STATEMENT OF INTENT

TREASURER’S DIRECTIONS

INFORMATION AND COMMUNICATIONS TECHNOLOGY

Section ICT 1.4: Governance - Agency ICT Governance

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| Agency ICT governance is essential to effectively control and direct the usage of ICT resources towards achieving the agency’s outcomes. |

##### MAIN FEATURES

Section 38 of the *Financial Management Act* requires every Accountable Officer and every employee of an agency to comply with the Treasurer’s Directions.

 **Agency ICT Governance**

Agencies must establish and maintain an ICT governance model to control ICT resources that is appropriate to the scale, complexity and inherent risks in the agency’s ICT environment.

**Agency ICT Planning**

ICT planning encompasses a range of requirements, including system lifecycle planning; business continuity planning for key ICT systems and the business processes they support; and project specific plans.

Longer-term planning for core ICT business systems and needs should be addressed within agency strategic or corporate plans.

Agencies are to follow an ICT planning methodology that is appropriate to the agency’s circumstances and needs.

**ICT Project Plans**

Agencies must have an approved project plan for each ICT project detailing how the ICT project is to be accomplished, including timeframes, resources and project milestones.

**Review**

Agencies should monitor business processes, core ICT systems and the ICT environment to ensure business needs, including new and emerging needs, can continue to be met. Reviews may lead to changes to the agency’s ICT plans and strategic plan.

For authoritative instruction and guidance reference should be made to related Treasurer's Directions and associated commentary.

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| ICT  | Information and Communications Technology  |
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| IGB | ICT Governance Board |
| ILG | ICT Leadership Group |
| NT | Northern Territory |
| NTG | Northern Territory Government |

Review ICT1.4.6 – ICT1.4.7

**AUTHORITIES**

*Financial Management Act* (NT)

*Procurement Act* (NT)

*NTG ICT Governance Framework*

**ABBREVIATIONS**

overview – Agency ict governance

Strong governance is a key element in ensuring the business of government is conducted properly. The *NT Government ICT Governance Framework* provides the foundation for the effective governance of ICT across government. Agencies need to supplement this with specific internal governance mechanisms that suit the agency’s needs.

Government service delivery is dependent on fully functioning ICT business systems that are generally complex and costly, requiring substantial lead time and specialised resources to acquire and implement and with significant ongoing effort needed to maintain their functionality. Governance and planning to effectively direct, control and manage daily operations and investments in upgrading, replacing or acquiring new ICT systems are essential.

AGENCY ICT GOVERNANCE MODEL

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| ICT1.4.1 | **Each agency must establish an ICT governance model incorporating appropriate internal governance arrangements to control its ICT environment.**  |

1. Each agency should develop an ICT governance model aligned to the *NT Government ICT Governance Framework* and the agency’s broader corporate governance model.
2. An agency’s ICT governance model should address ICT management, people management and financial management and, where appropriate, establish a governing body with explicit responsibility for ICT. The model needs to be appropriate to the scale, complexity and inherent risks in the agency’s ICT environment.
3. An Agency ICT Governance Models Matrix is available at NTG Central to assist agencies to profile their ICT projects, systems and services and adopt a governance model that suits the agency’s business requirements.
4. Agencies must actively monitor their ICT environments to ensure that risks and issues are identified and appropriately managed. This steady-state monitoring is a key risk management responsibility for agencies and should be addressed within each agency’s corporate and ICT governance models.
5. Agencies should ensure that ICT business systems have and maintain appropriate levels of support, including technical support, end-user support and training.

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| ICT1.4.2 | **Each agency must control security and access to ICT business systems.** |

1. Agency ICT business systems often contain sensitive and confidential information. Appropriate security controls are required to protect the integrity of the systems and their data.
2. The nature of ICT security and access controls applied will be dependent on and commensurate with the sensitivity and value of the system data.
3. Potential for fraud should be considered, including identity fraud, with relevant fraud risk mitigation controls applied.

