

5.0 BUSINESS PLAN PILLAR TWO: INSTITUTIONAL ARRANGEMENTS AND GOVERNANCE

5.1 Components of the programme roll-out

The business plan emphasises that the essential components of the programme need to be equally strong if the vision of the programme is to be achieved:

- services and infrastructure need to be rolled out in an appropriate manner
- institutional and management capacity needs to be built to effectively administer and roll out the programme
- the programme, at the broader level, and Thusong Service Centres at local level, need to be marketed and promoted in a manner that will improve awareness of both the agencies responsible for the roll-out, as well as the clients or end users of the services
- resources need to be made available not only for the Thusong Service Centre infrastructure (and associated feasibility studies), but for market and promotional activity as well as human resource and management capacity-building.

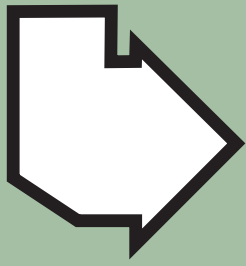
In addition to these PILLARS, there is also a need for effective monitoring and evaluation of the programme to ensure that objectives are met and the vision is achieved. Bearing this in mind, the identification of the institutional structures that will be the cogs that drive these elements is critical to ensure that there is a clear understanding of responsibilities, including governance structures, among stakeholders.

5.2 Institutional structures and governance: roles and role-players

Table 5.1 provides a summary of government role-players and their roles in the Thusong Service Centre programme.

Table 5.1: Government role-players and roles

Department	Roles and responsibilities
a. GCIS	<ul style="list-style-type: none"> - Overall co-ordination and support - Communication and promotional strategy, including branding - Management of GICs - Access to E-Gateway Portal - Report to Governance and Administration Cluster and cabinet committee
b. National Treasury (NT)	<ul style="list-style-type: none"> - Funding options and strategy - Alignment of funding - PPP strategy for Thusong Service Centres - Technical assistance with Thusong Service Centre business planning processes
c. Department of Public Works (DPW)	<ul style="list-style-type: none"> - Infrastructure advice and roll-out - Lease agreements at centre level
d. Department of Provincial and Local Government (dplg)	<ul style="list-style-type: none"> - Municipal Infrastructure Grant (MIG) - Co-ordination at provincial, local and district level - Alignment of ISRDS/URP with Thusong Service Centres
e. Department of Public Service and Administration (dpsa)	<ul style="list-style-type: none"> - E-government strategy through E-Gateway Portal - Legislation re: access strategy, service level agreements (SLAs), working hours, development of service standards, job descriptions, staff and personnel - Thusong co-ordination - Community development workers' (CDWs) alignment strategy with Thusong Service Centres - Monitoring and evaluation of service standards



THUSONG SERVICE CENTRES

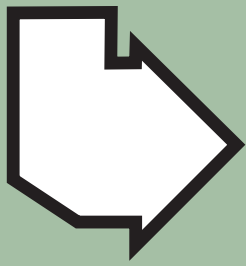
Department	Roles and responsibilities
f. DHA, DSD, DoL and departments of agriculture, of minerals and energy and others	- Roll-out plan alignment (budgets and infrastructure) - Service-delivery plan at provincial and district levels - Resource deployment plan at district level (HR and tools) - Reporting to national co-ordinators
g. Department of Communications (DoC), Sapo, Sentech, National Electronic Media Institute of South Africa [Nemisa], Telkom, etc.)	- ICT strategy - Community radio stations - Public information terminals (PiTs) - Participate in the intersectoral steering committees
h. USAASA	- ICT Strategy - Establishment of telecentres
i. South African Management Development Institute (Samdi)	- Capacity-building strategy
j. State Information Technology Agency (Sita)	- ICT strategy - IT partner for connectivity
k. Provincial government (Premier's offices)	- Co-ordination and governance at provincial level - Development of proper structures and systems - SLA - Alignment with PGDSs - Monitoring, evaluation and support of the programme - Development and implementation of provincial promotional and marketing plans - Co-ordinate establishment and management of PPP at provincial level - Report to national co-ordinators
l. District and local municipalities	- Co-ordination and governance of the implementation at district and municipal levels. - Alignment with IDPs - Provision of centre management and staff - Development and implementation of district and local promotional and marketing plans - Report to the provincial co-ordinators - Service provision
m. Department of Trade and Industry (dti), LED co-ordinators	- Provision of economic opportunities projects and programmes in Thusong Service Centres
n. South African Local Government Association (Salga)	- Co-ordination of district and local municipalities

