a Treasury Instruction Note Number 34: requiring departments/ entities to explain as to why invoices were not paid in time. Audit finding Service Providers escalations are on the increase and there is also impact on service delivery.
FINANCE MITIGATION MEASURES				
MFMA Circular 68: Irregular Expenditure	Route cause or challenges The Regulation 32 contracts which were multiyear and continue to be spent in current financial year. Spending on Expired contracts without extension	The JRA has issued a Moratorium to stop the use of Regulation 32 as a procurement strategy. CMU continues to inform Client department six month prior to the expiry of the contract and no payment will be process before the relevant authority has proved the extension of contract. The JRA has reviewed and amended the BID and RFQ MBD forms to comply to Minimum threshold required.		
MFMA Circular 68: Fruitless Expenditure	Route cause or challenges Eskom wrongfully charging us interest	The amount relates to interest charged on late submission of Eskom invoices. The affected stakeholders have been requested to provide root cause of this expenditure.		
MFMA Section 65(2) (e): 30 Days payment	Route cause or challenges Delay is payment on expired contract invoices. Non-payment of invoice with outstanding documents. Submission of copy of invoice instated or original. JDA as payroll system and report on it is a challenged	Timely engagement with relevant stakeholders about invoices on expired contract Continue to workshop Client department and service providers on what is expected to process payment of the invoice. Introduction of central Email to receive Invoices Online and check progress. We are awaiting the roll out of SAP system which will assist with tracking of invoices and reporting.		
LABOUR RELATIONS				

COMPLIANCE WITH LAWS AND REGULATIONS				
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	STATUS	RISK
Employment Equity Act No. 55 of 1998	To achieve equity in the workplace, by Promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination. Implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups (A designated group means Black people, women, or people with disabilities) to ensure their equitable representation in all occupational categories and levels in the workforce.	Ensure full compliance to the EE Act (EEA) namely: Consult (section 16 & 17 EEA) Conduct an Analysis (Section 19) Develop and Implement an EE Plan (Section 20 EEA) Report to the Department of Labour (Section 21 EEA) Duty to Inform (Section 25 EEA) Assignment of Senior Management (Section 24 EEA)	COMPLIANT (Previously Non-Compliant) Department of Labour has issued a compliance certificate as the JRA has submitted an EE Plan MITIGATION Targets contained in the plan have been set to ensure a steady improvement in the recruitment and retention of women. The JRA will be measured against the plan on a quarterly basis. GENDER EQUALITY Non-compliant GENDER SPLIT: Current staff complement is 1506: The JRA's workforce currently comprises of 65% men and 35% women Legislative requirements: Both public and private entities will be required to precede all organisational decision and activities with a gender equality analysis, as well as achieve at least 50% representation of women in decision making structures.	Failing to do so can lead to fines from R1.5 million or a percentage of company turnover. Inequality, poverty and unemployment Discrimination
Occupational Health and Safety Act No. 85 of 1993 including Construction Regulations	The Occupational Health and Safety Act	Safety incidents	NON-COMPLIANT six (6) recorded injuries with nine (9) Man-day lost. Man-day is the number of days that an employee is absent from work due to injury on duty. MITIGATING MEASURES SHE unit and Regional Operations Head and managers held a meeting to address the escalating number of accidents at the depots and the remedial actions to prevent the reoccurrence of such accidents. The meetings will be held every second month to monitor the progress of implemented proposals. Work site inspections – road signs and cones not adequate to communicate to road users. Hazard Identification Risk Assessment (HIRA) workshop was conducted with Regional Operations managers to identify hazards inherent to daily activities and ensure that effective control measures are implemented to reduce accidents	Financial Penalties Legal Consequences and or Litigations High Injuries and fatalities Reputational Damage: Operational Disruptions Employee turnover
RECORDS MANAGEMENT				
National Archives and Records Services of South Africa Act	Ensure there is a records management system, and documents are stored in the manner, and for the required time frame, as per legislation	File plan approved in terms of the national archives.	NON- COMPLIANCE Approved File Plan/not fully implemented. MITIGATING MEASURES	Failure to adhere to the provisions of the Act can result in: legal consequences; loss of valuable information;

