



RB9.1.2/28-03-2019

2019/2020 DRAFT ANNUAL BUDGET

Draft Annual Budget Speech by the Executive Mayor:

“Dit is my voorreg, eer en as Uitvoerende Burgemeester my plig om ingevolge artikel 16 (2) van die Wet op Munisipale Finansiële Bestuur die 2019/2020 to 2021/2022 Medium Termyn Inkomste en Uitgawe Raamwerk ter tafel te lê.

Aangesien hierdie begroting die voorgestelde finansiële plan vir die volgende 3 jaar insluit, het dit natuurlik 'n impak op die gemeenskap as geheel en dit is dus uiters belangrik om die gemeenskap te raadpleeg om bewustheid te skep en om gesamentlike eienaarskap en verantwoordelikheid te ondersteun in die bestuur van die munisipaliteit se finansiële sake.

Die 2019/20-begrotingsoorsig beklemtoon dat, hoewel globale risikofaktore hoog bly, die wêreld ekonomie steeds 'n ondersteunende platform bied vir Suid-Afrika om handel en belegging uit te brei. Die ekonomiese groei in die wêreld is op sy hoogste sedert 2014 en hou steeds tred met die groei in bruto binnelandse produk (BBP) wat oor al die breë ekonomieë toeneem.

Suid-Afrika het 'n tydperk van uitgerekte swak ekonomie ervaar wat privaat belegging verminder. Dit kan toegeskryf word aan huishoudelike beperkinge, wat verband hou met politieke onsekerheid en dalende sake- en verbruikersvertroue. Die plaaslike ekonomie begin vroeg in 2017 herstel ná 'n kort resessie, maar die verbetering is onvoldoende. Die groei het stagneer op minder as 2% en die werkloosheid bly hoog op 26,7%. Die voorvereistes vir verhoogde inkomste en uitgebreide dienslewering is vinniger groei, belegging en werkskepping.

Die hoofrisiko's vir die ekonomiese vooruitsigte is voortgesette beleidsonsekerheid en agteruitgang in die finansies van staatsbesit. Die

droogte wat in verskeie provinsies ervaar word, bied groot risiko's vir landbou en toerisme vir die komende tydperk, en dit kan werk in hierdie sektore bedreig. Die huidige waterkrisis in die Wes-Kaap en ander provinsies sal ekonomiese groei beïnvloed. Terwyl die droogte se impak onduidelik is, hang baie af van hoe lank dit sal heers, die mate waarin spesifieke opvanggebiede geraak word, en die sukses van versagtende maatreëls.

Hierdie ekonomiese uitdagings sal voortgaan om druk uit te oefen op munisipale inkomste- en invorderingsvlakke. Daarom word 'n konserwatiewe benadering aangeraai vir inkomsteprojeksties. Munisipaliteite wat deur die droogte geraak word, moet ook die impak daarvan op inkomste voortbrenging oorweeg. Daarbenewens sal munisipaliteite hul pogings moet verbeter om nie-prioriteitsbesteding te beperk en streng maatreëls vir kostebeperking te implementeer.

Cederberg Munisipaliteit is geensins immuun teen die harde ekonomiese realiteite nie. Cederberg Munisipaliteit, soos soveel ander munisipaliteite in Suid-Afrika, word gekonfronteer met verskeie uitdagings wanneer gehalte basiese dienste gelewer moet word op die finansiële en administratiewe vermoëns van die munisipaliteit. Hierdie uitdagings sluit in, maar is nie beperk tot die volgende nie:

- Verouderde infrastruktuur as een van die grootste bedreigings vir volhoubare dienslewering;
- Bevolkingsgroei plaas druk op die munisipale infrastruktuur om aan diensleweringse behoeftes te voldoen;
- Behuisingsagterstande;
- Armoede in die munisipale gebied en die vermoë om vir basiese dienste te betaal; en
- Uitputting van kontantreserwes

Die BBP-groeikoers word in 2019 op 1,5% voorspel en 2,1% in 2021. Swak ekonomiese prestasie en oorblywende probleme in belastingadministrasie het groot inkomste tekorte tot gevolg gehad

Die verslegtende finansiële posisie van staatsbeheerde maatskappye het addisionele druk op die openbare finansies geplaas. In die lig van hierdie oorwegings is die begrotingsprioriteite van 2019 die volgende:

Beperk die begrotingstekort.

Ondersteun herstrukturering van die elektrisiteitssektor.
Hernu ekonomiese groei deur private beleggings te versterk.
Verbetering in die beplanning en implementering van
infrastruktuurprojekte.

Die Cederberg-gebied se hoofbron van inkomste en werksgeleentheid is van landbou. Met die huidige droogte wat ons in die gesig staar en die Clanwilliam-damvlakke onder 50% is, is daar 'n risiko dat werkloosheidsyfers gedurende hierdie droogtydperk kan styg.

Bestuur binne plaaslike regering speel 'n belangrike rol in die versterking van die skakel tussen die inwoner en die owerheid se oorhoofse prioriteite en bestedingsplanne. Die doel moet wees om dienslewering te verbeter wat daarop gemik is om die lewensgehalte vir alle mense binne die Cederberg-streek te verbeter.

Begroting handel hoofsaaklik oor die keuses wat die munisipaliteit moet maak tussen mededingende prioriteite en fiskale realiteite. Die uitdaging is om meer te doen met die beskikbare hulpbronne. Ons moet gefokus bly op die effektiewe lewering van die kern munisipale dienste deur die toepassing van doeltreffende en effektiewe diensleweringsmeganismes.

Die toepassing van gesonde finansiële bestuursbeginsels vir die samestelling van die munisipaliteit se finansiële plan is noodsaaklik en krities om te verseker dat die munisipaliteit finansiëel lewensvatbaar bly en dat munisipale dienste volhoubaar, ekonomies en billik aan alle gemeenskappe voorsien word.

Die Munisipale Begrotings en Verslagdoenings regulasies skryf 'n nuwe formaat en inhoud van die jaarlikse begroting en ondersteunende dokumentasie voor. Hierdie regulasies het op 1 Julie 2009 in werking getree. Die jaarlikse begroting moet aan die raad voorgelê word in ooreenstemming met hierdie nuwe regulasies tesame met MFMA sirkuleer 94 en aankope planne vir transaksies bo R 30 duisend.

Die saamgestelde jaarlikse begroting kan soos volg opgesom word.

Buitengewone Provinsiale Koerant nr 8058 gedateer 05 Maart 2019

- Finansiële Bestuur Ondersteuningstoekenning van R480 duisend
- Finansiële Bestuurs kapasiteitsbou toekenning van R380 duisend
- Menslike nedersettingsontwikkelingstoekenning van R12.8 miljoen
- Vervangingsbefondsing vir Biblioteke van R4.6miljoen
- Paaie ondersteuningstoekenning R 69 duisend

Staats Koerant nr 42217 gedateer 08 Februarie 2019

- Equitable Share van R49.2 miljoen
- Finansiële bestuur toekenning van R 2 miljoen
- Munisipale Infrastruktuur toekenning van R15,6 miljoen
- Waterdiens Infrastruktuur toekenning van R30 miljoen
- Geïntegreerde Nasionale Elektrifiseringsprogram van R 9.6 miljoen
- Uitgebreide publieke werke Program van R 1.9 miljoen,

Die inkomste begroting het in totaal gestyg met R22.7 miljoen (7.3%) en kan as volg opgesom word:

- Eiendomsbelasting R46.9 miljoen
- Diensteheffings R150.8 miljoen
- Rente verdien uitstaande Debiteure R3.7 miljoen
- Verkeers Boetes R20.9 miljoen in terme van IGRAP1
- Verkeers Agentskapdienste R3.3 miljoen

Die Uitgawe begroting het in totaal gestyg met R22.4 miljoen (7.5%) en kan as volg opgesom word:

- Werknemersverwante koste R118.5 miljoen
- Finansieringskoste R8.4 miljoen
- Grootmaat elektrisiteit en water aankope R 82.3 miljoen
- Gekontrakteerde dienste R16.2 miljoen
- Die munisipaliteit is genoodsaak om vir die eerste keer brandweerfunksies te begroot vir R 2.6 miljoen .
- Groot fokus in die begroting is om roetine herstelwerk asook om aan wetgewing te voldoen in terme van vullisverwydering.

Top Tien Projekte bedrae sonder BTW

1. WSIG: Citrusdal Riool Suiwerings netwerk: R 20 miljoen
 2. Opgradering van Grootmaat Water en Riool Voorsiening (Behuising) – Lambertsbaai: R 17.8 miljoen
 3. Water Dienste Infrastruktuur Skenking: R 10 miljoen
 4. Opgradering van Paaie en Stormwater Infrastruktuur: Citrusdal: R 9.7 miljoen
 5. Geïntegreerde Nasionale Elektrifiseringsprogram: R 9.6 miljoen
-
6. Busroete Lambertsbaai- R 3.1 miljoen
 7. Voltooiing van Clanwillam Sportveld : R 3 miljoen
 8. Nuwe vloot voertuie : R 3 miljoen

Tariewe

Tariewe is in lyn soos voorgeskryf in MFMA sirkleer 94 gedateer 08 Maart 2019

Eiendomsbelasting verhoog met 6%.Die raad gaan ook nie op die eerste R 50 000 van die waarde van die eiendom geen belasting hef nie.Belasting korting is ook in gebring vir pensionarisse op n glyskaal.

