ICT GOVERNANCE CHARTER

2022 - 2027

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1. Introduction

This charter seeks to communicate the policy framework which will guide the ICT governance processes of Mbhashe Local Municipality (herein referred to as MLM). ICT operations within the municipality will be guided by national ICT principles and also international best practices.

1.1 National ICT principles

The vision South Africa as documented in the ICT Roadmap by the CSR Institute1 is for a South Africa that has overcome the Digital Divide; by leveraging advances in ICT to address socioeconomic challenges, it has created Digital Advantage. The roadmap identifies the following conditions that should be met;

- Advanced human capital and strong and institutional capacity, enabling critical mass for research in prioritised areas
- An industry characterised by tight engagement with research communities, as well as fast uptake and promotion of research results and indigenous innovation
- A healthy innovation ecosystem, in which research results flow unencumbered to government and industry to achieve impact in and for society
- Advanced ICT infrastructure connecting South Africa internally and with the world
- Local content and applications that address local needs and also create export opportunities

Also, the **National e-strategy - Digital Society South Africa**[2] outlines the following critical issues must be addressed;

1. **Enabling policies:** South Africa's ICT and related policies should be forward-looking, transparent and predictable ICT to enable inclusive growth and development.
2. **Infrastructure**: the digital society will be underpinned by the availability of infrastructure throughout the country. Interventions are thus needed to stimulate both the public and private sector investments building on SA Connect and the introduction of supply-side interventions to promote competition and SMME development in the telecommunications and broadcasting industries.
3. **Universal access**: all South Africans should have access to affordable user devices and high-quality services irrespective of geography and social status.
4. **Security**: citizens should trust the ICT environment knowing that their information and transactions are protected.
5. **Content**: South Africans should be involved in the development of local content taking advantage of the ubiquitous nature of the ICT sector. There is a big scope for South Africa to emerge as one of the leading content industries on the continent and in the rest of the world. Strong and affordable content rights management and protection must support this.
6. **Innovation:** government and society as a whole should pay specific attention to the development of local intellectual property and knowledge to encourage and support local production and manufacturing. Importantly, innovations should be geared towards growing the ICT sector while at the same time introducing ICT enabled solutions in the other key sectors of the economy.

[1] https://www.csir.co.za/
[2] www.gpwonline.co.za

7. **Skilling the nation**: a massive skills development programme to create awareness, demystify technologies and extend the use of technology to embark on complex transactions should underpin the uptake and usage of ICTs in the whole society.

These principles are meant to guide municipal ICT investments to ensure that value is derived from such.

1.2 What is governance?

According to the Gartner **report**[3], **IT governance (ITG)** is defined "*as the processes that ensure the effective and efficient use of IT in enabling an organization to achieve its goals. IT demand governance (ITDG—what IT should work on) is the process by which organizations ensure the effective evaluation, selection, prioritization, and funding of competing IT investments; oversee their implementation, and extract (measurable) business benefits. ITDG is a business investment decision-making and oversight process, and it is a business management responsibility. IT supply-side governance (ITSG—how IT should do what it does) is concerned with ensuring that the IT organization operates in an effective, efficient, and compliant fashion, and it is primarily a CIO responsibility.*"

ICT governance is 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 municipality and monitoring this use to achieve its plans. This includes the strategy and policies for using ICT within the municipality.

According to the King IV Report, the objective of Corporate Governance is,

> *"The overarching objective of King IV™ is to make corporate governance more accessible and relevant to a wider range of organisations, and to be the catalyst for a shift from a compliance-based mindset to one that sees corporate governance as a lever for value creation".* Prof M King

In addition, the ISO/IEC 38500: 2015 standards in the corporate governance of ICT is meant to do the following:

> *…provides guiding principles for members of governing bodies of organizations (which can comprise owners, directors, partners, executive managers, or similar) on the effective, efficient, and acceptable use of information technology (IT) within their organizations. It also provides guidance to those advising, informing, or assisting governing bodies.*[4]

1.2 What is COBIT?

COBIT is an abbreviation for "Control Objectives for Information and related Technology". It is an internationally accepted process framework for implementing governance of ICT. COBIT fully supports the principles of the King IV Code and the ISO/IEC 38500 standard in the corporate governance of ICT.

