



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

CORPORATE GOVERNANCE OF ICT POLICY

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ACRONYMS

The following acronyms are used in this Policy:

CGICTPF	-	Corporate Governance of Information Communication Technology Policy Framework
MTEF	-	Medium Term Expenditure Framework
DPSA	-	Department of Public Service and Administration
GITO	-	Government Information Technology Office
HOD	-	Head of Department/Accounting Officer
ICT	-	Information and Communication Technology, also referred to as Information Technology (IT)
ITSM	-	Information Technology Service Management
LPT	-	Limpopo Provincial Treasury
AGSA	-	Auditor-General (AG) of South Africa
EXCOM	-	Executive Management Committee

1. EXECUTIVE SUMMARY

The Department of Public Service and Administration (DPSA) published the national ICT governance framework in 2012 in the form of Corporate Governance of Information and Communication Technology Policy Framework (CGICTPF). The framework is accompanied by the implementation guidelines which were circulated to all departments, nationally. In its inception, the CGICTPF required all government departments to adopt the framework, develop ICT policies and charter to regulate and ensure accountability and transparency in ICT operations.

The existing Policy Framework that the Cabinet approved in 2012 focuses mainly on compliance with no performance considerations. This weakness was confirmed by the repeat audit findings of the Auditor-General (AG) of South Africa (AGSA) on ICT governance weaknesses, where IT projects do not meet the business expectations. In the main, AG findings continuously reported:

- Inadequate support from EXCOM on matters of ICT governance,
- Lack of knowledge / experience of those charged with ICT governance,
- Poor ICT projects oversight, and
- Lack of performance monitoring processes.

The direct consequence of these repeat findings include:

- Weak ICT governance,
- Weak IT controls,
- IT Projects failures.

The revised Corporate Governance of Information and Communication Technology Policy Framework version 2 has been primarily developed to address performance shortcomings and focuses on the following four main priorities:

- ICT governance shortcomings as highlighted by the Auditor-General of South Africa over the years of implementation.

- To address the strategic leadership of department (executive management) to take responsibility for the governance of ICT equivalent to other functions.
- Value and benefits realization from ICT investments
- To measure the department's compliance and performance of ICT.

In aligning to version two (02) of the Corporate Governance of ICT Policy Framework, the Limpopo Provincial Treasury develops this policy, as directed and informed by the revised policy framework.

2. INTRODUCTION

Corporate Governance is about the role the governing bodies play in ensuring that there is ethical and effective leadership which will result in attaining and advancement of ethical culture, continuous good performance, effective control and legitimacy within their organizations. The governing bodies include any structure that has been given a responsibility to provide an oversight role on the management of the organization.

The King IV Report on Corporate Governance for South Africa published in 2016 put an emphasis on Technology and Information Governance, and the need for security of information systems to be a critical focus of the Governing bodies. The report states that Technology governance and security has become critical and are central to any organization for it to achieve its strategic objectives. Technology is no longer only an enabler; information systems provide a platform for organizations to perform their business and technology is thus a source of business opportunities and potential disruption.

The Corporate Governance of Information and Communication Technology framework (CGICTPF), published by Department of Public and Administration (DPSA), describes ICT governance as a continuous function that should be embedded in all operations of a department, from Executive Authority and Executive Management level to the business and ICT service delivery (CGICTPF, DPSA, 2012).

3. PURPOSE AND OBJECTIVES OF THE ICT GOVERNANCE POLICY

The purpose of this Policy is to institutionalize the corporate governance of ICT as an integral part of the corporate governance practices within the department in a uniform and coordinated manner.

Corporate governance of ICT will help create value for the department, e.g., improved service delivery, better use of limited resources, and improved performance and quality. It will also provide for performance measurement of ICT as a strategic enabler of the department business, thus driving their respective digital transformation strategies.

The Policy directs the **strategic leadership** of the department to take responsibility for the corporate governance of ICT and provide leadership for the use of ICT to support the achievement of the strategic objectives and goals of the department.