Water tariewe verhoog met 6%

Elektrisiteit tariewe in konsep behorting verhoog met 11.2% in lyn met riglyne van SALGA aangesien geen NERSA kommunikasie beskikbaar was met die opstel van die konsep begroting.Die Munisipaliteit het op 27 Maart 2019 kommunikasie ontvang dat die verhoging vir verbruikers 13.87% en vir munisipaliteite 15.63% onderskeidelik gaan wees.

Vullisverwydering verhoog met 6% op basies heffings en 15% vir die fisiese diensgelwer in lyn met lewensvatvaarheid studie wat gedoen is om die koste van die streeks stortingsterein te dek.

Riooldienste verhoog met 6%

Vakansieoorde en algemene tariewe verhoog met 6%

Deernis kliente

Die armes van die armes kry die volgende gratis dienste vanaf die munisipaliteit.

50 eenhede gratis Elektrisiteit

6 Kiloliter gratis Water

40% afslag op Eiendomsbelasting asook vrystelling van waarde tot op R 50 000.

100% afslag op Riool

Vullisverwyderings word die basiese heffings vrygestel.

Een van die belangrikste funksies van politieke leierskap en strategiese bestuur is om bykomende fondse te verkry deur proaktiewe beplanning van projekte en die indien van sakeplan aan provinsiale en nasionale regeringsdepartemente. Die administrasie is positief dat hulle die kapitaalbegroting kan spandeer op die broodnodige kapitaalprojekte om die lewensgehalte van ons inwoners te verbeter. My span en ek wil graag vir elke inwoner van Cederberg verseker dat ons onvermoeid sal werk om dorpe van uitnemendheid vir almal te skep met die fondse wat aan ons toevertrou is.

Dankie vir elke raadslid wat die begroting inset sessies bygewoon het. Die administrasie gaan datums kommunikeer aan die raad vir die finale insette op die konsep begroting sodat die dokumente en beleide gewerkswinkel kan word voor die finale goedkeuring van die begroting einde Mei.

Geagte Speaker in die item wat voor die Raad dien en die aanbevelings soos uiteengesit in die jaarlikse begrotings item, lê ek hiermee formeel die aanbevelings aan die Raad voor vir, oorweging en goedkeuring van die konsep jaarlikse begroting 2019/2020 tot 2021/2022 vir die publiek se insette in terme van Seksie 21A van die Munisipale Stelsel Wet 2000 (Wet 32 van 2000).'

RESOLVED:

1. Council approves the draft annual budget Report APPENDIX A.
 2. Council approves the draft annual budget tables as prescribed by the Budgeting and Reporting Regulations, as set out in APPENDIX B.
-
3. Council approves the draft annual budget supporting tables as prescribed by the Budgeting and Reporting Regulations, as set out in APPENDIX C.
 4. Council approves the Quality Certificate signed by the Accounting Officer, as set out in APPENDIX D.
 5. Council approves the revised budget related policies, as set out in APENDIX E.
 - Absenteeism and Desertion Policy
 - Accounting Policy to the AFS
 - Asset Management Policy
 - Borrowing Policy
 - Budget Policy
 - Cash Management Policy
 - Cederberg Risk Management Policy Annex A - rating scales amended
 - Code of Ethics Policy
 - Consumer Service Charter - Cederberg LM
 - Customer Care Improvement Policy
 - Customer Care, Credit Control and Debt Collection Policy
 - Drought Communication Strategy
 - E3-Sexual Harassment policy
 - Education Training and Development Policy
 - Employment Equity Policy
 - Enterprise Risk Management Policy
 - Enterprise Risk Management Strategy
 - Finance Management Internship Policy
 - Fleet Management Policy
 - Fleet Pol. 1 Trip Authorisation - Outside Cederberg

- Fleet Pol. 2 - After Hours Usage authority
 - Fleet Pol. 3 - Monthly inspection register
 - Fleet Pol. 4 Accident report form
 - Fleet Pol. 5- Motor Claim Form
 - Fleet Pol. 6 - Log sheet
 - Fleet Pol. 7 - Pre - Trip Inspections
 - Fleet Pol. 8 Trip Authorisation form - Pool Vehicles
 - Fleet Pol. 9 Logstate inhandig
 - Fraud and Corruption Prevention Policy
 - **Fraud and Corruption Prevention Strategy**
-

- Free Basic Energy Policy Guidelines
- Funding and Reserves Policy
- HIV AND AIDS Workplace Policy
- ICT Data Backup and Recovery Policy
- ICT Municipal Corporate Governance of ICT - Cederberg
- ICT Operating System Security Controls Policy
- ICT Security Controls Policy
- ICT User Access Management Policy
- ICT Strategy Implementation Plan
- IGR Policy
- Indigent Support Policy
- Insurance Management Policy
- Investment Policy
- Kollektiewe ooreenkoms rakende Dissiplinere Prosedure
- Long-Term Financial Plan Policy
- Out of Pocket Expenses Policy
- Overtime & Standby Policy
- Performance Management Framework Policy
- Petty Cash Policy
- Property Rates Policy
- Records Management Policy
- Revenue Enhancement Policy
- Risk and Ethics Management Committee Terms of Reference
- Risk assessment Methodology
- Risk Management Committee Charter
- Risk Management Policy
- Risk Management Risk Appetite Framework
- Risk Management Strategy
- Social Media

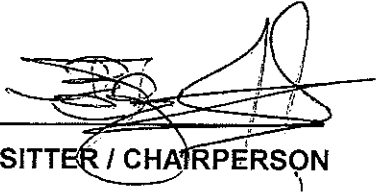
- Special Rating Areas Policy
- Study Bursary Policy
- Substance Abuse Policy
- Supply Chain Management Policy - Cederberg Municipality 2018
 - Annexure A: General principles governing the municipality in its interaction with bidders
 - Annexure B: Criteria to Evaluate Technical and Financial Ability

 - Annexure C: The Code of Conduct for Supply Chain Management Practitioners and Other Role Players
 - Annexure D: National Small Business Amendment Act, 2003 - Schedule
 - Annexure E: Delegations for Supply Chain management Policy
- Tariff Policy
- Travel and Subsistence Allowances Policy
- Virement Policy - MSCOA compliant
- Watermeter Vervangings Beleid
- Whistle Blowing Policy
- Write-Off Policy

6. Council approves the property rates and charges on properties, tariffs, tariff structures and service charges for water, electricity, refuse, sewerage and other municipal services, as set out in APPENDIX F.
7. That council approves the Procurement Plans & Budget Locking certificate, as set out in APPENDIX H & I
8. The Draft Budget for the period 2019/2020 is made available to the public for comment.

Proposed: Cllr. R Pretorius

Seconded: Cllr. F Sokuyeka

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

VOORSITTER / CHAIRPERSON

28-03-2019

DATUM / DATE

CEDERBERG MUNICIPALITY
ICT STRATEGY & IMPLEMENTATION PLAN 2019 - 2024



Municipality & Office Details

Cederberg Municipality

2A Voortrekker Street

Clanwilliam

8135

027 482 8000

Herein after known and identified as 'the cederberg municipality'.



Document Authorization

The parties hereto as below duly authorize upon their signature the acceptance of all items contained herein and annexed hereto.

Chairperson: Municipal ICT Steering
Committee

Signature

Date

Chief Financial Officer

Signature

Date

Municipal Manager

Signature

Date

Mayor

Signature

Date

Approved by:	Council	Resolution	
Approval		Review date:	

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Version Management

Document Control			
Document	28 March 2019	Lifecycle:	Strategy & Implementation Plan (5
Version	CEDICT01	Capacity:	Stakeholders.