The benefits of implementing COBIT are,

[3] https://www.gartner.com/en/information-technology/glossary/it-governance
[4] https://www.iso.org/standard/62816.html

a) It provides an authoritative, international set of generally accepted practices that assists boards of directors, executives, and managers (Audit and ICT) to reduce the risks and increase the benefits associated with ICT.
b) COBIT starts from the premise that ICT needs to deliver the information that the enterprise needs to achieve its objectives.
c) COBIT 5 provides a comprehensive framework that assists enterprises in achieving their objectives for the governance and management of enterprise ICT. Simply stated, it helps enterprises create optimal value from ICT by maintaining a balance between realising benefits and optimising risk levels and resource use.
d) COBIT 5 enables ICT to be governed and managed holistically for the entire enterprise, taking in the full end-to-end business and ICT functional areas of responsibility, considering the ICT-related interests of internal and external stakeholders.
e) COBIT 5 is generic and useful for enterprises of all sizes, whether commercial, not-for-profit or in the public sector.
f) Governance ensures that stakeholder needs, conditions and options are evaluated to determine balanced, agreed-on enterprise objectives to be achieved; setting direction through prioritisation and decision making; including monitoring performance and compliance against agreed-on direction and objectives.
g) Management plans, builds, runs and monitors activities in alignment with the direction set by the governance body to achieve the enterprise objectives.

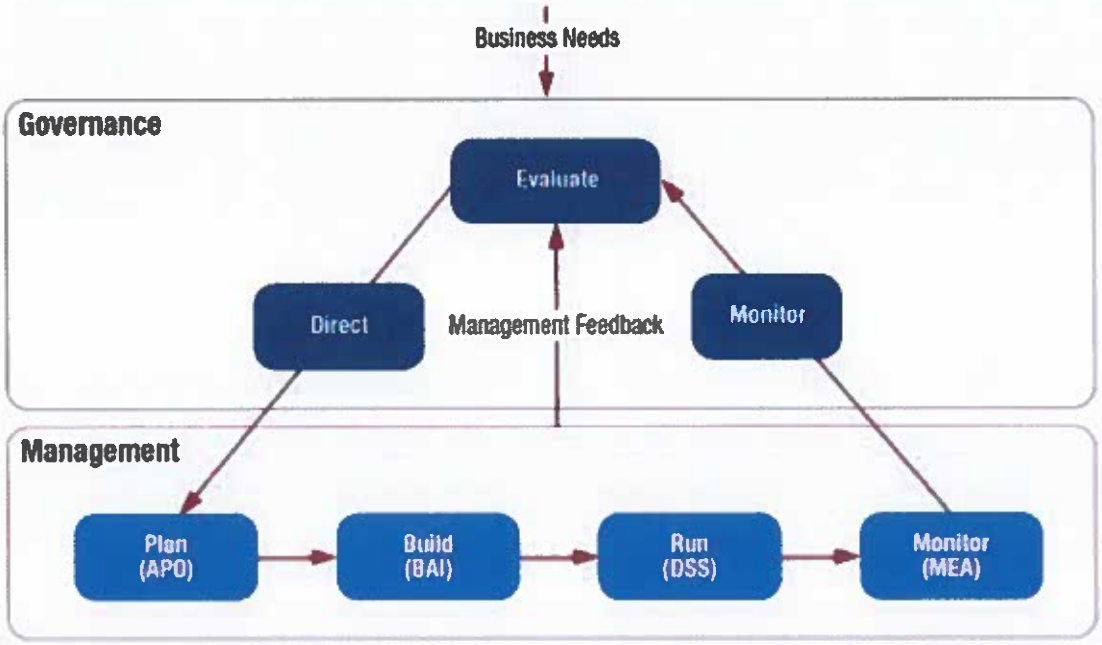

Figure 1:Overview of COBIT

The IT governance process has its own set of artefacts and a recurring lifecycle. The governance process lifecycle includes capturing the governance needs of an organization and creating, deploying, and evolving a governance solution that meets those needs while proactively balancing value and risk.