COMPLIANCE WITH LAWS AND REGULATIONS				
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	STATUS	RISK
			Gaps have been identified when implementing the file plan. Valid Record and Admin Management Policy. Dedicated records storing areas have been identified and records are being stored. This process will be monitored by corporate services to ensure that the file plan is fully functional. An assessment of records storage facilities for the organisation is being conducted considering the partitioning plans.	erosion of public trust; and hindrance to research and decision-making processes.
ROADS / TRAFFIC SIGNALS				
Roads / signals Road Traffic: SARTSM guideline- - National Road Traffic Act and Regulations - Chapter 6 of Volume 1 of the SADC Road Traffic Signs Manual.	A responsible registered PROFESSIONAL ENGINEER or registered professional TECHNOLOGIST of the road authority concerned SHALL approve every traffic signal installation. Standard traffic signal faces, control precedence, vehicular light signals, flashing and other modes of operations, arrangement of light signals on a signal face, number and location of traffic signal faces, overhead traffic signals, traffic signal layout plans, pedestrian and pedal cyclist signals, road markings, signal phases, light signals and posts, power supply	Approval of every traffic signal installation for the JRA road network	NON-COMPLIANCE Not all recommended changes (non-compulsory conditions) can be implemented in a financial year due to funding constraints. MITIGATING MEASURES The Standard Operating Procedures for the Traffic Signal Division including the Traffic Engineering Section are all in full compliance with the SHALL and SHOULD conditions as set out in the manual. The JRA also has an annual SARTSM Upgrading of Traffic Signal Capital programme that is utilised to improve the existing traffic signal system in aspects where the layout or timings can be improved to ensure better mobility or improved road safety. Traffic engineers review the traffic signal system on a continuous basis and where improvements are identified, the capital programme is utilised to implement the recommended changes, provided sufficient funding is available.	Disabled mobility Accidents
ENVIRONMENTAL				
Waste Act 59 of 2008	Protection of Health and Environment Specific Waste Management Measures Licensing and Control Remediation of Contaminated Land National Waste Information System Compliance and Enforcement	Waste disposal	NON - COMPLIANT Removal of spoil has been completed in only three depots. MITIGATION MEASURES JRA inhouse teams have begun with removal of the waste at JRA depots to waste designated areas (Pikitup Landfill sites). Removal of spoil has been completed in three depots, ongoing in 2 depots and outstanding in 3 depots A 3-year contract that is awaiting advertisement to deal with all waste generated through JRA operations.	Environmental Hazard that violates the National Waste Management Act Health hazard to JRA employees.
INTERNAL AUDIT				
IIA Standard 1312	Ensuring that external assessments of the internal audit activity are conducted at least once after every five years by a qualified, independent assessor or assessment team from outside the organization.	Appointment of service provider to conduct EQAR.	NON - COMPLIANT RFQ was issued in 2023 for a service provider to conduct the QAR. Bids were nonresponsive. MITIGATION MEASURE QAR scope was then incorporated into RFP for panel of Internal Audit service providers. Once this process is finalised, a service provider will be appointed from the panel, no later than 31 December 2024.	Failure to comply with the International Professional Practices Framework (IPPF) could undermine the credibility of the Internal Audit function. Regulatory bodies or external auditors may view the Internal Audit department as non-compliant with industry standards. Loss of Stakeholder Confidence: The board,

COMPLIANCE WITH LAWS AND REGULATIONS				
LEGISLATION/ACT	REQUIREMENT	ACTIVITY	STATUS	RISK
				audit committee, and other key stakeholders may lose confidence in the internal audit function if they perceive that its quality and objectivity have not been independently validated.