Glossary

AG	Auditor-General of South Africa
ADM	Architecture Development Method
BROADBAND	High Speed Internet Access
BRM	Benefits Realization Management
CMMI	Capability Maturity Model Integration
BSC	Balanced Score Card
CGICTPF	Corporate Governance of ICT Policy Framework
CGICT	Corporate Governance of ICT
COBIT®	Control Objectives for Information Technology
EA	Enterprise Architecture
ERP	Enterprise Resource Planning
FMS	Financial Management System
GICT	Governance of ICT
ICT	Information and Communications Technology
IDP	Integrated Development Plan
ISACA®	Information Systems Audit and Control Association
ISO 38500	International Organisation for Standardization (38500)
ISCGICT	International Standard on Corporate Governance of ICT
ITGI™	IT Governance Institute
ITIL	The Information Technology Infrastructure Library
King III	The King III Report and Code on Governance for South Africa
MCA	Municipal Charter of Accounts
MICTGPF	Municipal ICT Governance Policy Framework
MCGICTP	Municipal Corporate Governance of Information and Communication
MICTSIP	Municipal ICT Strategy and Implementation Plan
MIS	Management Information System
mSCOA	Municipal Standard Charter of Accounts
M&E	Monitoring and Evaluation
NDP	National Development Plan
OS	Operating System(s)
PFD	Process Flow Diagram
PSCGICTPF	Public Service Corporate ICT Governance Policy Framework
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan
SOP	Standard Operating Procedure
SOW	Scope of Work
TOGAF®	The Open Group Architecture Framework
ZACHMAN	The Zachman Framework



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1 Consideration

This ICT strategy has been developed and delivers on Phase One (1) and Phase Two (2) of the Municipal Corporate Governance of Information and Communication Technology Policy (MCGICTP) that has been circulated by COGTA and subsequently approved by the municipality.

There are numerous components that make up and contribute towards this document which may be noted as single framework as established below.

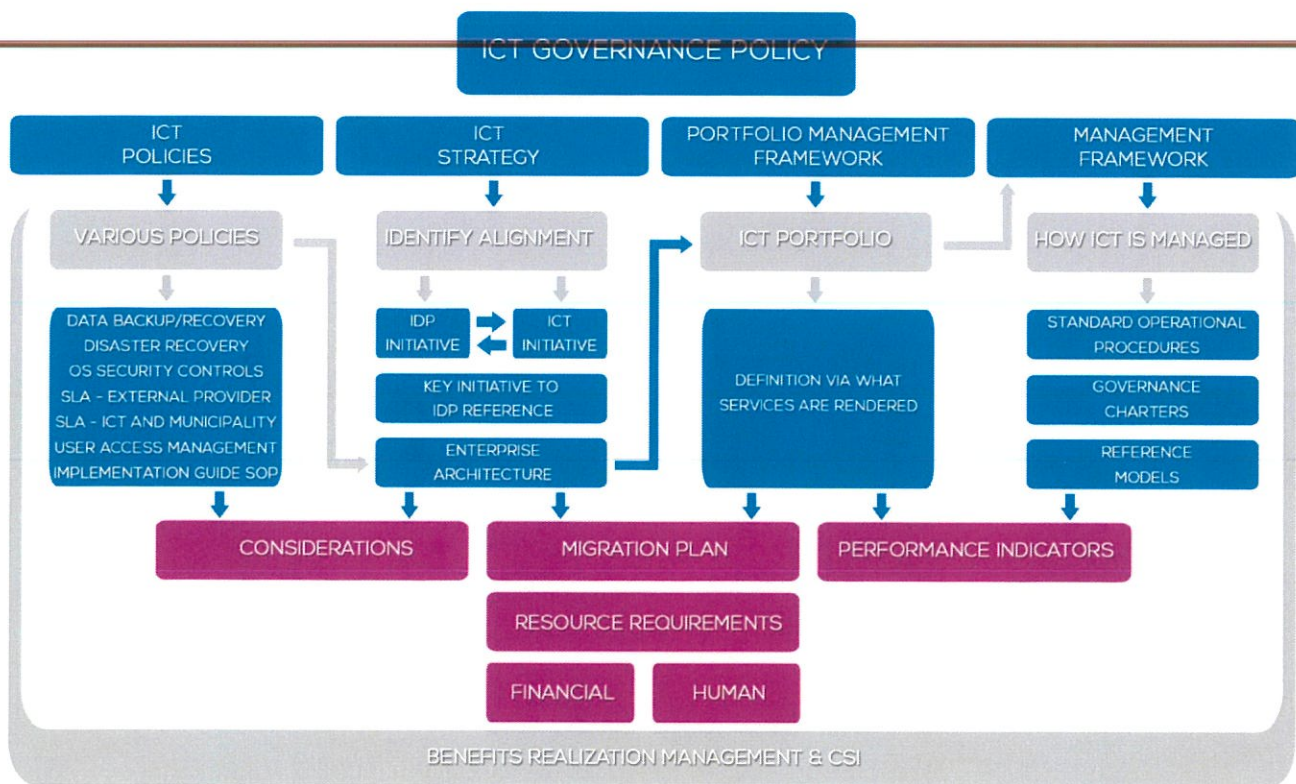


Figure 1: Holistic ICT Governance Framework.

The legend below will provide context around how the above framework may be understood:

- Primary Drivers
- Linkages
- Intentions or Outcomes

The Holistic ICT Governance Framework above provides an overview from a top-down format on the flow of all components embodied within the framework. The framework provides a linear view on the approach towards moving forward aggressively through context of *Primary Drivers*, *Linkages* with *Intentions or Outcomes* and how their interrelations are viewed or reviewed. This will assist the municipality with an easily understandable model as to how and where items are situated or positioned.



2 Preface

This document shall officiate all aspects around the Municipal Information and Communications Technology Strategy & Implementation Plan (MICTSIP). It will be used as a standard for ensuring alignment of the municipal IDP with the objectives of Information and Communications Technology (ICT) through a governed and unified standard. This strategy document therefore exists parallel to the IDP, and should be reviewed in alignment with the IDP review processes. The framework within the context of which this document conforms to is as noted below.

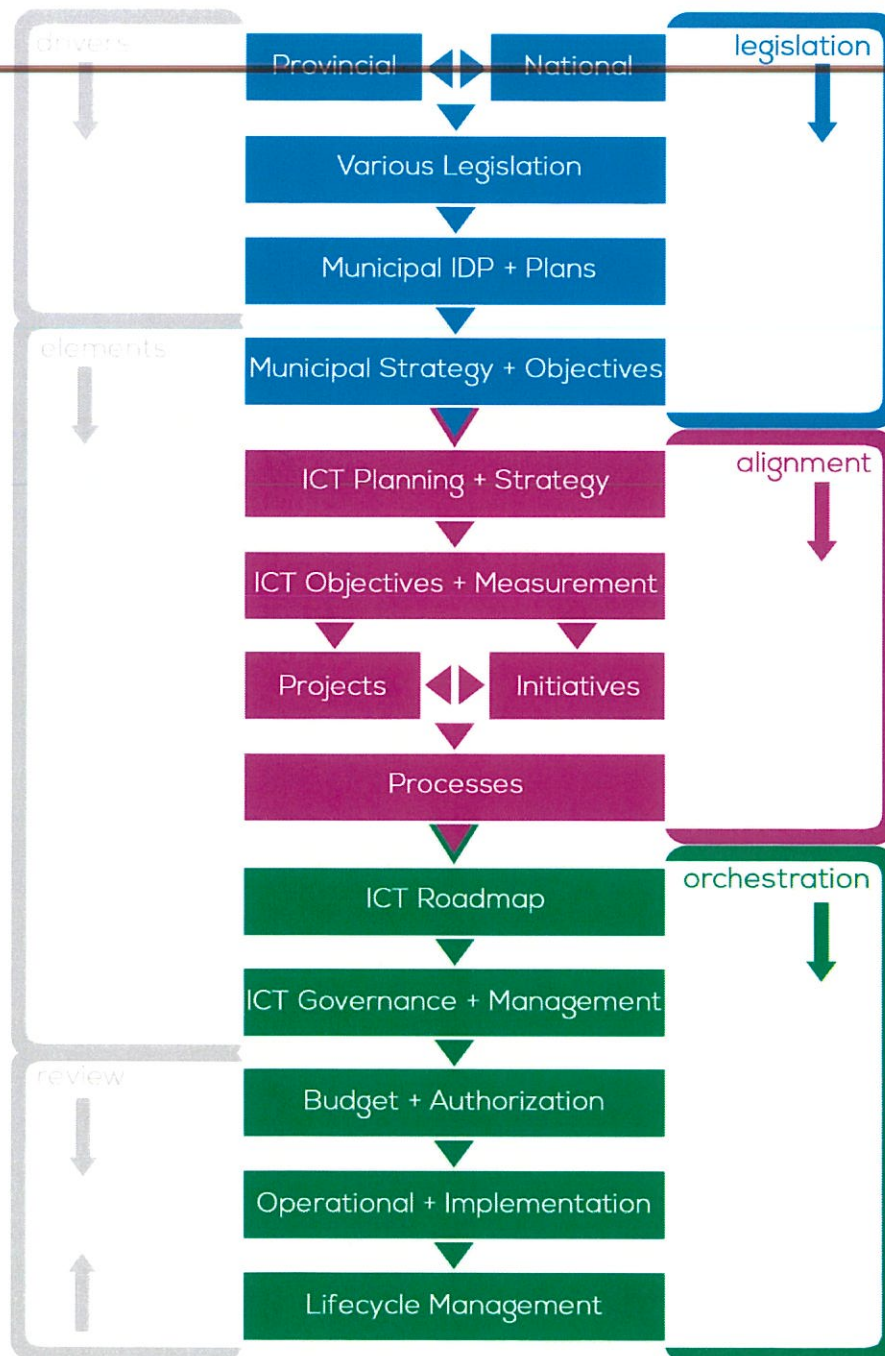


Figure 2: Structure - MICTSIP Framework, Process Flow Diagram (PFD).