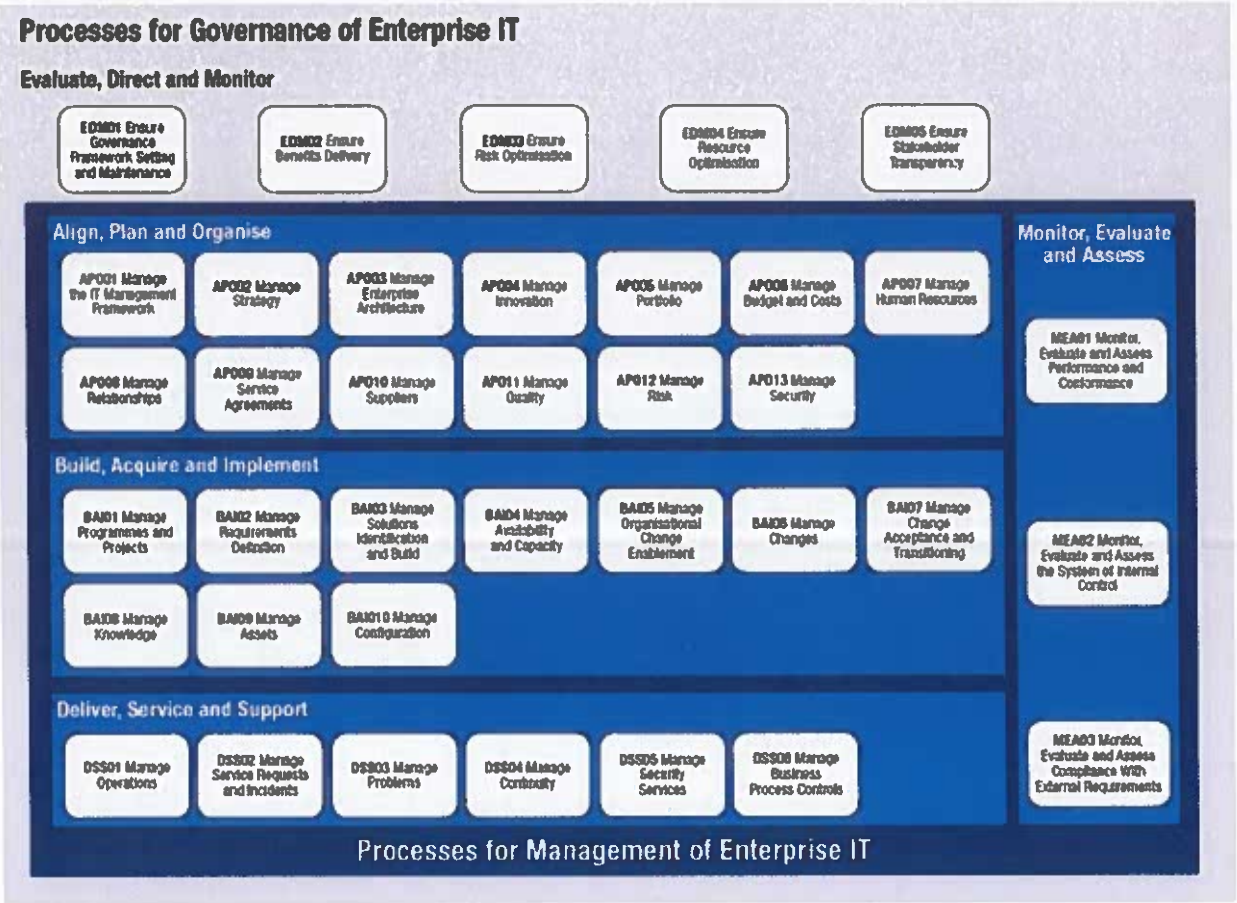

Figure 2: Processes of Governance of ICT

1.3 COBIT Enablers

The COBIT 5 framework describes seven categories of enablers within the Governance and Management of ICT Framework as depicted below:

a) Principles, policies, and frameworks are the vehicle to translate the desired behaviour into practical guidance for day-to-day management.
b) Processes describe an organised set of practices and activities to achieve certain objectives and produce a set of outputs in support of achieving overall ICT-related goals;
c) Organisational (governance of ICT) structures are the key decision-making entities in an enterprise.
d) Culture, ethics and behaviour of individuals and of the enterprise are very often underestimated as a success factor in governance and management activities.
e) Information is pervasive throughout any organisation and includes all information produced and used by the enterprise. Information is required for keeping the organisation running and well governed, but at the operational level, information is very often the key product of the enterprise itself.
f) Services, infrastructure and applications include the infrastructure, technology and applications that provide the enterprise with information technology processing and services; and
g) People, skills and competencies are linked to people and are required for successful completion of all activities and for making correct decisions and taking corrective actions.

