



Limpopo Gambling Board
Information Technology Unit

LGB CORPORATE GOVERNANCE OF ICT CHARTER

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1. INTRODUCTION

Corporate Governance involves the establishment of structures and processes, with appropriate checks and balances that enable the authorities (i.e. executive management) to discharge their legal responsibilities and oversee compliance with legislation. It is the combination of processes and structures implemented by the management to inform, direct, manage and monitor the activities of organisation in an efficient and transparent manner towards the achievement of its objectives.

The King III report describes Information and Communication Technology (ICT) governance as a key component of corporate governance. ICT corporate governance consists of the leadership, organizational structures and process that ensure that the enterprise's information technology sustains and extends the organization's strategies and objectives. The report further stipulates that ICT governance is the responsibility of the board of directors and executive management. The Corporate Governance of Information and Communication Technology framework (CGICTPF) published by Department of Public and Administration (DPSA) in 2012, describes ICT governance as a continuous function that should be embedded in all operations of a Board, from Executive Authority and Executive Management level to the business and ICT service delivery (CGICTPF, DPSA , 2012).

The intention of the ICT governance framework is to guide the provision of ICT services to the Board and to align the services with the strategic objectives of the business of the Board. The South African government has adopted the COBIT framework. The COBIT framework is an internationally recognized and accepted standard used in the governance of ICT services. It is used together with other IT service management standards such as Information Technology Infrastructure Library (ITIL).

The development and implementation of a well-structured ICT governance framework would results in accountability, transparency and consistent approach to governance and implementation of all IT related controls. This document will therefore outline the high-level framework within which the management of the Limpopo Gambling Board (LGB) will govern the ICT operations and ensure that every stakeholder involved understands their own responsibilities and functions. All

these will be done with due consideration of other public service regulations and prescripts which are already in existence such as Public Finance Management Act (PFMA), Public Service Regulations etc.

2. BACKGROUND

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). This framework is accompanied by the implementation guidelines which were circulated to all Boards nationally. CGICTPF requires all government departments to develop their own customized ICT governance framework and charters to regulate and ensure accountability and transparency in their ICT operations.

Subsequent to the above, the province through the services of State Information Technology Agency conducted a provincial ICT governance maturity assessment for all provincial departments, where after LEDET conducted the assessment for their entities. The LGB ICT governance charter will therefore take into consideration the National CGICT framework and its implementation guidelines, LGB ICT governance maturity assessment report and the Provincial CGICT framework as well as other relevant provisions within and outside of the Board.

3. PURPOSE AND OBJECTIVES OF THE ICT GOVERNANCE FRAMEWORK AND CHARTER

The purpose and objective of this document in line with the national CGICT Policy framework is to achieve the following:

- To institutionalise the governance of ICT as an integral part of Corporate Governance in the Board.
- To outline a set of principles, processes and practices which must be applied to implement the ICT governance in the Board.
- To provide a systematic and auditable framework of providing ICT services to the Board and continuously improve and enhance the governance processes.
- To mitigate the identified and potential ICT risks in the Board.
- To ensure efficient allocation and utilization of ICT resources

4. LEGAL FRAMEWORKS

The LGB ICT Governance framework and charter document is guided but not limited to the following prescripts.

- The Constitution of the Republic of South Africa Act 108 of 1996 (as amended)
- Batho Pele Principles
- King III Report
- Electronic Communications & Transactions Act 25 of 2002
- Minimum Information Security Standard
- Provincial E-Government Strategy
- Public Service Act
- Public Service Regulations
- Public Finance Management Act (PFMA)
- Minimum Interoperability Standard
- Protection of Information Act 84 of 1982
- National Information Security Regulations
- SITA amendment Act 38 of 2002

- Electronic Communications Security Act 68 of 2002
- Public Service IT Policy framework of Feb 2001
- National Corporate Governance of ICT framework (CGICTF) of 2012
- COBIT
- ITIL
- TOGAF/GWEA

5. ICT GOVERNANCE STRUCTURES AND PROCESSES

5.1. GOVERNANCE STRUCTURES

The Chief Executive Officer shall provide the overall strategic leadership and is accountable for the implementation of the LGB ICT governance framework and charter in line with the Board's strategic goals and objectives.

The Manager of IT shall represent the Board in the Provincial GITO Council/Forum and any other structures which require an information management and technology competency.

The following governance structures either exists or shall be established in the Board as part of ensuring that ICT governance is put into practice at all levels and times:

- ICT Committee.
- Audit and Risk Committee.
- Internal Audit Steering Committee.
- Risk and Fraud Management Committee.

The above governance structures shall be assigned responsibilities as follows:

ICT Committee

The **Chief Executive Officer** shall be accountable and responsible to ensure that the corporate governance of ICT is implemented in the Board in line with the national and provincial frameworks. The ICT Committee shall have the following responsibilities:

- The institutionalisation of Corporate Governance of ICT Framework guidelines in line with the overall Corporate Governance practices in the Board.
- Alignment of the ICT strategic goals with the Board's strategic objectives.
- Ensure that optimum business value is realised from ICT related investment, services and assets.
- Ensure that business and ICT related risks do not exceed the institutional risk appetite and risk tolerance.
- Ensure that ICT related resources needs are met in an optimal manner by providing the organisational structure, capacity and capability;
- Ensure that communication with stakeholders are transparent, relevant and timely; and
- Ensure transparency of performance and conformance to drive the achievement of strategic goals by monitoring and evaluation.
- Will be the platform to inform all the business units of information technology and systems programmes which are planned and other general IT related issues.
- Will discuss and consider amendments to the IT policy before forwarding them to the staff for further discussions and executive authority for approval.
- Members will ensure that feedback is given to the respective officials of their business units.
- The Committee will consider, recommend and monitor short and long terms IT plans of the Board in accordance with the strategic objective of the Board and available budget.
- The Chairperson of the Committee will report to the Chief Executive Officer of the Board on issues related to Information systems and technology.
- The IT unit will also utilize the committee to communicate and address common information technology and systems related problems experienced in the Board, and to get buy-in and support from business units in terms of policy implementation.

