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CORPORATE GOVERNANCE OF INFORMATION AND COMMUNICATION TECHNOLOGY POLICY

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Description	This policy document defines North West Department of Health' position on Corporate governance of ICT and how it should be implemented.
Coverage	All North West Department of Health Facilities, partners, service providers and everybody or organisation that operates in the Department's environment or have a relationship with the Department that includes ICT operations.
Policy Number	*ICT22/P01/R25*

Table of Contents

ACRONYMS

APP	-Annual Performance Plan
CGICT	-Corporate Governance of Information and Communication Technology
CGICTF	-Corporate Governance of ICT Framework
COBIT	-Control Objectives for Information Technology
DEC	-Departmental Executive Committee
DHMIS	-District Health Management Information Systems
DMC	-Departmental Management Committee
DPSA	-Department of Public Service and Administration
GITO	-Government Information Technology Officer
HoD	-Head of Department
ICT	-Information and Communication Technology
MEC	-Member of Executive Council
MTEF	-Medium Term Expenditure Framework

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1. POLICY STATEMENT

Information Communication Technology governance exists to inform and align decision making for information technology planning, policy and operations in order to meet business objectives; ascertain that risks and resources are managed appropriately, responsibly and strategically. There is a need to put in place ICT governance measures to ensure that service delivery imperatives drive planning decisions for the development and management of information technology resources because Information Technology services account for significant capital and operational expenses in North West Department of Health. The Department has also deployed mission critical systems such as the Drug Supply Management System, the deployment of such systems requires executive management to be constantly aware of challenges and risks associated with such systems.

Formalizing governance processes also assists to ensure that technology and business leaders agree on what is an appropriate level of risk in the information technology that powers day-to-day operations. Implementation of ICT governance will ensure that technology investments are decided by the executive and not technical persons to ensure that all technology investments are aligned with Departmental objectives and strategic outputs.

The goal of governance is to facilitate agile, effective and transparent decision making. Traditionally, public sector entities struggle to gain any value from the ICT environment and regularly overspend on ICT projects. Corporate governance is defined as an accountability tool between management and stakeholders of the Department, to monitor and achieve objectives of the Department in an ethically sound manner.

2. LEGISLATIVE FRAMEWORK

2.1. The department being a Public Service institution is governed by laws of parliament and other policy directives. The following are the laws that directly or indirectly mandate the existence of this policy.

a) The Constitution of Republic of South Africa Act 108 of 1996

b) National Health Act 61 of 2003

c) Public Finance Management Act No 1 of 1999

d) Promotion of Access to Information Act, Act No 2 of 2000

e) Protection of Personal Information Act 4 of 2013

f) Electronic Communications Security (PTY) Ltd Act 68 of 2002

g) Electronic Communications and Transactions Act 25 of 2002

h) Electronic Communications Act 36 of 2005

2.2. In addition to the above laws of parliament and statutory regulatory framework governing Information Technology and Information Management, the following policies and standards support the mandate of sound information management standards in North West Department of Health:-

a) DPSA Corporate Governance of ICT policy Framework

b) District Health Management Information System (DHMIS) policy

c) Government Wide Monitoring and Evaluation Framework

d) Public Service Corporate Governance of ICT policy Framework

e) Treasury regulations

f) King IV report on Corporate Governance for South Africa 2016

3. SCOPE

This policy applies throughout North West Department of Health in as far as corporate governance of ICT is concerned. It applies to all staff of the Department, partners of the Department, contracted service providers, 3rd party organisations and any other person or organisation which uses the Department's ICT and information resources, be it infrastructure, information, hardware or any other ICT resource.

4. PURPOSE

The purpose of this policy is to formalise ICT governance in the Department. It seeks to institutionalise ICT governance as an integral part of Departmental corporate governance.