The PFD above shall guide the narrative towards the structure and context of this document, whereas the lifecycle below will dictate the overarching process as a continual and ongoing asset to the MICTSIP framework.



Figure 3: Structure - MICTSIP Lifecycle.

The preceding items within this document will speak specifically to the municipality; whereby upon its completion through finalizing of all required content, it will identify the unique requirements and set forth all required procedures for actualization of meeting the ICT objectives of the municipality and its stakeholders.

This document will be noted formally and officially as a strategy, which will be set in place for a period of five (5) years. May it be noted that the implementation plans contained within this document will yield a turnaround of a five (5) year period for holistic conclusion; however, any additional ICT undertakings during the five (5) year lifecycle of this strategy shall specifically comply to all governance as set out within this document.

Any reform related to legislation, will however be considered if it has direct impact on the governance, framework, process flow or lifecycle contained within this document.



3 Executive Summary

The Municipality, has during its IDP development processes for the period of 2018-2019 committed to enhancing service delivery and engagement around citizenry. During the IDP planning processes it identified a key to its delivery is commitment to the Batho Pele Principles, underscored by promotion of freedom and opportunity for all its citizens:

1. **Consultation:** Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered.
2. **Service Standards:** Citizens should be informed of the level and quality of public services they will receive so that they are aware of what to expect.
3. **Access:** All citizens should have equal access to the services to which they are entitled.
4. **Courtesy:** Citizens should be treated with courtesy and consideration.
5. **Information:** Citizens should be given full, accurate information about the public services they are entitled to receive.
6. **Openness and transparency:** Citizens should be informed on how national and provincial departments are run, how much they cost, and who is in charge.
7. **Redress:** If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation, and a speedy and effective remedy; additionally, when the complaints are made, citizens should receive a sympathetic, positive response.
8. **Value for Money:** Public services should be provided economically and efficiently in order to give citizens the best possible value for money.

Further to these, the Municipality has committed to improving efficiency and effectiveness in the manner in which it delivers services to its citizens, which includes the manner through which it administers its daily activities.

The Municipality has further identified ICT as an enabler to the delivery of the IDP delivering on its mandate. In 2015 the Department of Co-operative Governance issued a circular guiding municipalities on the adoption of a Municipal Corporative Governance of ICT Framework, which the municipality has subsequently adopted. Through the adoption of this governance framework, the municipality has further established an ICT steering committee and the adopted policies as mandated by COGTA as formally accepted policies and associated frameworks. The adopted policies may be referenced via *Addendum 1* accompanying this document.

This Strategic ICT Plan therefore seeks to enhance the maturity of the municipalities ICT environment through identifying key initiatives to be delivered by the municipality's ICT environment. These Initiatives have been identified as strategic enablers to the IDP. As such these initiatives, will find its delivery through an ICT architecture roadmap and implementation plan which will be delivered over a five (5) year cycle, however should be reviewed annually to ensure efficacy.



Furthermore, this ICT Strategy was developed to guide the municipality in delivering upon the *operational plans*, *work effort* coupled with *capability* planning, as well as *budget estimation(s)* required to deliver upon the key initiatives as outlined towards meeting of the municipality's ICT objectives.

4 Legislation Framework

The Municipality must be aware of and comply with the legislative landscape applicable to their context. Therefore, this strategy was developed with the legislative environment in mind, as well as to leverage internationally recognized ICT standards.

The following legislation, among others, were considered in the drafting of this strategy:

1. Constitution of the Republic of South Africa Act, Act No. 108 of 1996.
2. Copyright Act, Act No. 98 of 1978.
3. Electronic Communications and Transactions Act, Act No. 25 of 2002.
4. Minimum Information Security Standards, as approved by Cabinet in 1996.
5. Municipal Finance Management Act, Act No. 56 of 2003.
6. Municipal Structures Act, Act No. 117 of 1998.
7. Municipal Systems Act, Act No. 32, of 2000.
8. National Archives and Record Service of South Africa Act, Act No. 43 of 1996.
9. Promotion of Access to Information Act, Act No. 2 of 2000.
10. Protection of Personal Information Act, Act No. 4 of 2013.
11. Regulation of Interception of Communications Act, Act No. 70 of 2002.
12. Treasury Regulations for departments, trading entities, constitutional institutions and public entities, Regulation 17 of 2005.
13. Public Administration Management Act, 2016.
14. Minimum Interoperability Standards (MIOS) for Government Information **Systems**, 2011.

The following internationally recognized ICT standards were leveraged in the development of this strategy:

1. Western Cape Municipal Information and Communication Technology Governance Policy Framework, 2014.
2. COBIT, 2012.
3. ITIL, 2011.
4. International Organization for Standardization (ISO 38500 - Governance of IT), 2015.
5. King IV Report, 2016.



5 Introduction

This document is custom to the municipality and seeks to speak to the ICT landscape; related to both the existing environment and its intended future environment during the course of this lifecycle, as well as alignment to specific initiatives as identified through the preceding sections.

Through strategic alignment, architecture & governance, ICT portfolio assessment, a roadmap and considered annexures for notation as elements or sub-elements – this document serves to both be an ICT analysis asset and simultaneously be set as a *driver of change* through articulation of all items towards consideration.

The workflow of this document is set to identify both caveats and variables towards processes and procedures governing the identified objectives, through which it would seek conclusion of the objectives via operational delivery of all identified items.

This document is specific towards ensuring that the following two (2) overarching and core objectives are met through all the variables delineated on in all preceding sections:

1. As a primary, set towards formulation of a unique *ICT Strategy* for the municipality, through which this document is set towards it as a springboard in terms of guidance of municipal stakeholders.
2. As a secondary, set towards identification of a five (5) year *Implementation Plan* through which all items within the context of this document shall identify all components towards successful governance and management of all initiatives.
3. Note: This document shall additionally be reviewed on an annual basis throughout the duration of the lifecycle of this document. It will also be reviewed in conjunction with the annual IDP review process.

Furthermore, it shall provide context and sentiment towards:

4. Architecture and governance related to policy, procedural and operational considerations.
5. Strategic alignment of both ICT and IDP initiatives.
6. Providing insight and review of existing ICT environment and portfolio.
7. Highlighting of key initiatives with holistic insight into all variables and considerations into actualization.
8. Establishment of various sub-element ICT strategies with a focus on; innovation, e-Governance strategy, service delivery and product sourcing.
9. Value measurement and monitoring.



6 Architecture and Governance

The architecture set in place for steering and guidance of ICT strategy either via frameworks, methodologies or taxonomies are noted as being established from:

1. Control Objectives for Information Technology (**COBIT**).
2. The Information Technology Infrastructure Library (**ITIL**).
3. International Organization for Standardization (**ISO 38500**).
4. The Open Group Architecture Framework (**TOGAF**).
5. The Zachman Framework (**ZACHMAN**).

Furthermore, governance adoption or consideration has been identified as:

6. Corporate Governance of ICT Policy Framework (CGICTPF).
7. Corporate Governance of ICT (CGICT).
8. Governance of ICT (GICT).
9. The King IV Report and Code on Governance for South Africa (King IV).
10. Municipal ICT Governance Policy Framework (MICTGPF).

Note: We will not discuss in detail any specifics around governance adoption due to it being too expansive and this document is set within conformance and consideration of all required and governed standards.

The various phases through which critical project or delivery processes are managed shall conform to the above as standard, with key items identified from them in regard to a custom EA framework being set forth towards the endeavour of this ICT *strategy* and its associated *implementation plan(s)*.

Therefore, due to this document being drafted for the layman in terms of both understanding and completing of it; specific methodologies will be prescribed through primary concepts for use and consideration. These prescriptions shall be unpacked in simple format to ensure it is adequately and easily understood so that stakeholders without any formal knowledge around EA may easily assimilate the narrative and populate this document accordingly and set forth its use as process to conclude alignment of the strategy, initiatives and/or objectives, whereafter it will govern capability to embark on a successful orchestration process.

6.1 Contributors to the successful Design, Delivery and Implementation of the ICT Strategy.

Due to the complexity and expansive sets of tools, assets, standards and/or reference models available through various types of Enterprise Architecture (EA), below please find an overview of the components governing this document's framework and its primary contributing factor(s) towards this strategy:

1. **COBIT**: Provides 210 control objectives applied to 34 high-level IT processes, categorized in four (4) domains: (a) Planning and Organization, (b) Acquisition and Implementation, (c) Delivery and Support, and (d) Monitoring. COBIT recommendations include issues related to ensuring effectiveness and value of IT as well as information security and process governance.