Furthermore, this policy is in line with the national CGICT Policy Framework (version 2), and in that seeks to achieve the following:

- To institutionalise the governance of ICT as an integral part of Corporate Governance in the department.
- To outline set of principles, processes and practices which will be applied to implement the ICT governance in the department.
- To align the department's ICT Strategic Plan with departmental Strategic Plan and objectives.
- To provide a systematic and auditable process of providing ICT services to the department and continuously improve and enhance the governance processes.
- To mitigate the identified and potential ICT risks in the department.
- To ensure efficient allocation and utilisation of ICT resources.

4. SCOPE OF APPLICATION

The LPT ICT Governance Policy applies to all ICT processes across all directorates within the Limpopo Provincial Treasury.

LPT shall use this policy as a guide on how to govern the provision and usage of ICT services in the department.

5. LEGAL FRAMEWORKS

This LPT ICT Governance Policy document is guided by but not limited to the following prescripts.

- Constitution of the Republic of South Africa, 1996, section 197(1).
- Protection of Personal Information Act, 2013 (Act No. 4 of 2013).
- Public Administration Management Act, 2014 (Act No. 11 of 2014).
- Public Finance Management Act, 1999 (Act No. 1 of 1999); promotion of Access to Information Act, 2000 (Act No. 2 of 2000).
- Public Service Act, 1994 (Proclamation No. 103 of 1994).
- Public Service Regulations, 2016; and
- State Information Technology Agency Act, 1998 (Act No. 88 of 1998).

6. DEFINITIONS

TERM	DEFINITION
CORPORATE GOVERNANCE	The set of responsibilities and practices exercised by the board and executive management with the goal of providing strategic direction, ensuring that objectives are achieved, ascertaining that risks are managed appropriately and verifying that the enterprise's resources are used responsibly.
CORPORATE GOVERNANCE OF ICT	The system by which the current and future use of ICT is directed and controlled. Corporate governance of ICT involves evaluating and directing the use of ICT to support the organisation and monitoring this use to achieve plans. It includes the strategy and policies for using ICT within an organisation.
GOVERNANCE CHAMPION	The Accounting Officer in the department who is responsible to drive Corporate Governance of and Governance of ICT.
GOVERNANCE PRINCIPLES	The vehicle to translate the desired behaviour into practical guidance for day-to-day management.
EXCOM	Executive Management Committee (consists of executive management members of the department).
HEAD OF ICT	The ICT Director, also referred to as GITO

7. LPT ICT GOVERNANCE PRINCIPLES, ROLES AND STRUCTURES

7.1. LPT ICT CORPORATE GOVERNANCE PRINCIPLES

The purpose of corporate governance is to create value for the department's stakeholders. The implementation of CGICTPF version 2 in the department will be underpinned by the following **principles**:

7.1.1. Strategic Mandate

ICT should enable the department to achieve its strategic mandate and objectives.

7.1.2. Institutionalisation Of Corporate Governance Of ICT

Corporate governance of ICT should be institutionalized within corporate governance regime of the department.

7.1.3. Value and Benefit Realization from ICT Investment

The ICT investment should achieve predetermined value and benefits.

7.1.4. Manage ICT-Related Business Risks

The ICT-related business risks, including security and cybersecurity, should be mitigated and audited regularly.

7.1.5. Change Management

Corporate governance of ICT should be implemented through appropriate change management interventions.

7.1.6. Monitoring And Evaluation

Monitor and evaluate the use and performance of ICT.

7.2. LPT ICT CORPORATE GOVERNANCE ROLES

The LPT approved organisational structure and 2020/25 strategic plan document locate the ICT directorate within the Corporate Management Services Branch, under the Information Management unit. The current strategic objective of the Corporate Management Services Branch is to strengthen capability and accountability of the department through support services and good governance by 2030; this will require continuous improvement of departmental performance and compliance to Institutional arrangements. It is in this context that the ICT governance shall be applied in the department.