COMPLIANCE UNIVERSE

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
COMPANIES ACT NO 71 OF 2008						
1.	Financial Statements Sec 30	Company Secretary	Ensure that these are submitted to Registrar of companies (CIPC) together with the annual returns.	With annual returns	End Feb	COMPLIANT
2.	Directors, company name, registered office, registration number Sec 70	Company Secretary	Ensure that letter heads, website (and records with the Registrar) are up to date and that all official communication reflects this information.	Ongoing	10 days after change	COMPLIANT
3.	Register of directors and Officials	Company Secretary	Register of directors and officials to be maintained. Consent to act as director to be kept on record	Ongoing	Ongoing	NON-COMPLIANT
4.	Annual Returns to be submitted in terms of Sec 30	Company Secretary	Ensure that annual return (comprising full details of company: directors; auditors; company secretary and financial year end) is submitted to CIPC within 30 days of anniversary date of registration.	By end of the month following the anniversary date of incorporation	End February	COMPLIANT
5.	Annual General Meetings – this is only a requirement of the Act iro. Public Companies and thus there is no requirement for the JRA	Company Secretary	Ensure that: meetings take place; terms of reference are up to date and adhered to; meeting is duly constituted; all proxies received; all members are represented; minutes are taken and filed.	Within 3 months of year end	Ongoing	COMPLIANT
6.	Auditor been appointed	Company Secretary	Auditor be consent to appointment and same to be lodged with CIPC	As and When	Ongoing	COMPLIANT
CORPORATE AND HUMAN CAPITAL MANAGEMENT LAWS						
7.	Labour Relations Act No. 66 of 1995	HoD: Corporate Services	Ensure that Act is adhered to.	Ongoing	Ongoing	NON-COMPLIANT
8.	Basic Conditions of Employment Act No. 11 of 2002	HoD: Corporate Services	Ensure that Act is adhered to.	Ongoing	Ongoing	COMPLIANT

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
9.	Employment Equity Act No. 55 of 1998	HoD: Corporate Services	Ensure that Employment Equity plan is followed and adhered to.	Ongoing	Ongoing	COMPLIANT
10.	Occupational Health and Safety Act No. 85 of 1993 including Construction Regulations	HoD: Corporate Services	Ensure execution, in particular, that safe working environment is maintained and that the Act is displayed in the workplace. Ensure that JRA employees meet requirements as contemplated in Construction Regulations	Ongoing	Ongoing	NON-COMPLIANT
11.	Skills Development Act No.97 of 1998 as amended by the Skills Development Act, 2003	HoD: Corporate Services	Ensure ongoing execution and compliance.	Ongoing	Ongoing	COMPLIANT
12.	Unemployment Insurance Act No.32 of 2003	HoD: Corporate Services	Ensure that all returns are submitted to the Commissioner (by the 26th of each month).	Ongoing	26 th of each month	COMPLIANT
13.	Promotion of Equality and Prevention of Unfair Discrimination Act No.52 of 2002	HoD: Corporate Services	Ensure that requirements are met and that JRA Code is adhered to.	Ongoing	Ongoing	COMPLIANT
14.	Women Empowerment and Gender Equity	Corporate Services' (All Departments & Directors and Board Sub-Committees)	Both public and private entities will be required to precede all organisational decision and activities with a gender equality analysis, as well as achieve at least 50% representation of women in decision making structures.	Ongoing	Ongoing	NON-COMPLIANT
15.	National Archives and Records Services of South Africa Act	HoD: Corporate Services	Ensure there is a records management system, and documents are stored in the manner, and for the required time frame, as per legislation	Ongoing	Ongoing	NON-COMPLIANT
16.	National Credit Act	HoD: Corporate Services	Staff Loans previously granted were not issued in line with prescribed Regulations.	Ongoing	Ongoing	COMPLIANT
FINANCE / VALUE ADDED/ TAX LAW						
17.	MFMA Circular 68	Chief Financial Officer	Unauthorised, Irregular, Fruitless and Wasteful	Ongoing	Ongoing	NON-COMPLIANT
18.	MFMA Section 65(2) (e)	Chief Financial Officer	Valid invoices of Service providers must be paid within the 30-day period after its submission	Ongoing	Ongoing	NON-COMPLIANT