2. **ITIL:** Provides recommendations for a wide range of IT operations and service delivery best practices including security management and can be mapped accordingly alongside other methodologies to assist in a more expansive holistic framework.
3. **ISO/IEC 38500:** Provides guiding of a structure of principles for directors of organizations (including owners, board members, directors, partners, senior executives, or similar) on the effective, efficient, and acceptable use of IT within their organizations.
4. **TOGAF:** Although called a framework, it is more accurately a process toolkit for providing an approach relating to designing, planning, implementing, and governing an enterprise IT architecture through a high level approach to design. It is typically modelled at four (4) levels: (a) Business, (b) Application, (c) Data, and (d) Technology. It has specific dependencies around modularization, standardization, and already existing, proven technologies and products. Essentially TOGAF is not a step-by-step methodology, but provides an ADM through which stakeholders may develop architecture to meet the business and ICT needs.
5. **ZACHMAN:** Noted as an EA framework, yet is actually an ontology (branch of items) or taxonomy (scheme of classification) and provides a formal and structured way of viewing and defining an enterprise. It embodies a two (2) dimensional classification schema that reflects the intersection between two classifications. The primary is noted as interrogatives as the business targets, while the secondary is noted as the viewpoints through provisioning or identification of business artifacts. Therefore, it provides six different transformations of an abstract idea (not increasing in detail, but transforming) from six different perspectives.

All of the aforementioned primaries hold principles for consideration towards the EA framework of this document. Essentially towards the objectives of this document, it may be noted as building a house; **ISO/IEC38500** is set as the roof with its top down interpretation, **COBIT** could be seen as the walls holding up the structure through applying various controls best suitable, **ITIL** as a foundation through its best practices, while **TOGAF** and **ZACHMAN** being the architects who built/designed the house and thereafter living within it. Therefore, the primaries are essentially piecing of the correct components together to provide longevity as the key component which will be identified in extended sections and sub-sections below.

6.2 COBIT and ITIL Mapping

The considerations below have been identified as a toolkit in regards to the primary components which large municipalities and departments conform to. The best practices towards the intention of this document has been structured below, with further context provided via an *Addendum 2* accompanying this document.

The various municipal stakeholders towards the strategy, implementation plan(s) and/or initiatives may use the mapping below as guidance towards further or extended value creation. It caters towards specific **COBIT** library components being translated into *Key Areas* for value creation, which is then mapped to **ITIL**. Thus, consolidating all the variables and identifying all elements, from process to policy to governance.



Acquire and Maintain Technology Infrastructure



6.3 Architecture & Framework Mapping

The Enterprise Architecture (EA) Frameworks that have been considered towards the development of this strategy, are the **TOGAF** and **ZACHMAN** frameworks. A high-level overview of these frameworks are covered in the *Addendum 3* accompanying this document. Should the municipality feel that a robust EA is required as part of this strategy, the municipality will be required to capacitate itself accordingly.

7 Benefits Realization Framework

It is required that a Benefits Realization Management (BRM) Framework needs to be established to manage the realization of benefits that this strategy seeks to achieve.

For more particulars related to utilization of BRM, please refer to *Addendum 5* accompanying this document. As an overview, the BRM will take the stakeholder(s) through the processes covering five (5) areas of consideration, as noted below:

1. Define benefits management plan.
2. Identify and structure benefits.
3. Plan benefits realization.
4. Implement change.
5. Realise benefits.

8 Business Challenges Mapping

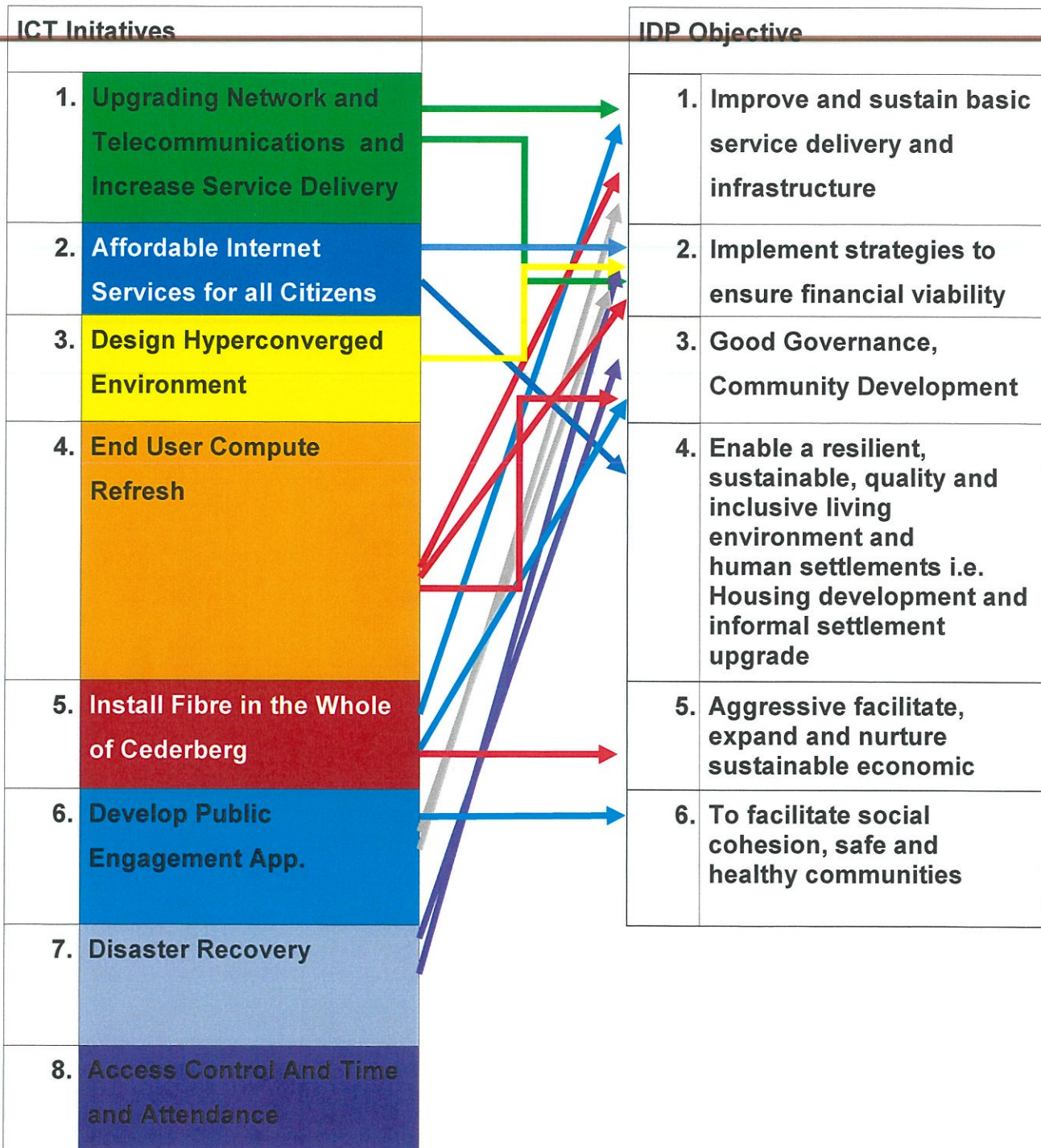
It is important that all challenges related to the effective and efficient functioning of ICT within the municipality are considered and dealt with appropriately.

For specifics towards managing expectations around the challenges of the municipality, please review *Addendum 4* accompanying this document for guidance on handling of challenges.



9 ICT Strategic Alignment

The intent throughout the document is to align the municipal IDP with the ICT Strategy and this section deals with the elements of the ICT strategy and its alignment with the IDP.





9.1 Municipal ICT Vision Statement

To facilitate good governance and high quality service delivery through provision of sustainable and reliable IT solutions.

9.2 Municipal ICT Mission Statement

Develop a partnership approach to working, through close collaboration yet integrated processes with the different departments in Cederberg Municipality and through the use of innovative information technologies available deliver efficient and effective services to the community.

9.3 ICT Departmental Objectives

Objectives are defined by the municipality as identified either by the IDP, the department(s), or its stakeholders, through which initiatives are identified towards meeting of the objectives.

Therefore, through the sections below we shall aim for:

1. Understanding of the objectives.
2. Clearly identify initiatives, with intended details around project.
3. Obtaining of details around the background and history of the objective and/or initiative.
4. Identify details around the objective/initiative as per predefined sub-sections below within this section.
5. Compilation of a full breakdown-structure related to the required, proposed or intended budget(s).

To note that through this aim we will understand each item within its entirety, with its intended and associated implementation plan(s) being specified as a high level view in the preceding section as within the roadmap.

9.3.1 Initiatives and Business Case

This section delineates on each of the departments ICT objectives from a top-down structure. Cases through which initiatives are born are then set into their own independent sub-section, to obtain the full business case of each item towards its entirety and be held in a separately and easilyreferenceable section.