In addition to these government-sector stakeholders, other role-players include:

- **Community organisations:** Community organisations may act as service-providers at Thusong Service Centres, as a support assisting in determining the service needs of communities as well as liaison between government and service-providers.
- **Private sector:** The private sector should fulfil two major roles. Firstly, commitment in terms of service provision at Thusong Service Centres is highly desirable to add to the service offerings at these centres as well as to promote greater financial sustainability. Secondly, the private sector can also contribute to the development of Thusong Service Centres through 'social responsibility' funding programmes or through PPPs. In some cases, the private sector (through appropriate mechanisms) could also take over the management of Thusong Service Centres.

5.3 Co-ordination structures and processes

The sheer number of internal (government), quasi government and private stakeholders is inspirational in the sense that if the combined resources of these stakeholders can continue to be channelled into the programme, there are enormous opportunities for realising the Thusong Service Centre vision. It does, however, also provide an idea of the enormity of the task with regard to co-ordination, particularly when one reflects on the areas of overlap between role-players. In this regard, there are areas where responsibilities are shared both within and across components. This leads to the need to identify a means of co-ordination and alignment to ensure that actions are harmonised and that roll-out is efficient. Essentially this involves firstly, the identification of



institutional role-players or structures able to co-ordinate and align elements of the roll-out and secondly, the identification of processes that could assist in the alignment of role-player activities (Figure 11).

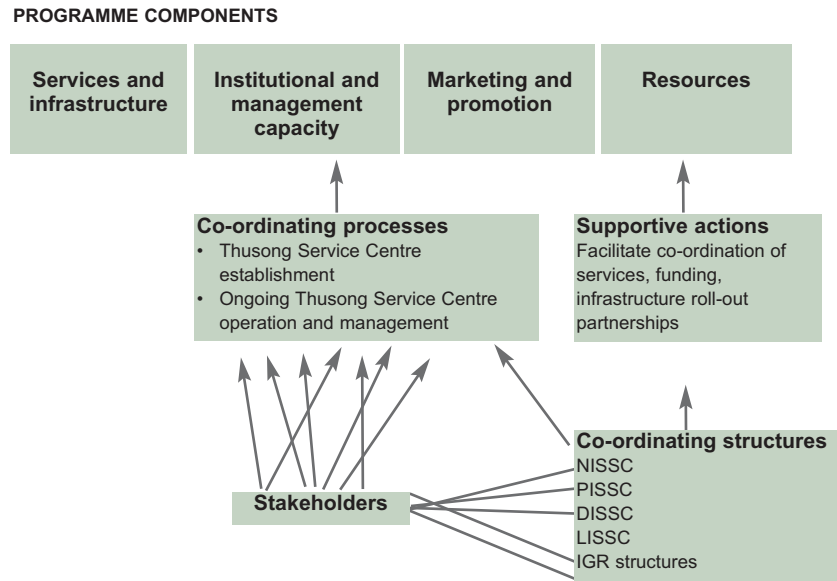


Figure 11: Thusong Service Centre programme – proposed co-ordinating mechanisms

5.3.1 Co-ordinating structures

(a) Programme-specific co-ordinating structures

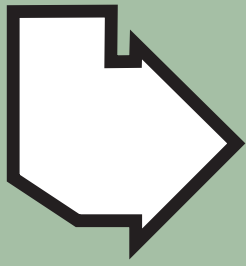
The following structures are in place to assist in co-ordinating the programme:

(i) National Intersectoral Steering Committee (NISSC)

The NISSC, comprising national departments, parastatals, NGOs, business and academia, and Provincial Intersectoral Steering Committee (PISSC) chairpersons co-ordinate and drive the programme at national level. To secure the effective roll-out of second-generation Thusong Service Centres, the NISSC’s executive committee will take leadership regarding:

- infrastructure: provision of guidelines regarding the countrywide infrastructural roll-out
- institutional co-ordination: including horizontal (within the national sphere) and vertical alignment (between spheres) to support integrated service delivery
- funding: through the development of funding models and providing guidance regarding funding sources for the programme
- capacity-building and human resources: through supporting training initiatives and other efforts to build capacity to support the programme
- oversight and co-ordination of monitoring and evaluation of the programme as a whole, as well as co-ordinating research efforts.