The following governance roles shall be assigned responsibilities as follows:

7.2.1. HEAD OF DEPARTMENT

The **Head of Department** is accountable and responsible to ensure that the corporate governance of ICT and governance of technology and information is implemented in the department in line with the national and provincial frameworks. **The Head of Department/Accounting Officer** shall provide the overall strategic leadership and is accountable for the implementation of the LPT ICT governance policy in line with the departmental strategic goals and objectives.

The Head of a Department will:

- Establish the corporate governance of ICT system and monitor its performance, including the establishment of the structures, roles, and processes that enable the implementation of corporate governance of ICT.
- Ensure that EXCOM plays a broad governance role in overseeing ICT governance in the department.
- Establish the ICT steering committee for evaluating the use of ICT to enable the department's business and oversee ICT service delivery.
- Ensure the designation of a suitable Head of ICT / GITO in the department.

- Ensure the development and implementation of ICT plans over the long, medium, and short term for ICT to enable the business and create value for the department.
- Ensure that ICT projects are managed according to a project management framework, and that significance based on size, complexity and risks associated with the ICT investment is defined.
- Ensure that the annual self-assessment is conducted in line with the DPSA guidelines that will be issued periodically.

7.2.2 GOVERNMENT INFORMATION TECHNOLOGY OFFICER (HEAD OF ICT)

The Head of ICT / GITO in the department will at a minimum:

- Work with departmental branches to continuously seek new methods and approaches to digitalise the department's services,
- Develop and define an ICT Policy that include IT Service Management (ITSM).
- Develop an ICT plan (MTEF aligned) to prioritize ICT initiatives supporting the departmental strategic plan,
- Develop an ICT operational plan,
- Manage the execution of the implementation of the ICT plan and the ICT operational plan,
- Oversee and direct the day-to-day activities of the departmental ICT function, ensuring that systems, services, and infrastructure work reliably and securely in line with the ITSM policy,
- Provide quarterly executive summary reports to the ICT steering committee on the ITSM, and
- Ensure that ICT solutions and associated technology are not duplicated,
- Ensure that key ICT general controls for Information security management, User access management, ICT service continuity, and Configuration management are in place.

7.2.3 GOVERNANCE CHAMPION (GC):

The Head of the Department is the designated Governance Champion accountable for the Corporate Governance of ICT in the department. The function may be delegated to a person at an executive management level, but accountability cannot be delegated.

7.3 ICT GOVERNANCE STRUCTURES

The following governance structures exist in the department as part of ensuring that ICT governance is put into practice at all levels and times:

- Executive Management Committee (EXCOM) / ICT Strategic Committee
- ICT Steering Committee
- ICT Operational Committee

The above governance structures shall be assigned responsibilities as follows:

7.3.1 EXCOM

This structure has the highest level of accountability for the governance and performance of the department must provide monitoring and oversight to ensure that the use of ICT supports the achievement of the department's strategic objectives.

This governance structure must ensure that corporate governance of ICT is included in the corporate governance regime of the department and that the necessary governance structures, policies, and processes are in place, monitored, and enforced.

In addition to other EXCOM roles and responsibilities, this structure Evaluate, Direct and Monitor the effectiveness of the departmental ICT governance systems, including but not limited to:

- Recommend the approval of the ICT plan and relevant ICT policies for approval by the Head of Department,
- Provide support to the functioning of the ICT steering committee,
- Monitor and evaluate the performance of the ICT steering committee and processes,
- Review and ratify quarterly ICT steering committee reports.

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7.3.2 ICT STEERING COMMITTEE

Responsible for ensuring that departmental arrangements for the corporate governance of ICT are developed, implemented, managed, monitored, and evaluated. Furthermore, the ICT steering committee is responsible for creating an environment that improves the financial and performance management of ICT and managing ICT risks within the risk appetite of the department. The membership of the committee shall be as per institutional arrangements, ensuring that all branches are represented.