In essence this section embodies several subsections, each articulating everything holistically towards each initiative.

It is important to note that each Business Case as identified below, will be linked to a specific IDP Project as identified in the Municipal Standard Charter of Accounts (mSCOA).

9.3.1.1 Business Case 1: [Telecommunications and WAN Upgrade]

The Municipality has very high telephone and internet costs. In light of the aforementioned high cost the municipality has to make use of new technologies to improve services delivery and better the communications infrastructure. To do this the municipality have to upgrade this infrastructure bearing in mind cost effective technologies that cater for the municipalities needs.

New Infrastructure	Funding
VOIP PABX connecting all Municipal Sites on one System	Own Funding Available
VOIP SIP Provider connected through a 50mbps Fiber Line	Own Funding Available
All Extensions connected and integrated into one cluster	Own Funding Available
Offices Connected Through Wireless WAN Infrastructure Owned by the Municipality	Own Funding Available
Monthly Costs	
R70 000.00	

9.3.1.2 Business Case 2: [Server Room and Network Upgrade]

The Municipality Server and network Infrastructure has become outdated and problematic due to maintenance and hardware refresh. These infrastructure is critical to the functioning of the municipality and service delivery and need to be maintained regularly.

New Infrastructure	Funding
<ul style="list-style-type: none"> Gigabit switches with VLAN Capabilities 3X Newest Generation Servers 20TB SAN Storage 	DLG Funding



<ul style="list-style-type: none"> • Fiber Connected 	
<ul style="list-style-type: none"> • Hyper converge Environment catering for all Municipal needs. • Instant failover capability for high availability 	DLG Funding
<ul style="list-style-type: none"> • De-duplication to maximize storage capacity. • Virtual Server Restore capability. • Fast Replication 	DLG Funding
<ul style="list-style-type: none"> • 2X Newest Generation Servers • UPS and Generator Backup Power • 20TB SAN Storage • Fiber Connected 	DLG Funding
Total Costs	
R1 200 000.00	

9.3.1.3 Business Case 3: [Wireless Lan to all Municipal Main Offices]

The Municipality does not have a stable internal wireless access point infrastructure. This will enable municipal employees to be able to connect and do their work from anywhere within the municipal offices.

New Infrastructure	Funding
Internal GrandStream Wireless Access Point Network	Own Funding Available
Costs	
R34 500.00	



9.3.1.4 Business Case 4: [Affordable fiber to the home in all Towns.]

Low cost internet connectivity

New Infrastructure	Funding
Affordable fiber to the home in all Towns.	Unfunded Initiatives
Costs	
0	

9.3.1.5 Business Case 5: [Affordable Telecommunications]

New Infrastructure	Funding
Affordable Telecommunication for all Towns and free calls between residents, towns and the municipality	Unfunded Initiatives
Costs	
0	

9.3.1.6 Business Case 6: [Microsoft EA Agreement]

New Infrastructure	Funding
Microsoft Enterprise License Agreement	Funding Needed
Costs	
R1 074 622.00	



10 ICT Status Quo

This section is specifically to provide an overview around the current ICT landscape of the municipality, while simultaneously providing context towards the guidance on strategic direction of this document. A *Book of Standards* has been identified and developed for the municipality towards consideration of the ICT portfolio. This *Book of Standards* defines the standards in place within the municipality around their ICT environment i.e. including but not limited to; standards around End User Machine types/specs, standards around Storage systems/platforms, standards around Networking equipment/infrastructure, etc., then will be added as *Addendum 6* accompanying this document. Additional items may be filled in as required by the municipality.

10.1 Current ICT Portfolio

This document is to ensure that all items related to a holistic strategy and the according implementation plan(s) be considered through having not only understanding around IDP or ICT objectives and initiatives, but rather so also having expansive insight into the current (existing) ICT portfolio and environment.

The ICT portfolio stack consists (but are not limited to) of the following categories, with the municipality providing sufficient detail as a high-level overview to each of the categories, including particulars around the infrastructure/equipment. The ICT portfolio stack is viewed from a high-level perspective, but may be expanded upon as required. The stack consists, but not are not limited to the following sections:

1. Networking, which may further be unpacked under WAN, LAN, SDN, IAAS and PAAS.
2. Wireless, which may further be unpacked under WAN and/or LAN.
3. Servers, which may further be unpacked under VM's, HV's, Hosted/Cloud and Physical.
4. Security, which may be further unpacked under WAN, LAN, Core and End User.
5. Storage, which may further be unpacked under VM's, HV's, Hosted/Cloud, Physical.
6. Operating Systems, which may further be unpacked as required.
7. End User Workstations, which may further be unpacked as required.
8. Telephony, which may further be unpacked under PABX, PBX, IP, SIP, IAAS, PAAS, Hosted/Cloud and Physical.
9. Peripherals, which may further be unpacked under Print, Scan and Docking Stations.
10. Video Conferencing, which may further be unpacked under Physical, Hosted/Cloud, IAAS and PAAS.
11. Cloud or Hosted, which may further be unpacked under IAAS, PAAS and SAAS.
12. Disaster Management/Recovery, which may further be unpacked under VM, VA, Hosted/Cloud, Physical.
13. Service Providers with SLA's



11 Roadmap

The ICT roadmap is a key enabler to the ICT strategy, whereby it provides a holistic view across the entire lifecycle of this strategy. The aforementioned ICT initiatives are born through meeting of objectives, providing full context in detail of each specific initiative. Whereas the roadmap itself, instead seeks to provide context around all of the combined initiatives, for the duration of the lifecycle.

As taken from the ICT initiatives through the aforementioned 'Department's ICT Objectives' section, we may note that there are officially 5 that have been identified. As a high level view they are noted as:

-
- 11.1.1.1 Business Case 1: Telecommunications and WAN Upgrade
 - 11.1.1.2 Business Case 2: Server Room and Network Upgrade
 - 11.1.1.3 Business Case 3: Wireless Lan to all Municipal Main Offices
 - 11.1.1.4 Business Case 4: Affordable fiber to the home in all Towns.
 - 11.1.1.5 Business Case 5: Affordable Telecommunications
 - 11.1.1.6 Business Case 6: Microsoft EA Agreement



11.2 Implementation Plans

As a complete unified view; the table below (*Table 12*) is noted as an example to ensure ease of understanding towards all ICT initiatives, including a key legend for tracking, specifically due to this document being reviewed on an annual basis and items are tracked throughout the entire lifecycle and versions of this document.

Note: The implementation plan is aligned to the migration plan as identified and prescribed in the MCGICTP.

Official 5 Year Implementation Plan: 2019 – 2024																				
	YEAR 1				YEAR 2				YEAR 3				YEAR 4				YEAR 5			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Telecommunications and WAN Upgrade 1) IDP Reference # Improve and sustain basic service delivery and infrastructure																				
Server Room and Network Upgrade 2) IDP Reference # Improve and sustain basic service delivery and infrastructure																				
Wireless Lan to all Municipal Main Offices 3) IDP Reference # Improve and sustain basic service delivery and infrastructure																				
Affordable fiber to the home in all Towns. 4) IDP Reference																				



<p># Aggressive facilitate, expand and nurture sustainable economic</p>																									
<p>Affordable Telecommunications 5)</p>																									
<p>IDP Reference # Aggressive facilitate, expand and nurture sustainable economic</p>																									
<p>Microsoft EA Agreement 6)</p> <p>IDP Reference # Improve and sustain basic service delivery and infrastructure</p>																									

Table 9: Example – 5 Year Implementation Plan(s).

11.3 Budget Breakdown/Structure

Within this section, we will review the holistic budget and set it into different sub-sections for ease of identification and understanding. This provides the municipality alongside its stakeholder’s full perspective through adequate articulation of costs, some being noted as but not limited to; per-quarter costs for individual initiative or a collection of all initiatives, to the total yearly cost per initiative or for all initiatives combined.



11.3.1 Budget - Year 1

This section provides full view of the first year as the initiation year related to the five (5) year implementation plan(s).

Official 5 Year Implementation Plan Budget: YEAR 1					
Identified ICT Initiatives	2019 – 2020				
	Q1	Q2	Q3	Q4	TOTAL
Telecommunications and WAN Upgrade 1) IDP Reference # Improve and sustain basic service delivery and infrastructure	R0	R280 000	R280 000	R280 000	R280 000
Server Room and Network Upgrade 2) IDP Reference # Improve and sustain basic service delivery and infrastructure	R0	R150 000	150 000	R150 000	R450 000
Collective Totals:		R430 000	R430 000	R430 000	R1 290 000

Table 10:5 Year Implementation Plan Budget, Year 1.

11.3.2 Budget - Year 2

This section provides full view of the second year as the midway point related to the five (5) year implementation plan(s).