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
19.	Value Added Tax No. 89 of 1991	Company Secretary & Chief Financial Officer	Operate with a valid tax clearance	Ongoing	Ongoing	COMPLIANT
20.	Value Added Tax No. 89 of 1991	Chief Financial Officer	Ensure that relevant returns are submitted to the Receiver by the 25th of every month. (If submitted by EFT the due date is the 31 of each month.)	Ongoing	End of each month	COMPLIANT
21.	Income Tax Act No. 58 of 1962	Chief Financial Officer	Ensure that relevant returns are submitted to the Receiver	Ongoing	Ongoing	COMPLIANT
22.	Income Tax Act No. 58 of 1962 PAYE	HoD: Corporate Services	Ensure that monthly payments are made.	Ongoing	Monthly	COMPLIANT
23.	Financial Intelligence Centre Act, No 38 of 2001	Chief Financial Officer	All service providers FICA'ed	Ongoing	Ongoing	COMPLIANT
ENVIRONMENTAL						
24.	Waste Act 59 of 2008	HoD: RO / Manager H&S.	Waste Act 59 of 2008 – Regional Depots to store waste in compliance with the Waste Act.	Ongoing	Ongoing	NON-COMPLIANT
25.	Air Quality Act 39 of 2004,	Manager H&S.	Asphalt Plant compliance with Air Quality Act	Ongoing	Ongoing	COMPLIANT
26.	Environmental Regulations in relation to Asphalt Production and Transportation; Road Maintenance and Road Construction	HoD: RO	Asphalt Plant compliance with Air Quality Act NEMA (National Environmental Management Act)	Ongoing	Ongoing	COMPLIANT
FRAUD, CORRUPTION, ETHICS AND COMPLAINE						
27.	Prevention and Combating of Corrupt Activities Act No 12 of 2004 (Anti-corruption Act)	Ethics Champion / Company Secretary	Ensure corruption is managed effectively	Ongoing	Ongoing	COMPLIANT
28.	Prevention and Combating of Corrupt Activities Act No 12 of 2004 (Anti-corruption Act)	Fraud Officer/ Company Secretary	Approved Fraud and Prevention Policy	Ongoing	Ongoing	COMPLIANT
29.	Protected Disclosures Act, No 26 of 2000 (Whistleblowing Act);	Ethics Champion / Company Secretary	Management of whistleblowing hotline – reports received and addressed in line with policy	Ongoing	Monthly	COMPLIANT
30.	Protected Disclosures Act, No 26 of 2000 (Whistleblowing Act);	Ethics Champion / Company Secretary	Approved whistleblowing Policy	Ongoing	Reviewed every 3 rd year	COMPLIANT

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
31.	Promotion of Access to Information Act No. 2 of 2000	Company Secretary	Ensure that policy is adhered to and in particular that JRA's Code/Procedures on access to information are adhered to.	Ongoing	Ongoing	COMPLIANT
ROAD AND TRAFFIC MANAGEMENT ACT						
32.	Road Traffic Act	HoD: Regional Operations	Ensure that all vehicles licenses and traffic fines are paid.	Ongoing	Ongoing	COMPLIANT
33.	National Road Traffic Act 93 of 1996 and chapter VIII of National Road Traffic Regulations of 2000	HoD: Regional Operations	Transportation of dangerous goods as classified in terms of SABS code of practice (SANS 0228:2012);	Ongoing	Ongoing	COMPLIANT
34.	Roads / signals Road Traffic: SARTSM guideline	HoD: M&F	Road signals support staff compliant with legislation	Ongoing	Ongoing	NON-COMPLIANT
INFORMATION TECHNOLOGY						
35.	ITC Governance	Manager IT	Implementation of Government approved ITC governance framework	Ongoing	Ongoing	COMPLIANT
CAPITAL PROJECT REQUIREMENTS						
36.	Construction Industry Development Board Act No 45 of 2000 and Construction Industry Development Regulations	SCM&ID	<p>Section 22(3)- All construction contracts above the prescribed tender value must be recorded on the register of projects.</p> <p>Regulation 18 (1A) Every project consisting of a single construction works contract of which value exceeds R200 000 for public sector or exceeds R10 million for private sector and schedule 2 PFMA entities must be registered within 21 working days from the date a contractor's offer to perform construction works contract is accepted in writing by the employer.</p> <p>Regulation 24: every client or employer who is inviting calls for expression of interest of soliciting competitive tenders in relation to construction works contracts of which the value exceeds R30 000 must publish that invitation to tender on the board's website.</p>	Ongoing	Ongoing	NON – COMPLIANT