5. OBJECTIVES OF CORPORATE GOVERNANCE OF ICT POLICY

a)   Identify, establish and prescribe a governance of ICT Framework (GICTF) and implementation guideline for North West Department of Health;

b)   Embed the corporate governance of and governance of ICT as a subset of Corporate governance;

c)   Create business value through ICT enablement by ensuring business and ICT strategic alignment;

d)   Provide relevant ICT resources, organisational structure, and capability to enable ICT service delivery;

e)   Achieve and monitor ICT service delivery performance and conformance to relevant internal and external policies, frameworks, laws, regulations, standards and practices;

f)   Implement the governance of ICT in the Department, based on the international best practice ICT frameworks; and

g)   Position the GITO function as an integral part of decision making, Executive Management.

6. BENEFITS OF ICT GOVERNANCE

The Department shall endeavour to clarify business strategy and the role played by ICT, measure and manage ICT expenditure and value, and assign accountability for changes required to benefit from new ICT investments. Optimisation of ICT should deliver the following benefits:

a)   Improved service delivery and productivity;

b)   Continuous improvement of business and ICT alignment;

c)   Improved business processes efficiency

d)   Improved ICT enablement of business;

e)   Improved delivery of ICT service quality;

f)   Improve trust between ICT and the business;

g)   Citizen convenience: Increased access to information and services;

h)   Increased alignment of investment with strategic goals;

i)   Lower cost;

j)   Improved management of ICT related risks;

k)   Improved ICT programme and project management; and

l)   Improved communication.

7. CORPORATE GOVERNANCE IN THE DEPARTMENT

7.1.   The purpose of corporate governance is to create value for the Department's stakeholders, more especially consumers of Department's services. It consists of a governance system that affects the way Public Service Departments are managed and controlled.

7.2.   Corporate governance is a vehicle through which value is created within a Departmental context. Value creation means realizing benefits while optimizing resources and mitigating risks. A governance system refers to all the means and mechanisms that enable the Department's Executive Authority, HoD and Senior Management to have a structured and organised way in the following areas:

    (a) Evaluating internal and external context, strategic direction and risk to conceptualize the Department's strategic plans and how they will be measured;

    (b) Directing the Department in the execution of its strategic plans to ensure that value is realised and risk is managed; and

    (c) Monitoring the execution of the strategic plans within a Department against the measures identified for attaining strategic goals.

7.3.   Corporate governance is also concerned with individual accountability and responsibilities within the Department. It describes how the Department is directed and controlled and is concerned with the following:

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(a) **Organisation** – the organisational structures and the coordinating mechanisms (such as steering forums) established within the Department and in partnership with external bodies;

(b) **Management** – the individual roles and responsibilities established to manage business change and operational services; and

(c) **Policies** – the frameworks established for making decisions together with the context and constraints within which decisions are taken.

8. CORPORATE GOVERNANCE OF ICT

The Corporate Governance of ICT is a subset of corporate governance and is an integral part of the governance system. In terms of such a system:

a)   The **Executive Authority** provides the political leadership;

b)   The **Head of Department** provides the strategic leadership and is accountable for the implementation of the Corporate governance of ICT; and

c)   **Senior Management** is responsible for ensuring that the corporate governance of ICT is implemented and managed.

The implementation of the corporate governance of ICT can be achieved through the following means and mechanisms, and decision making mechanisms:

(a)   Means and mechanisms:

i.   Frameworks (e.g. CGICTPF);

ii.   Principles (as described in this policy Framework);

iii. Governance practices (as described in this policy Framework)

iv.   Policies (e.g. Governance of ICT Charter/Policy);

v.   Sponsorship; and

vi.   Structures such as ICT Strategic Committee at Executive Management level, ICT Steering Committee at Senior Management level and ICT Architecture and Operational Committee at a technical level.

(b)   Decision-making mechanisms:

i.   Roles and responsibilities;

ii.   Processes; and

iii.   Process practices.

8.1.   Key Guiding Principles

In recognition of the importance of the governance of ICT, a number of internationally recognised frameworks have been developed to provide context for the institutionalisation of the corporate governance of ICT. The North West Department of Health seeks to align itself with international best practice governance frameworks in the design and implementation of corporate governance of ICT.