To ensure that the NISSC becomes a nimble structure capable of strategically guiding implementation and being able to make rapid decisions regarding the programme, it is proposed that the structure be led by an executive committee comprising GCIS, dpsa, dplg, DHA, DoL, DSD, DoC, USA, Samdi, DPW and NT, as well



as the nine provincial PISSC chairpersons. This committee will meet monthly to address technical and strategic operational issues. Decision-making should be facilitated by the presence of senior managers with the appropriate authority delegated through memoranda of understanding (MoUs) signed with the directors-general of relevant departments.

PISSCs comprise provincial departments involved in the delivery of services, as well as stakeholders involved in the roll-out, including representatives of provincial treasury and departments responsible for planning and communication. The PISSC should also make provision for including District Intersectoral Steering Committee (DISSC) representatives, but could mirror the NISSC in forming a nimble executive committee (ideally chaired by a unit within the Office of the Premier) to focus on elements such as:

- funding
- services co-ordination
- strategic alignment of the roll-out with provincial policy
- technical matters (related to provincial business planning)
- co-ordination of monitoring and evaluation at provincial level.

(iii) District intersectoral steering committees

The establishment of second-generation Thusong Service Centres will require the strengthening of DISSC structures as the expanded Thusong Service Centre roll-out will reflect Thusong Service Centre services in all local municipalities. DISSCs should comprise key service-providers at district level, but focus on the inclusion of units responsible for the preparation of the IDP and/or Spatial Development Framework (SDF).

(iv) Local Intersectoral Steering Committee (LISSC)/IDP Forum

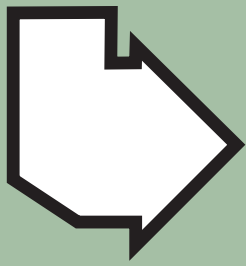
Each local and metropolitan municipality should have an LISSC. In this regard, the IDP Forum could form an ideal structure to drive the programme at this level. The LISSC should have representatives from the municipality and identified service-providers. It is desirable that a dedicated programme manager be responsible for roll-out at municipal level (this could also be a member of staff from the district municipality). The LISSC would be responsible for:

- implementing the programme at local level
- co-ordinating service delivery
- co-ordinating monitoring and evaluation at municipal level and feeding reports to the DISSC.

(v) Thusong Service Centre Management Committee

The Thusong Service Centre Management Committee will drive the establishment and operations of individual centres. The management committee will comprise representatives from the municipality and/or centre management, community structures, traditional authorities and ward representatives. It is possible that it may co-opt members from the LISSC to assist at various points in the establishment/operations of the Thusong Service Centres (e.g. a representative from municipal finance may be involved in assisting with the sound financial operations of an individual centre). Its key roles in Thusong Service Centres will be to:

- facilitate the establishment of the Thusong Service Centres
- address operational issues
- monitor and evaluate at centre level and feedback reports to the LISSC.



(b) Other co-ordinating structures: intergovernmental relations-related structures

Over and above these programme-specific structures, there are a number of fora that could facilitate an efficient role for Thusong Service Centres, specifically in terms of co-ordinating action between the various spheres of government. The Intergovernmental Relations Framework Bill (IGRF) makes provision for the establishment of intergovernmental fora to promote the aims of co-operative government and the implementation of policy, which includes the effective provision of services.