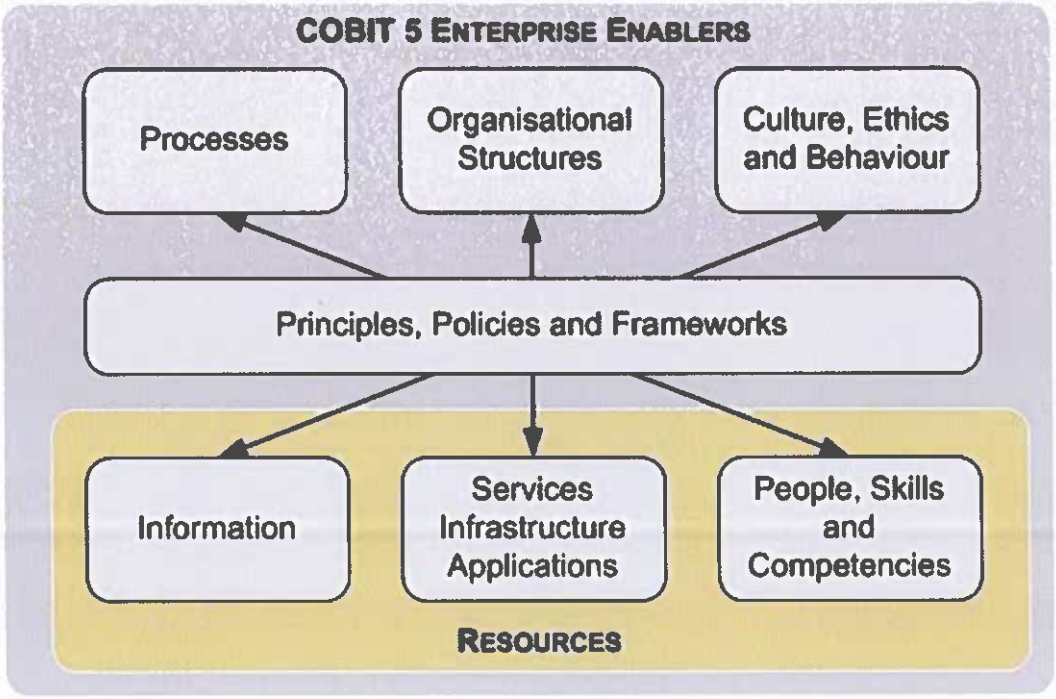

Figure 3: COBIT Enablers

Enablers are factors that individually and collectively influence whether governance and management over enterprise IT will work. Enablers are driven by the goals cascade, whereby higher-level IT-related goals define what the different enablers should achieve. Principles, policies and frameworks which translate the desired behaviour into practical guidance for day to day management.

2. ICT Maturity

An ICT process maturity high-level assessment was conducted using the COBIT 5 framework. The following approach was used:

a) Only a high-level assessment was conducted to determine the ICT maturity status.
b) The following legend was used to determine the maturity of a given ICT process based on the feedback received during the envisioning session held on 16 March 2020, at the Mbhashe Local Municipality.

Figure 4: ICT Maturity principles

Alternatively, the maturity levels must be interpreted as follows:

Table 1: Explaining ICT Maturity levels

No	Process maturity	Description of the maturity level
Level 0	Does not exist/ Adhoc	Process implementation is at an initial stage
Level 1	Partial	Process implementation occurs but is not defined
Level 2	Defined and implemented	Process implementation is defined and implemented.
Level 3	Managed	Process implementation is established and is capable of consistently achieving outcomes
Level 4	Measured	Process implementation operates within defined limits and is measured.
Level 5	Continually improved	Process implementation is continually improved.

2.1 Motivation for MLM ICT Maturity

The Level 0 of ICT Maturity is chosen for the municipality due to the following problem statements which surfaced during the envisioning session on the 16th March 2020[5]:

1. Lack of ICT awareness in the municipality
2. Inconsistent and manual processes across the municipality
3. Lack of easily accessible real-time relevant data
4. Poor customer-centric focus leading to poor customer service due to lack of IT-enabled customer view
5. Lack of transparency in service delivery reporting - no system capacity to update statuses and feedback to customers during project implementation
6. Multiple handovers to do simple ICT things (help desk related)
7. Poor ICT infrastructure
8. Inadequate processes for managing ICT user-related assets
9. Document management processes
10. Multiple, siloed, fragmented and unintegrated systems across the municipality

The implications of these problems can be summarised as follows:

[5] As cross-referenced in the ICT Master Plan 2020-21

Management

a. Lack of real-time decision support reports/ dashboards
b. Current manual processes creating duplication of work for employees
c. Limited focus on strategic thinking as more time is dedicated to the development of reports which should be sourced from reports
d. Current public participation methods are limiting in assisting the municipality to manage customer expectations
e. Poor return on investment with regards to user-related technologies
f. No alignment of current communication methods with new technological trends
g. Lack of change management processes leading to slow transformation and performance improvement
h. Data/ information is not yet regarded as an asset.