Corporate governance of ICT should focus on four key areas:

a) **Strategic alignment with business** – One of the primary goals of ICT governance is to ensure alignment between the service delivery imperatives and ICT. By creating the necessary structures and processes around ICT investments, management can ensure that only those ICT projects that are aligned with strategic business objectives are approved, funded, and prioritized.

b) **Value delivery** – Alignment also deals with balance between investments that run the current business, grow existing businesses, and have the potential to transform the business, while delivering ICT value by managing projects that are on time, on budget, and deliver expected results. Delivering value to the Department typically means things such as improved turnaround time, improving client satisfaction, reducing costs, and enabling new services.

c) **Risk management** – When Departmental strategy and ICT strategy are aligned, risk associated with ICT are often transferred to the business. Therefore, managing ICT risks is paramount. ICT risks include cyber security, information security, privacy risks arising from identity thefts, recovery from disasters, resiliency of systems from outages, and the risks associated with project failures.

d) Performance monitoring of ICT – At the end of the day, governance is about accountability. ICT governance is intended to hold senior management accountable for the integrity and credibility of their information and controls. ICT governance holds senior management and ICT management accountable for the return on its investment in ICT, as well as the credibility of ICT's own information and controls. Accountability in ICT governance requires that you keep performance matrices.

8.2. King IV Code on Corporate Governance

Principle 12 of the King IV Code on Corporate governance is adopted by the Department to guide Corporate Governance of ICT. Principle 12 of the King IV Code on Corporate Governance states that "The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives. King IV recommends the following practices:

a) The governing body should assume responsibility for the governance of technology and information by setting the direction for how technology and information should be approached and addressed in the organisation.

b) The governing body should approve policy that articulates and gives effect to its set direction on the employment of technology and information.

c) The governing body should delegate to management the responsibility to implement and execute effective technology and information management.

d) The governing body should exercise ongoing oversight of technology and information management and, in particular, oversee that results in the following:

    i. Integration of people, technology, information and processes across the organisation.

    ii. Integration of technology and information risks into organisation-wide risk management

    iii. Arrangements to provide for business resilience.

    iv. Proactive monitoring of intelligence to identify and respond to incidents, including cyber-attacks and adverse social media events.

v. Management of the performance of, and the risk pertaining to, third-party and outsourced service providers.

vi. The assessment of value delivered to the organisation through significant investments in technology and information, including the evaluation of projects throughout their cycles and of significant operational expenditure.

vii. The responsible disposal of obsolete technology and information in a way that has regard to environmental impact and information security.

viii. Ethical and responsible use of technology and information.

ix. Compliance with relevant laws.

e) The governing body should exercise ongoing oversight of management of information and, in particular, oversee that it results in the following:

i. The leveraging of information to sustain and enhance the organisation's intellectual capital.

ii. An information architecture that supports confidentiality, integrity and availability and availability of information.

iii. The protection of privacy of personal information.

iv. The continual monitoring of security of information.

f) The governing body should exercise ongoing oversight of the management of technology and, in particular, oversee that it results in the following:

i. A technology architecture that enables the achievement of strategic and operational objectives.

ii. The management of risks pertaining to the sourcing of technology.

iii. Monitoring and appropriate responses to developments in technology, including the capturing of potential opportunities and the management of disruptive effects on the organisation and its business model.

g) The governing body should consider the need to receive periodic independent assurance on the effectiveness of the organisation's technology and information arrangements, including outsourced services.

h) The following should be disclosed in relation to technology and information:

i. An overview of the arrangements for governing and managing technology and information.

ii. Key areas of focus during the reporting period, including objectives, significant changes in policy, significant acquisitions and remedial actions as a result of major incidents.

iii. Actions taken to monitor the effectiveness of technology and information management and how the outcomes were addressed.

iv. Planned areas of future focus.