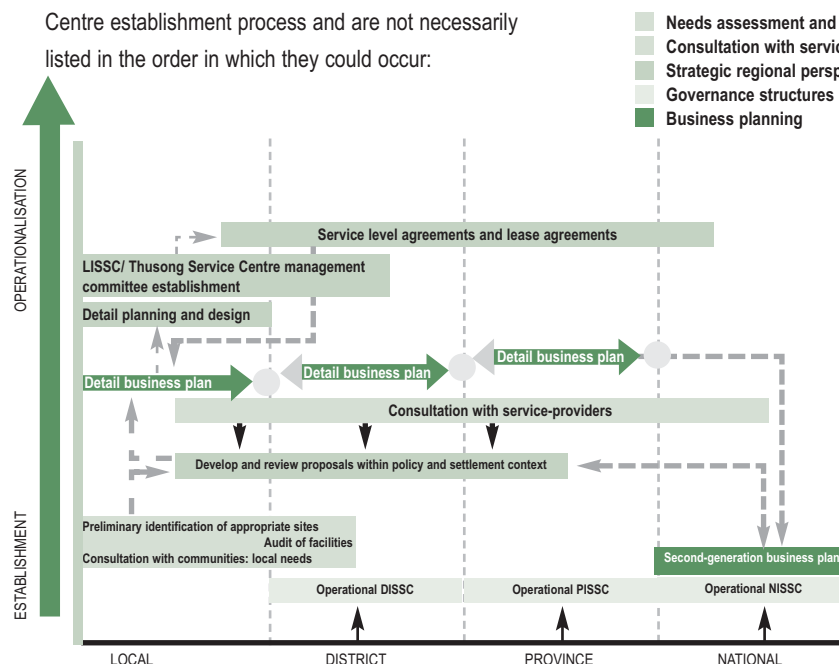
5.3.2 Co-ordinating processes

(a) Thusong Service Centre establishment process

The most significant and important co-ordinating process for the efficient roll-out of Thusong Service Centres is the establishment process. This process reflects how a Thusong Service Centre will come to be in a specific location at a specific point in time. It focuses procedurally on providing for the co-ordination of a range of stakeholder interests, including the alignment of:

- community needs with service provision
- policy objectives with infrastructural development and funding allocation
- infrastructure roll-out at macro level and design at micro level, with service-provider needs and capacity.

The establishment process focuses on a strong ‘consultative approach’ as well as incorporating a broader regional perspective of the roll-out, which is aimed at ensuring alignment with government policies (municipal IDPs and SDFs as well as PGDS/PSDFs). The following procedural elements are part of the Thusong Service Centre establishment process and are not necessarily listed in the order in which they could occur:

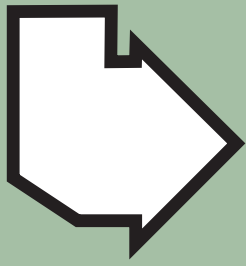


4. In some cases, district municipalities have already used their SDFs to inform a regional roll-out of Thusong Service Centres. (e.g. Nkanglala District Municipality SDF).

Figure 12: Thusong Service Centre programme – proposed establishment process

(i) Bottom-up needs assessment and site identification

This aspect, which has been conducted in a thorough manner for many first-generation Thusong Service Centres, involves:



- a process of consultation at local level to identify service needs
- auditing existing facilities and service provision
- identifying areas of need in terms of access to developmental information and government services
- preliminary identification of appropriate sites
- once reviewed in terms of the regional establishment model, proceeding with detailed local area planning (See Annexure 4) e.g. bulk infrastructural assessment and obtaining land use rights.

This could be undertaken as a joint project by the district and local municipalities. It should be viewed not as a separate exercise but as part of an IDP/SDF (review) process and should be undertaken in parallel to the identification of a regional establishment model.

(ii) Consultation with service-providers

To inform the regional infrastructural roll-out (and linked local level infrastructural model decisions and design), it is necessary to obtain an understanding of the nature and needs of core service-providers. This could involve:

- confirming existing service points
- identifying technical needs (minimum requirements and mode of delivery)
- resources available (ability to commit staff and financial resources to roll-out).

