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

Seville, October 2017

CONCLUSIONS OF SESSION 2

Practical implementation of ICT in public sector audit bodies

The speakers have shown an overriding obligation to use information and communication technology in the daily work of public sector audit institutions.

One of the basic conditions for this correct implementation has to do with the concept of 'technological maturity', which involves both public administrations which must be subject to audit and society, final recipient of the work performed by public sector audit institutions.

Stephen Lisle has outlined the 'technological immersion' of the Wales Audit Office. The vision which has guided the work implemented by this institution has been developed taking into account an integrated and holistic perspective of the new technologies.

In Wales technological tools have been used to improve analysis of data, improve internal communication, and also present in a more attractive and easy way the conclusions of the works and reports prepared by the Wales Audit Office. The data mining and data processing through social networks provides a reliable overview of the valuation of public services in real time, even though it may conflict with data protection regulation. Attention should be paid to the conciliation of these matters.

Their experience shows the successful outcome of using a wide range of applications, programmes and technologies, with concrete results in audit results and in the procedures and work methods themselves, gaining in efficiency.

Likewise, Xavier Bailly has shared the experience of the Regional Audit Chamber of Languedoc-Roussillon.

His contribution reveals how useful it is to share information between administrations and use the new technologies to carry out a rigorous analysis of financial information. Applying a synthetic index, similar to the *balance scorecard* methodology used in financial sector, has proved to be a useful tool in assessing financial risk of local authorities.

He has also highlighted the challenge of understanding better local ecosystems in order to be able to better programme audits. With this type of tools maps which link entities can be produced, which facilitates the identification of risk areas and better target audit tasks.

Furthermore, Xavier Bailly has placed particular emphasis on the relation and data cross checking of financial and non financial data. This involves the creation of databases which are not yet in place but which would provide valuable information. Likewise, networks and new elements of analysis should be brought to light. Exchanges must be encouraged as well as the fight against statistical confidentiality. And also combine sources of information in order to obtain added value

Access to public data with the assistance of *data scientists* is a significant step forward in data crossing and the achievement of tangible results. There is a need to create a 'culture of data' and we must go beyond spreadsheets in order to implement and use the most advanced technological applications of data processing to achieve this.

Karl Heinz Binus has outlined the progress made at the Court of Audit of Saxony, of which he is President, in the introduction of digital records. Technological progress has always had impact on the daily work in public sector audit. We must address this new challenge and the consequences of the emergence of the so-called *E-Government*.

To promote a new model of work, thus encouraging teleworking, a working method called PICTURE has been developed. It is focused on studying in-depth the different stages of the audit process and the processing of digital records. It is important to pay attention to the different *interfaces* between organisations.

This work is aimed at addressing the new realities and influence regulations for the development of the new public administration based on technology. The goal was to work on a standard procedure for all administrations. Harmonization is important to increase

efficiency and effectiveness. The project management has been made through an organisational model with multidisciplinary teams, in a way that 'transversality' is configured as one of the keys for the project's success.

The implementation of this work methodology requires the simultaneous launch of a training programme to provide specific training for each job post, in accordance with the experience of each person.

The introduction of digital records involves a change in paradigm, which allows to accelerate the audit processes and promotes a more flexible form of working regarding the time spent and the workplace, which can be your own home, thus saving costs in commuting and work schedules.

Joanna Radzieja and Jaroslaw Sikora, for their part, have presented a system which has been implemented in Poland in what regards monitoring and auditing. In their case it is the Ministry of Economy who manages the system of local budgetary data.

The instrument or tool has a strong regulatory support, since local authorities are obliged to submit their accounts according to a standard system which is constantly updated.

The system allows to prepare specific analysis on the basis of updated data, thereby enabling the establishment of an 'alerting' system in case of deviations from estimates, primarily in expenditure. Calculations are made automatically from the data provided by the local authorities themselves.

This way the system allows to require local authorities to take corrective measures for deviations, estimate risks and issue opinions in the event of risk of non-compliance.

Ultimately, the experiences shared strive for the exploitation of all the available data, in order to achieve relevant and reliable conclusions during the audit work, establishing automatic mechanisms for detection of problems and facilitating audit procedures through cost saving and work flexibility necessary to conduct external audit.