Citizens

a. Over-reliance on municipal officials for access to information
b. No real-time updates on municipal performance and project related information especially for the general public
c. Limited direct access to the municipality
d. Poor communication has led to a perception of poor accountability and transparency
e. Citizens are not properly segmented to ensure effective and targeted communication
f. Free basic service delivery planning is not responsive as the registration process for indigents is cumbersome
g. Word of mouth communication potentially leading to transmission of incorrect information which may affect municipal initiatives

3. Responsibilities for ICT Governance processes

The ICT Governance framework of MLM has identified processes that will be monitored and audited henceforth. The responsibilities of these processes are as follows:

Table 2: Governance processes and stakeholder responsibility

Process ID	Processes for Governance of Enterprise IT	Responsible municipal stakeholder
Evaluate, Direct and Monitor		
EDM01	Ensure Governance Framework Setting and Maintenance	Municipal Manager ICT Steering Committee Chairperson
EDM03	Ensure Risk Optimisation	Senior Manager: Operations
EDM04	Ensure Resource Optimisation	Manager: ICT
EDM05	Ensure Stakeholder Transparency	Municipal Manager
Align, Plan and Organise		
APO02	Manage Strategy	Senior Manager: Corporate Services
APO03	Manage Enterprise Architecture	Manager: ICT
APO05	Manage Portfolio	Manager: ICT
APO06	Manage Budget and Costs	Chief Financial Officer

Process ID	Processes for Governance of Enterprise IT	Responsible municipal stakeholder
APO07	Manage Human Resources	Senior Manager: Corporate Services
APO08	Manage Relationships	Manager: ICT
APO09	Manage Service Agreements	Manager: ICT
APO10	Manage Suppliers	Manager: ICT
APO12	Manage Risk	Manager: ICT
APO13	Manage Security	Manager: ICT
Build, Acquire and Implement		
BAI01	Manage Programmes and Projects	Manager: ICT
BAI02	Manage Requirements Definition	Manager: ICT
BAI05	Manage Organisational Change Enablement	Manager: ICT
BAI09	Manage Assets	Manager: ICT
Deliver, Service and Support		
DSS01	Manage Operations	Manager: ICT
DSS02	Manage Service Requests and Incidents	Manager: ICT
DSS03	Manage Problems	Manager: ICT
DSS04	Manage Continuity	Manager: ICT
DSS05	Manage Security Services	Manager: ICT
DSS06	Manage Business Process Controls	Manager: ICT
Monitor, Evaluate and Assess		
MEA01	Monitor, Evaluate and Assess Performance and Conformance	ICT Steering Committee Chairperson
MEA02	Monitor, Evaluate and Assess the System of Internal Control	Chairperson: ICT Steering Committee Chairperson: Audit Committee Chairperson: Risk Committee Manager: Internal Audit

It is important to note that the ICT Steering Committee will have to be managed by an independent stakeholder, to ensure the municipality derives maximum value from its ICT investments. Also, the immediate benefit is the fact that best practices and standards within the ICT industry will be adhered to.

4. MLM ICT Governance documents

The following documents will be deemed as the MLM ICT guiding documents. Though interlinked, the documents will be reviewed as follows.

Table 3: MLM ICT guiding documents

No	Document title	Review cycle
1	ICT Master plan	Once annually with the IDP
1a	ICT implementation plan	Annually with the budget review processes
2	ICT Governance framework	Once annually with the IDP
3	ICT service strategy	Once annually with the IDP
4	ICT Charter	Once annually with the IDP
5	ICT Steering Committee ToR	Once annually with the IDP