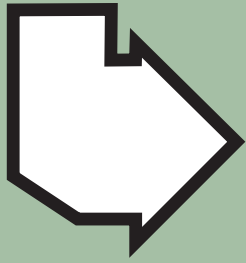
This process would ideally be undertaken and co-ordinated at provincial level in conjunction with district municipalities. It should target core public-sector service-providers (national and provincial), as well as service-providers outside government and the private sector. At local level, municipalities should perform an internal review of service-providers that may provide services as part of the Thusong Service Centre roll-out.

(iii) Develop and review proposals within regional settlement context

While the bottom-up needs assessment will provide local level detail, there is a need for a broader regional perspective on the roll-out. This should occur by means of a series of 'strategy checks' at local (or metropolitan), district municipality and provincial levels. Municipalities should identify the planned Thusong Service Centre(s), including the desired infrastructural model and location within the context of an approved (local) municipal SDF as well as the district SDF. These frameworks should provide 'clues' to the order and location of Thusong Service Centres at the broader municipal level.

In this regard, district municipalities have a key role to play as they represent a key spatial scale in the Thusong Service Centre infrastructural roll-out. They are close enough to the ground to understand local issues, while reflecting wide enough regions to understand broad-level concerns and issues. As such, district municipalities should assist local municipalities in determining an appropriate infrastructural roll-out in their areas. Provinces should also be consulted during this process to ensure that the infrastructural proposals are in line with the provinces' PSDF (and PGDS).

The outcome of this 'strategy check' should be fed into the business plans. This inclusion will ensure that the programme infrastructure roll-out is in line with IDPs/SDFs and PGDSs/PSDFs. When supplemented by the needs assessment and service-provider consultation, local municipalities should be able to draft Thusong Service Centre business plans.



(iv) Business plans

Business plans should be developed across government spheres to drive the implementation of the second generation roll-out.

- Municipal business plans

Local municipalities should compile business plans based on assessments in their areas. These business plans should:

- reflect the appropriate location(s) of (the) Thusong Service Centre(s) to be developed in the municipality
- contain proposals regarding infrastructural models (i.e. type of infrastructure)
- reflect SLAs and commitments from service-providers
- reflect funding/costing as well as sources.

Local business plans should be submitted to the district municipality. District municipalities should review local municipal business plans. This should be viewed as an interactive process and, where necessary, revisions should be proposed specifically to ensure alignment across local municipal boundaries. This should culminate in a co-ordinated district-wide business plan for Thusong Service Centre roll-out which should be submitted to the province.

- Provincial business plans

Based on the district business plans, the PISSC in each province should develop a business plan. The province should review the district business plans, ensuring co-ordination between district municipal areas as well as alignment with the PGDS/PSDF. Revisions could be made in conjunction with municipalities. Once finalised, the provincial business plan should be submitted to the chairperson of the NISSC Executive Committee. The submission of provincial business plans will ensure that detailed funding implications enable the updating of this second-generation business plan.

(v) Formation of appropriate LISSC structures and management committees

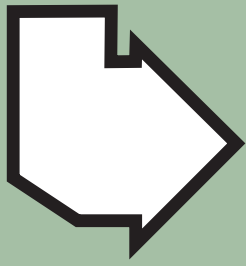
It is critical that a management committee/LISSC is established before a Thusong Service Centre becomes operational. The management committee should ideally be established out of a technical team which would pilot the establishment process from inception to operationalisation.

(vi) Inclusion in municipal IDPs

During the process, potentially once a business plan is drafted and approved, funding aspects should be included in the municipal IDP. The Thusong Service Centre roll-out should also be informed by the strategic components of the IDP, including the municipal SDF. The Thusong Service Centre should also be included as part of the monitoring and evaluation framework of the municipal IDP.

(vii) Detailed planning and design

Detailed planning and design should occur with secured funding for the construction of Thusong Service Centres. This should be done in line with the service-providers' requirements as indicated in the Thusong Service Centre business plan. Obtaining land-use rights, environmental authorisations and the required impact studies (which could occur early in the process) should be dealt with prior to detailed design.



(b) Thusong Service Centre operations

While the establishment process should have laid a sound basis for the operationalisation of the Thusong Service Centre, several checks should occur as part of the 'start-up' process. In this regard, a number of requirements should be in place, including:

- a fully functional management committee
- an appointed centre manager
- a developed promotional plan
- signed SLAs with heads of departments
- signed lease agreements between owners and service-providers
- all minimum service requirements should be met.