The ICT steering committee is responsible for:

- Provide business leadership towards the digitalization of the department, including ICT projects and services,
- Monitor the ICT planning and resourcing of the ICT programme across the department,
- Monitor the implementation of approved ICT plans, policies, and strategies,
- Monitor the mitigation of ICT-related business risks,
- Monitor the performance of the audit improvement plans for both internal and external audits,
- Track the benefits realized from the ICT investments (portfolio of ICT projects),
- Regularly review the ICT reports; and provide recommendations and regular reports to EXCOM on pertinent ICT issues, including ICT plans, projects and budget.

7.3.3 ICT OPERATIONAL COMMITTEE

The committee provides inputs to and monitor the implementation of the ICT operational plan and day to day activities as well as other ICT related projects and activities on regular basis. This committee will be chaired in line with the departmental institutional arrangements. Members of this committee are officials within the ICT directorate and may include other business areas depending on the agenda.

This Committee shall be comprised of technical and operational officials who will be responsible for the planning and execution of all ICT related activities and projects in the department. The committee shall ensure that ICT operations are in line with the departmental internal processes.

The responsibilities of the ICT Operational Committee shall be as follows:

- Provide input into the development of ICT Plan, ICT Implementation Plan, ICT Operational Plan, Governance and Management of ICT and ICT Projects Programme,
- Coordinate implementation of ICT Plan, ICT Implementation Plan, ICT Operational Plan and ICT Projects Programme,
- Day-to-day operations and service management,
- ICT risk management,
- Compliance and performance reporting to ICT Steering Committee.

8. IMPLEMENTATION, MONITORING AND EVALUATION OF THE LPT CGICTP

8.1 IMPLEMENTATION OF THE POLICY

The department must apply corporate governance of ICT by adopting the principles and practices put forward in this Policy and adapting the governance system, to align with the departmental context while keeping the intent of the CGICT Policy Framework intact.

8.2 CONTINUOUS IMPROVEMENT OF CORPORATE GOVERNANCE OF ICT

The successful implementation of a Corporate Governance ICT system leads to continuous improvement in the creation of value to the department. ICT delivery will be monitored and evaluated on an on-going basis to identify gaps between what is expected and what is realized.

9. DEVIATION

All employees and any other individuals' conducting business or using LPT ICT infrastructure and network resources, who contravenes the provisions of this policy which may lead to violations of the Public Service Code of Conduct or any rules or

policies, that employee shall be charged with misconduct and the necessary disciplinary measures will be taken against him or her.

10. INTERPRETATION OF POLICY

Should there be any dispute about the interpretation or application of this policy, the enabling legislation will take precedence.

11. COMMENCEMENT DATE

The commencement date of this policy will be on the date of its approval.

12. TERMINATION AND REVIEW CONDITIONS

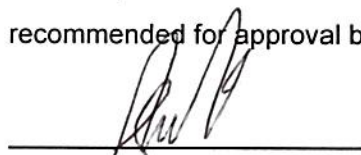
This policy will be reviewed by the LPT whenever a need arises, and/or in line with the CGICTPF review and subsequent directive by the MPSA. The amendments resulting from the review will be processed in line with the Policy Development Framework. However, where it is deemed not necessary to review the policy, evidence of the process leading to such a decision should be provided. This policy will remain in force until and unless it has been withdrawn and amended by Accounting Authority.

13. ENQUIRIES

Enquiries regarding this policy should, in the first instance, be directed to the ICT directorate.

14. RECOMMENDATION AND APPROVAL

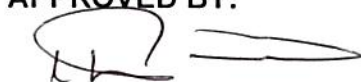
The Corporate Governance of Information and Communication Technology Policy is recommended for approval by:



Mr. GC PRATT CA(SA)
HEAD OF DEPARTMENT

DATE: 30/7/2024

APPROVED BY:



Mr. KE MAHOAI (MPL)
MEMBER OF EXECUTIVE COUNCIL

DATE: 2/8/2024