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
			<p>Regulation 21: in relation to the registered construction works contract and within one calendar month of the date;</p> <p>a) Of issue of a practical completion certificate;</p> <p>b) On which that contract is renewed;</p> <p>c) On which a contract is cancelled or terminated; and</p> <p>d) Of settling all amounts owing to the contractor, submit a status report to the board, notify the board of any arbitration or litigation on the contract. In cases where a contract is awarded to an emerging contractor with grading designation lower than that required for the contract, the client must notify the board of the nature of financial, or management support provided, and the benefit derived from such support in development of that emerging contract.</p>			
37.	Infrastructure Development Act, 2014 (Act No.23 of 2014)	HOD: ID	<p>Section 4 – The functions of the council are to –</p> <p>(a) To ensure the development, maintenance, implementation and monitoring of the National Infrastructure Plan.</p> <p>(b) Coordinate the determination of priorities for infrastructure development</p> <p>(c) Development and issue guidelines and frameworks to facilitate and align the implementation of strategic integrated projects</p>	Ongoing	Ongoing	COMPLIANT
Municipal Finance Management Act No.56 of 2003 – – the said Act cross references the following Acts which should also be considered when determining compliance:						
Municipal Structures Act No 117 of 1918; Municipal Systems Act No 32 of 2000; Organised Local Government Act No 52 of 1997; The Constitution of the Republic of South Africa Intergovernmental Fiscal Relations Act No 97 of 1997; Public Office-Bearers Act No 20 of 1998; Municipal Demarcation Act No 27 of 1998; Public Finance Management Act No 1 of 1999 and associated Treasury Regulations						
38.	S 111	Finance - CFO	SCM Policy and implementation thereof	Ongoing	Ongoing	COMPLIANT
39.	S 116(1)	Finance - CFO	All contracts concluded after compliance with SCM processes and in writing	Ongoing	Ongoing	COMPLIANT - subject to disclosed deviations

No	Relevant Act / Section	Person/Dept. Responsible	Activity	Frequency	Due Date	Status
40.	S 87	Board / CFO	Submit proposed Budget to City	150 days before start of FY	End Feb	COMPLIANT
41.	S 88	Accounting Officer / Board	Mid-term report By 20 th January each year submit a report on the assessment of the entity to Board and City	Ongoing	20 Jan	COMPLIANT
42.	S 106	CEO	All delegations reduced to writing	Ongoing	Ongoing	COMPLIANT
43.	S 121 /122 / Co Act	Board	Annual Report to City – ensure AR meets minimum reporting requirements of MFMA and Co Act.	Ongoing	End Nov of every financial year	COMPLIANT
44.	S 126	CFO	Submit annual financial statements to AG for auditing	Ongoing	August 2020 November 2020	COMPLIANT
45.	S 165 / 166	CEO / Board	Internal Audit Unit and Audit Committee	Ongoing	Ongoing	COMPLIANT
46.	S 104	CEO	Any non-compliance with MFMA responsibilities reported to City	Ongoing	Ongoing	No non-compliance which has come to the attention of management
47.	S 85 86	CEO	Open and operate at least one bank account and submit details to City	Ongoing	Ongoing	COMPLIANT
48.		CEO / Board	No unfunded mandates	Ongoing	Ongoing	COMPLIANT
49.	Broad Based Black Economic Empowerment Act No 53 of 2003	Chief Financial Officer	Compliance with framework for the accreditation and verification by all verification agencies published in Government Notice No 776 of Government Gazette No 31255 of 18 July 2008 & supplementary notice issued on 31 July 2009.	Ongoing	Ongoing	COMPLIANT
50.	Code of Conduct for Municipal employees as contained within schedule 2 of the Municipal Systems Act (MSA) 32 of 2000	COSEC	Facilitate the annual submission of Employee Code of ethical conduct	Annually	30 September 2022	COMPLIANT