8.3. Lessons from other International Best Practice ICT Governance Frameworks

There are a number of frameworks and standards that deal with ICT governance. These frameworks are developed based on international best practice. The frameworks advocate for design and implementation of ICT governance. In order to explain the governance prescripts in detail, a number of processes have to be defined and implemented in an environment. Processes are regarded as one of the enablers for implementation of ICT governance. The Department adopts the following thirteen (13) processes, twelve (12) of which are stipulated in the DPSA Corporate governance of ICT Framework:-

a) Governance framework setting and maintenance
b) Manage the ICT management framework
c) Manage strategy
d) Manage enterprise architecture
e) Manage portfolio
f) Manage Suppliers
g) Manage Risk
h) Manage security
i) Manage security: Manage programmes and projects
j) Manage Changes
k) Manage operations
l) Manage continuity

m) Monitor, evaluate and assess performance and conformance

The details of what will be done in order to implement these processes will be contained in the *Corporate Governance of ICT Implementation Plan.*

9. GOVERNANCE STRUCTURES

9.1. Departmental Executive Committee (DEC)

This committee is chaired by the Executive Authority. It's composed by the EA (Chairperson), Head of Department (HOD) and Executive Management. This committee is the highest decision making structure in the Department. The primary role of the DEC in relation to ICT governance is to:-

a) Ensure that ICT plans and interventions are aligned to Departmental strategy and political mandate of the Department.
b) Approve CGICT policy and Charter and ICT Strategic Plan.
c) Approve portfolio of ICT projects and its related expenditure.
d) Provide direction for the change management requirements for the implementation of CGICT
e) Guide implementation of the Framework and related policies and strategies
f) Ensure that an ICT risk management system is developed and implemented

9.2. Departmental Management Committee (DMC) – ICT Strategic Committee

The Departmental Management Committee (DMC) shall perform the functions of the ICT Strategic Committee. This committee is chaired by the HoD/ Accounting Officer (AO) and includes all members of Senior Management Service. The DMC shall:

a) Identify stakeholder needs and how they should be realised.

b)   Determine value ICT is expected to create through its enablement of the business.

c)   Recommend for approval by the Accounting Officer the ICT Implementation Plan and all other related plans and policies.

d)   Define the benefits ICT is expected to realise in its enablement of business.

e)   Articulating ICT risk appetite and how it should be management within the risk management regime of the Department.

f)   Facilitate the establishment of sufficient ICT organisational structure, resources, capacity and capability.

g)   Evaluate and monitor significant ICT expenditure.

h)   Determine the monitoring criteria and reporting requirements.

i)   Broadly understand the implications of the ICT prescriptive environment.

j)   Evaluate the change management requirements for the implementation of CGICT.

k)   Conformance, performance and assurance oversight and monitoring.

l)   Ensure that risk is managed and the ICT is audited internally and independently.

9.3.   Provincial Health Information Systems Committee – ICT Steering Committee

This committee is chaired by the Chief Director responsible for Information Management and ICT and includes selected members of SMS service, District Information Managers, the governance Champion and GITO. Shall be created as a sub structure of the DMC to perform the following functions:

a)   Advising the Executive Authority, Accounting Officer, Executive management and DMC on matters related to Information and Communications Technology (ICT), Information Systems (IS) and Information Management (IM).

b)   Coordination of ICT, Information System and Information Management in the NWDoH domain.

c)   Coordinate development of CGICT policy, related policies and plans

d) Coordinate planning based on direction received from the ICT Strategic Committee.

e) Approve ICT Operational Plan (APP).

f) Determine, prioritise and recommend plans, policies, strategies, resource/capacity requirements, portfolios of ICT projects and risk management to ICT Strategic Committee and/or HoD.

g) Oversee the identification of the ICT prescriptive environment.

h) Oversee the implementation of approved plans, policies, strategies, resource/capacity requirements, risk management, benefits realisation, and portfolios of ICT projects, internal and external audits.

i) Determine the monitoring criteria and related reporting requirements and processes for conformance, performance and assurance.

j) Provide direction to all ICT related decisions that may have an impact on the business operations and culture of the Department that is escalated to the Committee.