Improved co-ordination and alignment achieved as part of the establishment process is a beginning rather than an end. Ongoing alignment and co-ordination in the day-to-day provision of services is critical to achieving the ideal of integrated service delivery implicit in the Thusong Service Centre model. A key factor which will contribute to this is the co-ordination and management abilities and capacity of Thusong Service Centre management staff. Areas where co-ordination will be required include:

- ensuring provisions of SLAs with service-providers are adhered to
- co-ordinating research, monitoring and evaluation at the centres
- mediating the needs of citizens and service-providers and forging networks with and lobbying stakeholders (e.g. private sector) to promote the ongoing development of Thusong Service Centres and to achieve greater levels of service delivery and sustainability.

5.4 Supporting actions

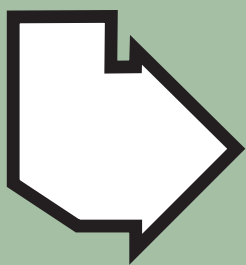
To enable smooth programme roll-out (establishment process) and the ongoing sound management and operation of Thusong Service Centres, a number of supporting and co-ordinating actions are required.

5.4.1 Firming commitments and co-ordinating service provision

At national level, it is critical to ensure a 'strategic level of alignment' among the drivers of the programme, including service-providers within the national sphere. This will entail agreement on the form that the expanded roll-out will take and the broad expectations of service-provider delivery. In this regard:

- The GCIS as part of the NISSC should facilitate strategic level commitment from national service-providers to the roll-out as reflected in the business plan.
- The outcomes should be reflected in MoUs between GCIS and national service-providers (e.g. the DHA) and external role-players (e.g. Telkom). This would reflect service-provider commitment to focusing efforts on delivering services at identified Thusong Service Centres within resource constraints.

While 'detailed levels of co-ordination' related to service-provider operations and rental agreements will, by and large, occur at municipal level, national government, through the NISSC structure, should play a supporting and enabling role. In this regard, the NISSC:



- Should intervene in the case of conflict with national service-providers or where there are issues in terms of meeting service-delivery needs as reflected by municipal business plans. In this regard, GCIS should play a mediating role.
- GCIS, in particular, will provide a resource around structured SLAs that could be employed at local level.

To secure detailed levels of commitment at the level of Thusong Service Centres operations in the context of broader level commitments, the following actions should occur:

- the LISSC/Thusong Service Centre Management Committee, along with the DISSC, should approach service-providers (national, provincial and municipal) as part of the establishment process
- once service-provider resource capacity has been established, commitment should be demonstrated through the signing of SLAs between the Thusong Service Centre Management Committee/LISSC/DISSC⁵ and the relevant service-provider.

5.4.2 Funding: alignment of budgets

To support an efficient establishment process, greater alignment in budgeting processes or cycles between spheres of government should be promoted. This will assist in ensuring that funding from government spheres come on line at the appropriate time in the process of establishing individual centres. With the second-generation business plan identifying municipalities as critical funders of individual Thusong Service Centres (operational and capital), this is even more significant as much of the funding for the programme will rely not on internal municipal funds, but on external funding sources. The NT, as part of the NISSC, should pursue mechanisms to promote greater alignment in budgeting cycles to gain greater efficiency in the funding of Thusong Service Centre infrastructure and operations.

5.4.3 Promoting second-generation strategy: implanting the establishment process

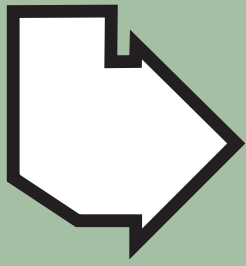
The business plan should be implanted throughout all government spheres. Communication initiatives are required to develop an understanding of key roles and responsibilities. Specifically, critical aspects of the second-generation strategy, including a focus on guiding infrastructural roll-out at regional level and 'new' funding arrangements, are critical for the future success of the programme. The NISSC, through GCIS, should play a leading role in thoroughly communicating the strategy in the provinces. The PISSC will support this process by engaging municipalities, through DISSC and LISSC structures, around the second-generation business plan.

