IT Service Level Agreement Management Policy

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The Information Technology Manager

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1 Version Control

Full Title	Senqu Municipality IT Service Level Agreement Management Policy
Short Title	IT Service Level Agreement Management Policy
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Authors	Mr R Johl
Version	01
Authorised By	Council
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Version	02
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2 Definitions

Term	Meaning
IT	Information Technology
Municipality, the	Senqu Municipality
SCM	Supply Chain Management
SLA	Service Level Agreement

3. Introduction

The IT suppliers for Senqu Municipality must be managed to ensure that they meet the Municipality's requirements. This is achieved by practising adequate performance and monitoring processes of IT suppliers and IT service providers.

4. Purpose

The purpose of this policy is to ensure that all IT third party suppliers and providers are effectively and efficiently managed.

5. Scope/Audience

This policy applies to all employees of the Municipality and all third parties that interact with the information and systems of Senqu Municipality.

6. Roles and Responsibilities

The table below describes the key stakeholders and their respective roles and responsibilities in terms of IT SLA Management.

Table 1: Roles and Responsibilities

Role	Responsibilities
IT Manager	Must be consulted on decisions relating to identification and selection of IT suppliers and must be informed of results of monitoring activities.

7. Identify and Evaluate Supplier Relationships and Contracts

7.1 The process of identifying and evaluating IT Suppliers must comply with the requirements and evaluation criteria defined by legislative and regulatory requirements applicable to the Municipality.

8. Selection of IT Suppliers

8.1 The acquisition of IT goods and services must comply with relevant legislation.

8.2 For the acquisition of software, development resources, infrastructure and related services, the rights and obligations of all parties must be included as part of the contractual terms with the IT supplier.

8.3 Legal advice and consultation must be taken from the Municipality's legal representatives on acquisition agreements regarding ownership and licensing of intellectual property.

9. IT Supplier Relationships and Contracts

9.1 The IT Manager is responsible for managing the relationships with third party IT service providers.

9.2 The IT Manager must monitor performance of IT service providers against service agreements.

9.3 The quality of service provided by the IT supplier must be evaluated and improvements must be recommended where necessary. These improvements must be communicated and agreed to in a formal manner.

9.4 Contracts must be amended / renewed to conform to changes to legislation or Municipal standards.

9.5 The Municipality must stipulate penalties within contracts or SLAs for an IT supplier's non-compliance.

9.6 Contract disputes must be resolved using appropriate contract management activities, including effective communications to the IT supplier and taking the appropriate legal action where necessary.

9.7 Each IT service provider must appoint an individual, typically a relationship manager, who must take responsibility for managing the contract agreement and providing progress reports to the IT Manager.

9.8 Security and protection of intellectual property must be clearly defined in contracts to protect the information assets of the Municipality.

10. Monitoring of IT Supplier Performance

10.1 The following evaluation criteria must be considered when monitoring IT supplier performance to ensure that the supplier regularly and transparently reports on the agreed-on criteria.

Table 2: Evaluation Criteria

Criteria	Description
Technical Compliance	IT Suppliers ability to provide solutions that meet specific technical requirements of the Municipality (including LAN, WAN and centrally hosted applications/services).
Technical Design	IT Suppliers ability to design and deliver innovative or tailored solutions that meet the Municipality's requirements.
Training	The IT supplier's ability to provide quality training where required.
Environmental Sustainability	IT Suppliers delivering services in a manner that reduces the impact on the environment.
Quality	Quality of processes, implementation plans and solutions.
Meeting Expectations	The IT service provider's performance in relation to meeting the Municipality's expectations.
Timely Solutions to Business Problems	The IT suppliers' response times in addressing requests or issues.
Recovery Ability	The IT supplier's ability in recovering information, where applicable.
Contract Agreements Compliance	The degree to which the supplier has complied with the contract/SLA requirements.
Costs	The costs of the IT service provider compared to others in the industry.

10.2 The service delivery of IT suppliers must be monitored to ensure that the IT supplier is providing an acceptable quality of service, meeting requirements and targets that have been agreed to within the SLA or contract.

10.3 The costing schedule provided by IT suppliers must be, where possible, benchmarked against similar providers on a periodic basis.

10.4 To ensure that controls and practices of the IT supplier are aligned with the Municipality's control environment, independent reviews or audit reports must be requested, or any externally available information must be reviewed.

10.5 Where applicable performance monitoring of IT service providers must be performed on a monthly basis, and the results must be recorded and reviewed.

10.6 The Municipality must invoke penalties for an IT supplier's non-compliance to the SLA, after consultation and assistance from the Municipality's legal representatives, if necessary.

10.7 All non-compliance issues noted for IT suppliers must be logged and followed up on. Action plans to address non-compliance with timelines must be agreed with IT suppliers.

11.   Policy Violations

11.1 Violations of this policy may result in disciplinary action, up to and including dismissal for employees, a termination of employment relations in the case of contractors or consultants, dismissal for interns, or suspension.

12.   Policy Review

12.1 This policy is subject to annual review or whenever it is deemed necessary by Senqu Municipality, to ensure that it is aligned to prevailing resolutions, regulations and market conditions.

13.   Publishing the Policy

13.1 The policy shall be made available and accessible to all employees through manuals/hard copies.

14. Senqu Municipality Approval and Sign-Off

Date of Approval by Council: 28 July 2017
Resolution Number: 019/OCM/17

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MM YAWA   **DATE**
MUNICIPAL MANAGER

RECOMMENDATION

That the report be noted,
That the IT SLA Management Policy as part of the ICT Corporate Governance Framework be approved by Council.