k) Determine the change management requirements for the implementation of CGICT and report to Strategic Committee.

l) Conformance, performance and assurance monitoring and reporting to ICT Strategic Committee.

m) Oversee and report on the change management implementation for the implementation of CGICT.

n) Develop a Health Information System that begins at local level and feeds into districts, provincial and National levels and include the private sector, NGOs and relevant Health institutions.

o) Design HIS that enables the NWDoH at Provincial, districts and sub-district level to monitor the implementation of strategic priorities and objectives in order to effectively manage the provision of health services.

p) Ensures that all HIS initiatives comply with National standards (terminology, codes, coding schemes and others).

q) Establish measures to ensure the security and confidentially of information, whilst enabling access to the information by those who are authorized.

9.4. ICT Operational Committee.

This committee is chaired by the GITO and includes business and ICT management.

a) Provide input into the development of ICT Plan, ICT Implementation Plan, ICT Operational Plan, governance and Management of ICT Framework and ICT Project Program.

b) Coordinate implementation of ICT Plan, ICT Implementation Plan, ICT Operational Plan and ICT Project Program.

c) Design and monitor a system for day-to-day ICT operations and service management.

d) Develop an operational ICT risk management which includes operational risk identification, prioritisation and monitoring.

e) Conformance and performance reporting to ICT Steering Committee.

f) To ensure compliance with policies and procedures.

g) To verify user compliance with technology standards and guidelines.

9.5. Project Committees

These committees will be appointed in writing by the HoD. The committees will primarily be responsible for ensuring that projects are implemented in line with approved budget and plans. Each project will have its own project committee.

The project committees shall be chaired by the project manager who shall be appointed in writing by the HoD. The functions of the project committees shall be spelled out in detail in the *IT Project Management Framework*.

10. CORPORATE GOVERNANCE OF ICT IMPLEMENTORS

10.1. The Executive Authority must:

a) Provide political leadership and strategic direction, determine policy and provide oversight;

b) Ensure that ICT service delivery enables the attainment of the strategic plan;

c) Take an interest in the CGICT to the extent necessary to ensure that a properly established and functioning Corporate governance of ICT system is in place in the Department to leverage ICT as a business enabler;

d) Assist the HoD to deal with intergovernmental, political and other ICT-related business issues beyond their direct control and influence; and

e) Ensure that the Department's organisational structure makes provision for the CGICT

10.2. The Accounting Officer must:

a) Provide strategic leadership and management on ICT related matters

b) Ensure alignment of the ICT strategic plan with the Departmental and business strategic plans;

c) Ensure that the CGICT is placed on the Department's strategic agenda;

d) Ensure that the corporate governance of ICT policy Framework, charter and related policies for the institutionalization of the Corporate Governance of ICT are developed and implemented by Senior Management;

e) Determine the delegation of authority, personal responsibility and accountability to Senior Management with regards to the Corporate Governance of ICT;

f) Ensure the realization of Department-wide value through ICT service delivery and management of business and ICT-related risks;

g) Ensure that appropriate corporate governance of and governance of ICT capability and capacity are provided and a suitably qualified and experienced governance Champion is designated, who must function at Executive Management level;

h) Ensure that appropriate ICT capacity and capability are provided and a suitably qualified and experienced GITO, who must function at Senior Management level, is appointed; and

i) Ensure the monitoring and evaluation of the effectiveness of the CGICT system and ICT operations, and

j) Appoint the ICT Governance Champion

10.3. Risk Management Committee:

This is the committee established in the Department as per the Departmental Risk Management policy. This committee is constituted by The Executive Management team, Risk Management Directorate and other selected Directorates. The GITO is part of the Risk Management Committee. The committee must:-

a) Ensure that ICT risks are managed in line with Departmental Risk Management policy
b) Ensure that ICT strategic risks are included in the Departmental risk register
c) Ensure that ICT operational risk register is compiled and monitored.
d) Ensure that ICT risk register is implemented.
e) Ensure overall management of ICT risks,

10.4. Senior Management must ensure:

a) ICT strategic goals are aligned with the Department's business strategic goals and support strategic business processes; and
b) Business-related ICT strategic goals are cascaded throughout the Department for implementation and are reported on.