5.4.4 Promoting the adoption of appropriate management models: municipal focus

Part of the establishment process will be to lay the groundwork for the effective management of an operational Thusong Service Centre. This process will involve making choices regarding the appropriate management model for the Thusong Service Centre. While not ruling out other options, the second-generation business plan promotes municipalities being ideally placed to take on the direct management of Thusong Service Centres.

In this model, the municipality will take responsibility for the maintenance of the facility. Dedicated staff should be employed by the municipality to manage the centre, with these positions being filled as the Thusong Service Centre becomes operational.

5. This would depend on which management model has been adopted by the Thusong Service Centre.



To promote the adoption of Thusong Service Centre management by municipalities, a greater awareness of the programme and its benefits among municipalities is needed. This process should be driven by the NISSC and PISSCs.

5.4.5 Forging partnerships

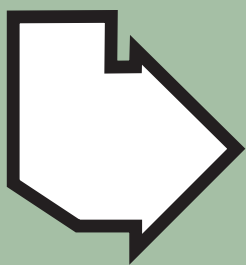
While the Thusong Service Centre initiative is driven by government, it is not purely a government programme. The involvement of a variety of partners is needed to support all aspects of the programme from funding to enhancing the service offerings at Thusong Service Centres.

Centre management committees and even LISSCs or DISSCs may find it difficult to lobby role-players such as Telkom and large corporates. As such, it is proposed that the NISSC and PISSC should, along with political champions from within the different spheres, engage with a variety of non-governmental role-players to rally support for the programme. It is important that this engagement occurs at a high enough level to ensure that firm commitments can be made.

5.4.6 Information and communications technology infrastructure support

Connectivity at the centres is critical and it is crucial that high levels of co-ordination are achieved to facilitate the effective functioning of ICT systems at centre level. The following arrangements will assist in clarifying critical roles in this regard:

- ICT support in the Thusong Service Centres will be the responsibility of both the USAASA and the department delivering government services to the people. This will be done through outsourced agreements with Sita and/or other service-providers.
- Generally, the ICT infrastructure in a Thusong Service Centre comprises two parts, namely the telecentre and the Gateway GSC equipment that is provided by the USAASA with access to the Internet, and the ICT infrastructure for specific departments, enabling their service delivery. The first is for public consumption with the GSC using an intermediary, and the second is for specific departmental use in the delivery of their services.
- PITs located in Thusong Service Centres are provided, maintained and supported by Sapo.
- With the telecentre and Gateway GSC being rolled out and provided with Internet connectivity by the USAASA, the infrastructure support and maintenance of the Internet connectivity and equipment will be provided by the USAASA through an outsourced agreement with Sita and/or an appropriate service-provider. The USAASA will provide for the cost of the Internet connectivity in the first year. The cost of ongoing infrastructure, connectivity, maintenance and support must be negotiated further with the USAASA.
- Departments delivering services at the Thusong Service Centre and requiring connectivity to the Government Common Core Network (GCCN) must be responsible for providing the necessary links to the GCCN through their Sita service agreements. The connectivity infrastructure equipment and local area network points can be budgeted for as a part of the centre infrastructure costs. The desktop computer equipment and ongoing support and maintenance, must become a part of a service-provider department's normal operation and the appropriate ICT costs must be budgeted for in their ICT budget.
- Sita will provide a connectivity model (for the connectivity infrastructure) to the GCCN for Thusong Service Centres, based on the specific ICT challenges of their locations. This will also have a cost-sharing model for maintenance and support, based on the departmental usage within the Thusong Service Centres.



To provide greater detail, it is critical that an ICT strategy for the Thusong Service Centre roll-out be developed by the relevant role-players.

5.4.7 Other areas requiring greater co-ordination

Several other supporting actions are required to ensure co-ordination in relation to the different programme components. These include the need to ensure greater alignment around the marketing and branding of Thusong Service Centres, and the need to ensure greater co-ordination around human resource capacity-building, including alignment of the Thusong Service Centre and CDW roll-outs. See sections 6.0 and 7.0.