- The Committee will, on annual basis, review and approve the IT Committee Charter to ensure adherence to best practices.
- The Committee will recommend the approval of the Strategic Information Systems Plan and IT strategy of the Board to the Chief Executive Officer.
- The ICT Committee shall meet quarterly.

Risk and Fraud Committee

ICT risk matters will be incorporated as an item under the existing Board's Risk and Fraud Management Committee (RMC). This committee provides risk management advice to the Chief Executive Officer and in the context of ICT governance its role will include but not limited to the following:

- Review the IT Risks register and other disaster management related policy and procedure documents.
- Monitor and ensure that the IT business unit complies with the Risk Management Policy and the overall risk appetite for the Board.

Audit and Risk Committee

ICT matters related to audit issues will be incorporated as an item under the Board's Audit and Risk Committee. This committee will provide an oversight role with regards to compliance and implementation of this ICT governance framework and IT security as well as the overall IT investment. The Chief Financial Officer shall ensure that the IT manager responds to all audit opinions and queries raised by the Internal Audit and Auditor General.

- Review the IT quarterly risk reports.
- Ensure that the Risk Management capacity in the Board is used to identify, monitor and mitigate IT related risks.

6. IMPLEMENTATION OF CGICTPF

6.1 PHASE 1 BY APRIL 2015

The table below provides a framework on how the Board will implement or customize the CGICTPF to suits the internal operational arrangements without compromising any corporate governance principles such as accountability and transparency.

CGICTPF guidelines	LGB structure
ICT strategic committee (Executive Management, GC and GITO)	ICT Committee
ICT steering committee (Executive Management, GC, Programme Management and GITO)	Audit Steering Committee
Architecture committee (Business, GC and ICT Managers)	ICT Committee
Risk committee (Business and ICT)	Risk and Fraud Management Committee
Audit committee (Business and ICT)	Audit and Risk Committee

CGICTPF guidelines	LGB designate
Governance Champion	Chief Financial Officer
Enterprise Architect	IT Manager
Government Information Technology Officer	IT Technician
Managers	All Managers within the Board

The following policies, frameworks and plans are already in existence or will be put in place to ensure effective implementation of ICT governance at LGB:

CGICTPF guidelines	Comment
ICT Architecture	During the next review process the SISP will be reviewed to include an ICT architecture which is informed by five year Board's strategic plan.
Risk Management Policy	The Board will ensure that both these documents include IT related risks and audits, and how the Audit function will be capacitated to support LGB ICT.
ICT Audit Plan	
ICT Portfolio Management framework	This is embedded within the Board's human resources management operations e.g. Organisational structure, procedure manuals. It includes ICT related management processes, organisational structures, job descriptions, roles and responsibilities, activities as well as required skills and competencies.
The IT Policy, Information Security Policy, Strategy and Plan	These plans provide guidance on classification of information and data; and management of information security. These documents are available and managed by Security and Investigation directorate.
Board Service Continuity Plan, ICT continuity plan	The Board developed a Disaster recovery Plan which is informed by the operational, information and data security requirements of the Board.

6.2 PHASE 2 BY APRIL 2016

- (i) Revise and approve **SISP/ ICT Strategic Plan**; and
- (ii) Approve first iteration of the **Enterprise Architecture** informing the ICT Architecture.

6.3 PHASE 3 FROM APRIL 2017 ONWARDS

- (i) Approve **ICT Annual Performance Plan** for 2015 to 2016 with a description of how it will be monitored;
- (ii) Approve **ICT Procurement Strategy** for adhering to the ICT House of Value, taking into consideration the SITA Regulations of 2005; and
- (iii) Approve **ICT Migration Plan** with annual milestones linked to an enabling budget.

The Board will, on a continuous basis, ensure that all aspects of the **Corporate Governance and Governance of ICT** demonstrate measurable improvement from the ICT governance maturity assessment done in 2013 by LEDET. To evaluate the improvement an independent ICT governance maturity assessment will be commissioned during the financial year 2016/17.

7. DEVIATION

Non-compliance with the principles as described in this document may result in disciplinary action.

8. INCEPTION DATE

The ICT governance framework comes into operation on the first day of the month following the date of approval.

9. TERMINATION AND REVIEW CONDITIONS

This ICT governance framework and charter will be reviewed by the ICT Committee annually and changes will be effected when necessary and approved by the Board. A report will be sent to the Board without the policy attached if there are no changes.

This document will remain in force until and unless it has been withdrawn or amended by the Chief Executive Officer.

10. ENQUIRIES

Enquiries regarding this document should, in the first instance, be directed to the IT Manager.

11. REFERENCES

This document must be read together with the following documents which can be obtained from the IT business unit:

- (i) ICT Policy.
- (ii) IT Committee charter.
- (iii) IT Governance framework and charter.
- (iv) IT Governance maturity assessment report of 2016.
- (v) State Information Technology Agency Act.
- (vi) Corporate Governance of ICT Policy Framework of 2012.