Means and Mechanisms:
c) Advice is provided to the HoD regarding all aspects of the Corporate governance of and governance of ICT;
d) The Corporate governance of and governance of ICT is implemented and managed;
e) The necessary strategies, architectures, plans, frameworks, policies, structures (including outsourcing), procedures, processes, mechanisms and controls, and culture regarding all aspects of ICT use (business and ICT) are clearly defined, implemented, enforced and assured through independent audits;

f) The responsibility for the implementation of the Corporate governance of and governance of ICT is delegated and communicated to the relevant management (senior business and ICT management);

g) Everyone in the Department understands the link between business and ICT strategic goals and accepts the responsibilities with respect to the supply and demand for ICT;

h) Significant ICT expenditure is informed by the Department's Service Delivery Plan, Enterprise Architecture and ICT Architecture, motivated by business cases, monitored and evaluated;

i) The planning and execution of ICT adheres to relevant judicial requirements; and ICT-related risks are managed.

10.5. ICT Governance Champion

ICT governance Champion must be an experienced person knowledgeable in the business of the Department, who will be responsible for driving the implementation, change management and maintenance of corporate governance of and governance of ICT in the Department.

The governance Champion must:-

a) Be a senior manager at least on the level of a Chief Director who reports to Executive Management. He/she must be an authoritative and articulate person with strong decision-making abilities and the mandate to make decisions and escalate deviances and problems;

b) Have a clear understanding of the Department's core functions;

c) Be actively involved in the oversight of the formal Corporate governance System of the Department;

d) Facilitate the alignment process between business and ICT strategy and plans;

e) Oversee that the governance of ICT system, as a subset of CGICT, is developed, implemented and maintained; and

f) Be supported by a cross-functional team, which must include representatives from business and the GITO.

10.6. Government Information Technology Officer (GITO)

The GITO should serve as a bridge between IT and the business and therefore, should:

a)   Be responsible for aligning the Department's ICT strategic goals with its business strategic goals, considering both business and ICT processes.

b)   Facilitate the integration of ICT into business strategic thinking and development;

c)   Design, develop, implement and maintain sustainable ICT solutions to enable the achievement of strategic objectives.

d)   Develop and implement an ICT service management strategy;

e)   Ensure effective and efficient management of ICT resources to facilitate the achievement of Departmental objectives.

f)   Define, maintain and validate the ICT value proposition,

g)   Align ICT activities with environmental sustainability objectives,

h)   The GITO is responsible for the overall budget of ICT;

i)   Assist in prioritizing ICT projects;

j)   Managing the overall ICT portfolio; and

k)   Enforcing all policies and standards within the ICT organisation.

11. POLICY IMPLEMENTATION, MONITORING AND EVALUATION

11.1. This policy shall be applicable to the NWDoH domain and all other institutions or individuals that use the Department's ICT resources.

11.2. Monitoring implementation of this policy shall be the responsibility of the DMC

12. DATE OF IMPLEMENTATION AND REVIEW

12.1. This policy shall be implemented in NWDoH a month after approval by the Accounting Officer and the Executive Authority.

12.2. The policy shall be reviewed after three years of implementation or as and when there is a need to do so to comply with the National directives or audit requirements or Law as shall be passed by parliament.

13. APPROVAL:

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Mr. J. de Beer
Chief Director: Strategy and Systems

17 | 02 | 2023
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Date

Recommended/ not recommended
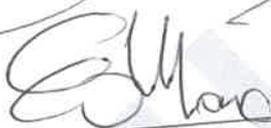
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Mr. O. E. Mongale
Head of Department

07 / 03 / 2023
Date

Approved/ ~~not approved~~

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HON. MEC. Mr. M. Sambatha
North West Department of Health

09 | 03 | 2023
Date

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