EURORAI seminar: "E-government and control – analysis of best practices"

Seville, October 2017

Synthesis of the first session

The presentations of the first session have covered the work carried out by five regional audit institutions.

- **Audit Scotland** has drawn from its work a number of principles necessary for the success of the auditing of e-government projects.
- The auditors of the **Courts of Audit of Tyrol and Upper Austria** traced the great developments of e-government. They have described the audit issues in traditional forms of records and have compared them to the audit of electronic files, before focusing more precisely on the audit of specialized applications. Finally, they have described the associated main challenges.
- The **Audit Office of Andalusia** has shown us how to build a multidisciplinary team capable of conducting an audit adapted to the challenges of new technologies.
- The **Financial Inspectorate of the Valais Canton** has inferred from several examples of audits the demands at organizational and IT level for carrying out secure and effective electronic exchanges in a public administration.
- The **Chamber of Control and Accounts of Moscow** has mentioned the important position of electronic administration in the management of the city of Moscow and its contribution to the economic development as well as to the quality of life of citizens. It has also emphasized the risks of inefficiencies in the use of new technologies and the solutions proposed.

Through many examples of audits on specific cases of e-government and the use of information technologies, these five presentations give rise to some converging conclusions with regard to the challenges and best practices in terms of the projects themselves but also on the conditions of an effective audit in this field.

1. **Information technologies represent a core challenge** both in the area of administrative management (for instance, digital data processing in financial matters) and in the field of relations with citizens and users (public databases, online services).
   Many application examples addressed to the general public have been mentioned: income tax return online (Austria), citizen registration (Switzerland), public lightning management (Moscow).
   But also examples of sharing of data between administrations (Switzerland) or examples of computerized administrative management.

2. **E-government has therefore become a primary area for audit for our institutions**.

   The examples of the works presented this morning have shown the difficulties/risks administrations must face in their digital projects:

- Insufficient interface between the systems of two administrations (example: with respect to traffic violation in Switzerland: absence of a common identifier in two registries): who bears the primary responsibility when electronic exchange of data between administrations fail?
- Insufficient reliability of data due to input errors, lack of completeness (example of the citizen registration in Switzerland) or an insufficient update (Moscow);
- Insufficient security: authentication of users (Switzerland); use of data by a non-authorised third party (example of video surveillance in Moscow);
- Dependency on external suppliers and the risk associated with the disappearance from the market of an operator to maintain systems (issue raised by Andalusia and Moscow);
- Significant cost and risk that budgets are used ineffectively (Moscow);
- Problem of archiving digital data (reliability/security/durability).

3. Audit methods should therefore be adapted to information technologies: auditing of digital systems and digitization of audit

- According to the Courts of Audit of Tyrol and Upper Austria, auditing information systems or digital data has an impact on the audit itself: the fact of not only examining paper records, but also files and computer systems offers many advantages (easy access, traceability, promptness). But it also presents difficulties (problems of right of access for auditors, lack of an overview of documents).
- The human dimension is vital, as illustrated by Audit Scotland, which stresses the importance of the skill of teams, the quality of leadership and the constant concern of information systems to the citizen/user.
- This human dimension raises the issue of the training of auditors, who should be capable of engaging in a dialogue with the audited bodies (that is, the IT experts) on technical matters and find a common language. In this respect, the Audit Office of Andalusia has shown the importance of having a multidisciplinary team, with a training programme accredited by an international certificate. This accreditation also allows to harmonize approaches.
- When auditing an IT system, it is important to start from a sound risk analysis:
    - How does the audited body operate? Which are its objectives?
    - The core of the physical security of materials and cyber-security (take precautions against attacks, data protection, etc.);
    - Who does what in the information system, from the system's designer to the end user?
- On the basis of this evidence, several presentations have shown the usefulness of recommendations for audited administrations. According to the Audit Office of Andalusia, effective auditing allows to improve the practice of administrations. In Switzerland, they have allowed to encourage the adoption of texts and rules common to different administrations, set up a working group.

To sum up, at the time when digital applications experience the developments and changes which were unimaginable a few years ago, the adaptation of regional audit institutions to this complex and evolving environment is a crucial issue. In order to face the competition of private audit firms, it is important to have a vigilant and independent public audit who understands these new issues and render proper account on them to citizens.