Official 5 Year Implementation Plan Budget: YEAR 2					
Identified ICT Initiatives	2020 – 2021				
	Q1	Q2	Q3	Q4	TOTAL
Server Room and Network Upgrade 2) IDP Reference # Improve and sustain basic service delivery and infrastructure	R0	R0	R0	R0	R0
Wireless Lan to all Municipal Main Offices 3) IDP Reference # Improve and sustain basic service delivery and infrastructure	R8500	R8500	R8500	R8500	R34 000



Affordable Telecommunications 5) IDP Reference # Aggressive facilitate, expand and nurture sustainable economic	R0	R0	R0	R0	R0
Microsoft EA Agreement 6) IDP Reference # Improve and sustain basic service delivery and infrastructure	R268 655.50	R268 655.50	R268 655.50	R268 655.50	R1 074 622.00
Collective Totals:	R277 155.50	R277 155.50	R277 155.50	R277 155.50	R1 108 622

Table 11: 5 Year Implementation Plan Budget, Year 2.

11.3.3 Budget - Year 3

This section provides full view of the final-cycle-year related to the five (5) year implementation plan(s).

Official 5 Year Implementation Plan Budget: YEAR 3					
Identified ICT Initiatives	2021– 2022				
	Q1	Q2	Q3	Q4	TOTAL
Affordable Telecommunications 5) IDP Reference # Aggressive facilitate, expand and nurture sustainable economic	R0	R0	R0	R0	R0
[Affordable fiber to the home in all Towns. 4) IDP Reference # Aggressive facilitate, expand and nurture sustainable economic	R0	R0	R0	R0	R0
Collective Totals:	R0	R0	R0	R0	R0

Table 12:5 Year Implementation Plan Budget, Year 3.



11.3.4 Budget - Year 4

This section provides full view of the final-cycle-year related to the five (5) year implementation plan(s).

Official 5 Year Implementation Plan Budget: YEAR 4					
Identified ICT Initiatives	2022 – 2023				
	Q1	Q2	Q3	Q4	TOTAL
Affordable Telecommunications 5) IDP Reference # Aggressive facilitate, expand and nurture sustainable economic	R0	R0	R0	R0	R0
Affordable fiber to the home in all Towns. 4) IDP Reference # Aggressive facilitate, expand and nurture sustainable economic	R0	R0	R0	R0	R0
Collective Totals:	R0	R0	R0	R0	R0

Table 13: 5 Year Implementation Plan Budget, Year 4.



11.3.5 Budget - Year 5

This section provides full view of the final-cycle-year related to the five (5) year implementation plan(s).

Official 5 Year Implementation Plan Budget: YEAR 5					
Identified ICT Initiatives	2023 – 2024				
	Q1	Q2	Q3	Q4	TOTAL
Affordable Telecommunications 5)	R0	R0	R0	R0	R0
IDP Reference # Aggressive facilitate, expand and nurture sustainable economic					
Affordable fiber to the home in all Towns. 4)	R0	R0	R0	R0	R0
IDP Reference # Aggressive facilitate, expand and nurture sustainable economic					
Collective Totals:	R0	R0	R0	R0	R0

Table 14: 5 Year Implementation Plan Budget, Year 5.

11.4 Critical Success Factors

For successful completion and/or execution of all identified ICT initiatives and meeting of objectives, critical success factors shall be noted as the primary driver towards strategic achievement. These items would be considered as but not limited to the items below:

1. Resource Capacitation: Adequate, confirmed and authorized funding is the core component towards delivery of initiatives.
2. Responsibility/Ownership: Identification of a product owner (champion per initiative – may be the same person for multiple initiatives) with the appropriate mandate and authorization is required to successfully drive all aspects of the initiative.
3. Measurement: Continually measuring the success of each aspect of the initiative is the baseline towards ensuring and maintaining of quality, with a suitable monitoring or measurement system being put in place upfront prior to undertaking of the initiative.
4. Programme, project and risk management: Governance around these considerations need to be agreed upon and set as mechanism(s) prior to undertaking of initiatives, aiding and ensuring on delivery.
5. Senior and/or executive support: If there is no proper top-structure support, it is likely that the initiative may not be accurately identified to align with business needs,



while simultaneously impacting and hindering on delivery of any initiative that may have been accurately identified but delegated without any proper support during the lifecycle of the initiative.

6. Ongoing engagement: Ensuring that the initiative is always aligned to the objectives of the municipality, continual reviews should be scheduled on a regular basis whether it be ad hoc or at milestone points. Reviews will ensure there is no deviation towards completion of the initiative.

12 Lifecycle and Management

The lifecycle of the ICT strategy is noted as a period of five (5) years, whereas the lifecycle of the implementation plan(s) is noted as a period of five (5) years. In context around both lifecycles, this document will be reviewed by authorized and mandated management and/or municipal stakeholders on an annual basis.

Review of the entire context of this document as a strategic document through its initiatives, legislation, alignment or orchestration shall be realigned as found best suitable to any drives of change. Should there be multiple drivers of change due to impact of legislation, regional or national initiatives or any transversals impacting on change within a single-year-period, then the latest revision of this document may be noted as the official strategy towards the remainder of the lifecycle(s).

Through the above it may be noted that the annual review of this document will not be the only initiator to any potential change of its context or content, as other drives may dictate towards the review of it.

13 Conclusion

The Cederberg Municipality needs to adopt a Strategic plan for ICT to align the goals and service delivery through technology in order to save time and costs by automating processes.

The Municipality should realize that the current ICT Department is understaffed and vacancies must be filled.

Leveraging from technology can open many revenue streams or save costs for the municipality and better services to communities.



Annexure A: e-Governance

There are various considerations that define the makeup known as e-Governance. Below we will review and provide context to the various sections around e-Governance, while additionally providing insight into a strategy for successful application of services/systems/solutions embodied within it.

'e-Governance' is the use of ICT to enhance the efficiency of work and improve service delivery in order to meet the needs of the public in a responsive and transparent manner. e-Government is expected to facilitate the interaction between the Government and its clients including the citizens (G2C) and business communities (G2B), as well as within the public administration itself (G2G).

Expected e-Government Strategy

In summation, e-Government is expected to be delivered through four (4) phases; (a) digital presence, (b) interaction, (c) transaction and (d) transformational. Below we review the items in more detail:

1. **Digital Presence:** This phase will involve simple provision of government information through electronic means. Through this, government organisations will be expected to be providing one-way information and limited interaction to their clients.
2. **Interaction:** In this phase, Government organizations are expected to be able to use ICT to provide some degree of online interaction with their clients. For instance, citizens can be able to enter requests, complaints, or online applications, and expect to obtain an appropriate response. In this stage, secure transactions such as financial or confidential transactions that require a high degree of security-clearance authorization and audit capacity are not expected. However, the nature and capacity of each government organization/department will determine the degree of sophistication in each service provided.
3. **Transaction:** This phase is characterised by the provision of secure transactions through high level authorization. Government organizations are expected to be able to provide capabilities and features that will allow clients to complete their transactions in full without the necessity of visiting Government offices. Such services may also allow the Government to function in a 24/7 mode. Typical examples may include one-stop online centres for citizens to apply for passports, permits or licenses, enabling them to make payments online.
4. **Transformation:** In this phase government organisations are expected to have been well joined and working together at various levels. The achieving of this stage will allow Government clients to interact with one Government instead of individual Government organizations. This phase requires collaboration to bring together suppliers, consumers and the whole government itself into a seamless network focussed on increasing value creation.



Extended Consideration

Diversification towards an e-Citizen engagement platform would be a primary focus area for government. There are citizen-side technologies that may be leveraged to the benefit of e-Governance such as computers, mobile devices, the Internet, Smart Television, Applications, and many others in enhancing delivery of services. Therefore, alignment to exploit such technologies to enhance its relationship with citizens should be a primary objective. Through the four (4) phases identified above, it provides context and suggests ways in which this intent of diversification to e-Citizenry may be achieved.

Annexure B. Innovation

Strategic Innovation is a holistic, systematic approach focused on generating beyond-incremental, breakthrough or discontinuous innovations. Innovation becomes “strategic” when it is an intentional, repeatable process that creates a significant difference in the value derived from it, often through means of disruption. A Strategic Innovation initiative generates a portfolio which is created using a disciplined yet creative process.

Expected Innovation Strategy

The Strategic Innovation framework weaves together seven (7) dimensions to produce a portfolio of outcomes that drive growth:

1. **A managed innovation process:** Combining non-traditional (out the box thinking) and traditional approaches (governed and procedural) to business strategy.
2. **Strategic alignment:** Building support services/systems catered towards the innovation.
3. **Industry foresight:** Understanding emerging trends and forecasting applicability of the innovation.
4. **Consumer/customer insight:** Understanding articulated and unarticulated needs.
5. **Core technologies and competencies:** Leveraging and extending corporate assets.
6. **Organizational readiness:** The ability to take action.
7. **Disciplined implementation:** Managing the path from inspiration to business impact.