AGENCY ICT PLANNING

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| **ICT1.4.3** | **Each agency must follow an ICT planning methodology that is appropriate to the agency’s circumstances and needs.** |

1. ICT planning defines how ICT and business objectives, costs and quality are to be determined and met. ICT planning in the NTG is framed within the *NT Government ICT Governance Framework* to ensure sound decision-making and value for money outcomes across government.
2. ICT planning encompasses a range of requirements including system lifecycle planning, business continuity planning and ICT project planning.
3. Planning is critical to ensure agencies maximise value from their ICT systems, services and infrastructure over their lifecycles. ICT planning needs to consider service demands, trends and anticipated future demands, resource requirements, risks, benefits, business priorities and financial capacity.
4. Agencies should establish and maintain business continuity plans for core/critical business systems and the business processes they support in case of an ICT failure or other emergency. Business continuity plans should be easily accessible and regularly reviewed.
5. ICT project planning methods should establish the scope of an ICT project, and ensure the ICT solution can be delivered within the timeframe and cost parameters set in the business case.

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| **ICT1.4.4** | **Each agency must consider and address future ICT needs as a key part of agency strategic plans.** |

1. Agency strategic or corporate planning generally occurs over at least a three year cycle and establishes high level plans and actions to meet government’s strategic directions and community needs. Given the complexity, cost and significant lead times required for ICT projects, it is critical that major ICT solutions are considered and incorporated in agency strategic plans. Where an agency has a large ICT environment, numerous core business systems and dependence on ICT solutions, a separate strategic plan may be warranted.
2. Agency ICT strategic planning should be in accordance with the NT Government ICT Governance Framework and be aligned with the NTG ICT Strategy, adopting strategic objectives that are relevant for the agency and aligned to the agency’s broader business strategies. The NTG ICT Strategy is available at NTG Central.
3. All ICT planning, including longer term or strategic planning for ICT systems, is to be conducted within usual public sector resource planning processes and requirements, including funding approvals.

**ICT PROJECT PLANS**

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| **ICT1.4.5** | **Each agency must have an approved project plan for each ICT project.**  |

1. Project planning requires the agency to establish a project plan detailing how the ICT project is to be accomplished, specifying timeframes and resources. The project plan is to identify the ICT project milestones and the stages of a project including the timeframes in which each stage is to be completed and milestone delivered.
2. An agency’s ICT project plan should record:
* project objective
* project scope
* key project steps
* milestones
* deliverables
* timeframes
* resources
* costs.
1. The project planning documents should track and report progress against milestones to governance committees, the project sponsor and the IGB (for major ICT projects).
2. Small projects may only require one project plan while large, more complex projects may require multiple plans. For example, for large projects multiple plans may be required for key project elements, such as a data migration plan, testing plan and change management plan.
3. Depending on the size of the ICT project, project plans are required to be approved by the primary governance committee and the project sponsor.

**REVIEW**

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| **ICT1.4.6** | **Each agency is to monitor and review its ICT systems and ICT environment to ensure the business needs and strategic objectives of the agency continue to be met.** |

1. Agencies should periodically monitor or review the steady-state operation of the agency’s ICT environment or particular ICT systems or services to ensure that business needs, including emerging needs, are continuing to be met. This may result in needing to update the agency strategic plan.
2. The frequency of reviews will be determined by the agency’s circumstances and could be related to specific or emerging needs; or be managed through an incremental, rolling review program; or an annual review process aligned to the agency planning cycle.
3. In some situations, broader structural or functional reviews within agencies or reform initiatives will incorporate consideration of business processes and ICT systems.
4. In addition to agency reviews, external ICT reviews may be conducted, such as an audit review by the Auditor-General.
5. Circumstances where a review of a steady-state ICT business system is advisable include where:
6. a system is approaching the end of its useful lifecycle
7. a system is unstable, failing or ceasing to meet business needs
8. the customer base is declining and / or service demands are changing
9. an emerging technology provides greater benefits / reduced costs / lower risks
10. operating costs are escalating
11. system support from the vendor is ceasing and support options in the market are limited
12. system vendor requires major upgrade to continue support
13. a major system enhancement / expansion is needed.

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| **ICT1.4.7** | **Each agency is to inform the IGB of any substantial reviews of ICT systems.**  |

1. Where a substantial review of a major ICT system is being planned, agencies are to:
2. inform the IGB of the review. The IGB may seek input to the review
3. provide a copy of the review report to the IGB prior to making decisions
4. work with the IGB, where required, to determine actions.