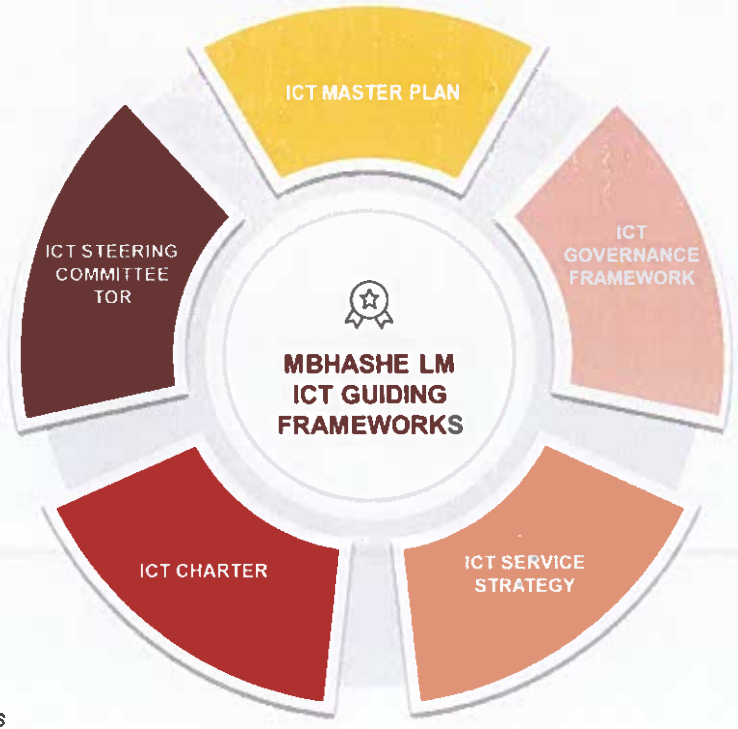

Figure 5: MLM ICT guiding frameworks

5. ICT Policies

This section of the charter intends to establish guidelines for the employees of MLM and to create ICT awareness. Furthermore, the policies will create a conducive working environment; they will standardize processes by communicating boundaries within which all employees of MLM will be expected to operate in. Also, the policies will outline the procedures for dealing with any action that may expose MLM to risks of unauthorized access to data, ICT assets, disclosure of information, legal liability, and may result in disciplinary action up to and including termination of employment and/or criminal prosecution, should there be violations.

Table 4: MLM ICT policies

Nr	Title of Policy	Objective	Policy application level
1	Application Patch Management Policy	• To outline patch management processes to ensure that the municipality's applications are correctly and securely configured with all necessary and appropriate patches and system updates to prevent the exploitation or disruption of mission-critical services.	ICT unit
2	Data Backup And Recovery Policy	• This policy seeks to outline the data backup and recovery controls for Municipal employees to ensure that the data is correctly and efficiently backed up and recovered in line with best practice.	All Mbhashe ICT users
3	ICT Cellphone Data Card Policy	• To ensure that effective controls are communicated with regards to the provision, use and safekeeping of mobile phones and 3G cards	All Mbhashe ICT users
4	ICT Change Management Policy	• To protect the computing environment from uncontrolled changes. • To restrict service disruptions caused by necessary changes to defined low-use hours. • To minimize the occurrence of unintended effects during the implementation of necessary changes.	All Mbhashe ICT users

Nr	Title of Policy	Objective	Policy application level
5	ICT Disaster Recovery Plan	• Outlines the protocols for safeguarding municipal ICT assets such as data and business applications	ICT unit
6	ICT Email Policy	• Proper use of the e-mail solution by the municipal employees as a tool of trade. • Proper allocation of account and best system requirements to address municipal issues on communication.	All Mbhashe ICT users
7	ICT Security Management Policy	• The objective of the policy is to outline measures for safeguarding the municipal ICT infrastructure and data by outlining security management best practices	All Mbhashe ICT users
8	ICT SLA Management Policy	• The policy creates visibility of ICT services being provided to the Municipality by Third parties – thus it outlines the performance management measures to be put in place	All Mbhashe ICT users
9	ICT User Access Management Policy	• To outline the process of granting user access within the municipal ICT environment; this also entails the management of access for employees during the termination of service	All Mbhashe ICT users
10	Records Management Policy	• To communicate the records retrieval, flow, document management processes and the retention and disposal procedure	All Mbhashe ICT users
11	Service Desk, Service Request, Incident & Problem Management Policy	• To communicate the service fulfilment standards and procedures of the ICT service desk	All Mbhashe ICT users
12	Telephone Management Policy	• To guide the effective and efficient use of municipal telephones.	All Mbhashe ICT users
13	ICT Acceptance Use Policy	• To inform staff about their roles and responsibilities in using ICT tools/facilities provided to them by the Municipality	All Mbhashe ICT users

6. Policy review processes

The policies listed herein will be reviewed annually during the IDP cycle. Subsequently, this policy charter will be due for review annually to ensure that updated and new policies are included in the charter at the IDP adoption stage.