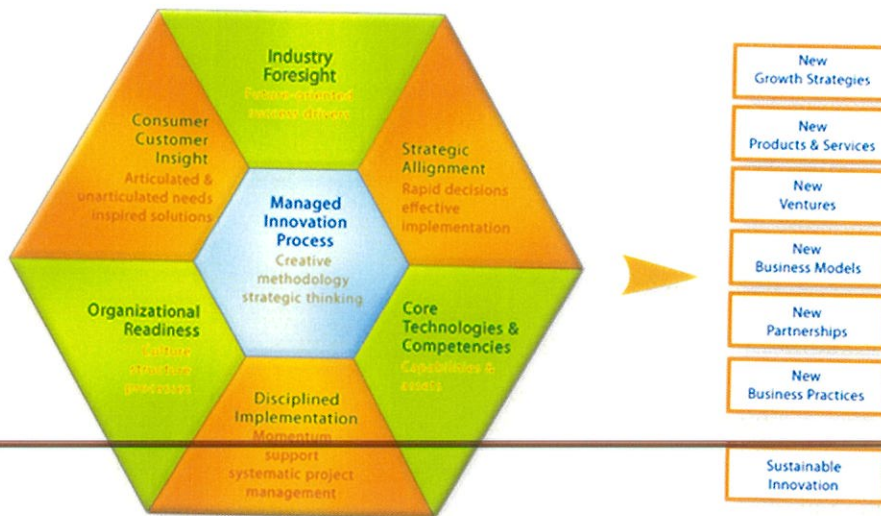


Figure 4: Strategic Innovation Framework.

A managed Innovation Process covers a sequence of activities from the beginning of an initiative through to its implementation. This provides the baseline as a catalyst to an 'all-things-possible' perspective that demands radical rethinking, challenges the status quo and calls for critical thinking from all key stakeholders.

Extended Consideration

As a team-based framework the approach would include workshop sessions related to; information exchange, part exploration, part mediation, part creative invention and part improvisation. These sessions stimulate cross-functional teams to look beyond the obvious and to explore and speculate about future possibilities. The workshops intentionally juxtapose unlikely, contradictory perspectives which inspire new thinking and force a creative tension that stretches the mind to new levels of inventiveness. The resulting view of the future is then supplemented with the usual methodologies and analysis found in traditional future planning concepts.

Annexure C: Product Sourcing

In a concise and specific manner related to the municipality's ICT department, environment, as well as towards strategic enablement of the municipality through ICT; product sourcing should be conducted through understanding of the items all noted below.

Expected Product Sourcing Strategy

As a primary framework, a successful strategy is where sourcing has considerations related to:

1. **Total Cost of Ownership (TCO):** Focusing on the total and full cost related to the purchase whereby the total cost incorporates the needs of the customer, the goals of the municipality, as well as the market conditions. Internal and external factors for support/enablement need to be considered around TCO.

Note: Purchases should not only therefore focus on the cost of the purchase by itself, as the holistic cost of ownership of the product may be far more than a better product or service as noted in point 2.



- 2. Best Product/Service:** It is expected that the best value is to be derived from what is purchased, related to longevity as well as operational and functional support included in the cost to ensure timeous response in event the product/service becomes faulty or unstable. A Next Business Day (NBD) response-time should be the bare minimum for consideration, as a user or system/service/platform should not be down for more than 24 hours at a worse-case scenario in the municipality. Therefore, only reputable vendors with a history of or referenced Service Delivery should be considered as part of any Tender Specification(s), ensuring this ties into adequately meeting the objective of successfully managing TCO.

Note: This is a direct consideration that could hinder operations, whereby a purchase should not look at the cheapest product/service, but rather look at the business around that product/service to define if it will be a short-term purchase or drive a long-term objective. A short-term cheaper purchase may define that the business needs to realign its ICT around the cheaper purchase in a few years when the business requires something more expansive, with total cost of migrating the platform then costing more than purchasing a better product/service from the onset which is scalable both up and out.

- 3. Driven Collaborative Approach:** Purchases should not negate the fact when an expected purchase is to be undertaken where the item is not easily interoperable with an existing ICT platform already in place. This tied into the aforementioned points 1 and 2 define a consideration to be undertaken where Collaboration, Best Product/Service, as well as TCO be aligned closely to ensure collaboration and interoperation of ICT.

Note: Strategic sourcing is not achieved when it is only surrounded by ad-hoc activities and not only involving purchasing.

- 4. Levered Savings:** Purchases are to consider extended items where the purchase is all-encompassing, as at times a product/service may be purchased whereby the 'up-sell' of other extended services on the platform ends up increasing costs down the line significantly.

Note: Purchases should understand the full product/service suite related to all 'up-selling' considerations before concluding any purchases.

- 5. Analysis and Understanding:** Decisions should consider fact based analysis and market intelligence from an internal perspective. An external party or third-party may not have the best interest or holistic understand around the long-term applicability of the product/service in both the environment itself as well as the business.

Note: Decisions should not be based on opinions, unjustified preference or complacency.

The above components should be noted as Critical Success Factors towards conclusion for successfully sourcing of any product or service required by ICT and/or the municipality.



Annexure D: Service Delivery

Service Delivery within Information and Communications Technology (ICT) is related to a manner in which ICT is delivered considering its design, development, deployment, operation and lifecycle management. Operational capability is a critical component to why Service Delivery is required; the municipality both needs to not only be operational, but more so capable of operating in an optimal manner.

Expected Service Delivery Strategy

There are various types of Service Delivery and/or Service Management components related to successful delivery, however the items below are to be considered as the primary components:

1. **Service Culture:** This is a primary consideration and at the forefront of Service Delivery, specifically to be understood that there is a duality to Service Culture which collectively contributes to delivery. Firstly, internal culture needs to be geared through leadership, habits, vision and values, which enable internal stakeholders to understand what is required. Secondly, an external provider/party/stakeholder who is responsible for undertaking, facilitating or concluding what is required of them to meet the expectation/request of the internal stakeholder. Through this and the quality of Service Culture both internally and externally, it enables that delivery may be experienced for being both effectively communicated around its requirements, as well as being understood on what is expected.
2. **Service Quality:** There are various components to this, but it ultimately comes down to making informed decisions around the quality of the service (product/platform/system/solution/etc.), not just related to the immediate value it may potentially bring, but more so if there would be extended value over a measurable period of time, contributing to a successful TCO Model – see Annexure C.
3. **Service Experience:** It would be a critical component towards Service Delivery that the support experience to the client or end user is as effective as possible. Engagement requiring any Service Delivery request should be minimal from the client or end user side, whereby what is required by them may be easily and adequately understood, logged, and loaded to whichever system by the party providing the service, catering for an effective turnaround time. Therefore, all items put in place within the municipality around ICT should cater for a high Mean Time To Repair (MTTR), through it being sourced/secured/provided by parties who have the according capability to ensure a timeous MTTR.
4. **Service Performance:** Through the aforementioned MTTR; all ICT components related to Service Delivery should be documented in a central location. This IT Service Delivery Document will contain all particulars related to processes, contact details, and expected turnaround time for ICT in totality. Therefore, successful Service Performance related to Service Delivery would be dictated through it being understood how MTTR is to be expected/achieved. It needs to be defined whether the undertaking would be via; an internal perspective, from an external perspective, or a combination of both.



5. **Service Results:** The results experienced through the various aspects of Service Delivery should additionally be documented alongside a Service Performance section. This will not only ensure that performance can be measured, but more so ensuring that results are captured over a period of time and reviewed quarterly, whereby it may then be compared for TCO. This will define the true value of the service.
6. **Service Consolidation:** A successful Service Delivery Strategy ultimately contains consideration whereby there is a Single Point of Contact (SPoC) supporting multiple services, instead of a provider/vendor/partner, per service. Consolidation is where MTTR and TCO to enable delivery meet.

The six (6) Service Points above will enable the municipality to manage Holistic ICT Service Delivery Strategy.

Appendix A: Figures

Figure 1	Holistic ICT Governance Framework
Figure 2	Structure - MICTSIP Template Framework, Process Flow Diagram (PFD)
Figure 3	Structure - MICTSIP Lifecycle
Figure 4	Strategic Innovation Framework

Appendix B: Tables

Table 1	COBIT to ITIL Mapping
Table 2	Example - ICT and IDP Alignment.
Table 3	Objectives, Initiative and Business Case
Table 4	Objectives, Initiative and Business Case
Table 5	Objectives, Initiative and Business Case
Table 6	Example and Template – RACI model/matrix
Table 7	Expansive Example and Template – RACI model/matrix
Table 8	Example – Holistic Current ICT Costs/Spend
Table 9	Example – 5 Year Implementation Plan(s).
Table 10	5 Year Implementation Plan Budget, Year 1.
Table 11	5 Year Implementation Plan Budget, Year 2.
Table 12	5 Year Implementation Plan Budget, Year 3.
Table 13	5 Year Implementation Plan Budget, Year 4.
Table 14	5 Year Implementation Plan Budget, Year 5.