

Scottish Public Services Ombudsman

Report to the Scottish Public Services Ombudsman and
the Auditor General for Scotland on the 2018/19 audit

Issued 19 August 2019 for the meeting on 26 September 2019

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Introduction

The key messages in this report

Audit quality is our number one priority. We plan our audit to focus on audit quality and have set the following audit quality objectives for this audit:

- A robust challenge of the key judgements taken in the preparation of the financial statements.
- A strong understanding of your internal control environment.
- A well planned and delivered audit that raises findings early with those charged with governance.

I have pleasure in presenting our final report to the Ombudsman for the 2018/19 audit. The scope of our audit was set out within our planning report presented to the Ombudsman at the Advisory Audit Board in March 2019.

This report summarises our findings and conclusions in relation to:

- The audit of the **financial statements**; and
- Consideration of the wider scope requirements of public sector audit. This includes our consideration of the Accountable Officers' duty to secure best value. As set out in our plan, due to the relative size and scale of the functions delivered by Scottish Public Services Ombudsman (SPSO), we concluded that the full wider scope audit was not appropriate. In accordance with paragraph 53 of the Code, our work in this area was restricted to concluding on:
 - The appropriateness of the disclosures in **the governance statement**; and
 - The **financial sustainability** of SPSO and the services that it delivers over the medium to longer term.

Introduction (continued)

The key messages in this report (continued)

I would like to draw your attention to the key messages of this paper:

Conclusions from our testing

Based on our audit work completed to date we expect to issue an unmodified audit opinion.

The performance report and accountability report comply with the statutory guidance and proper practice and are consistent with the financial statements and our knowledge of SPSO.

The auditable parts of the remuneration and staff report have been prepared in accordance with the relevant regulation.

A summary of our work on the significant risks is provided in the dashboard on page 8. SPSO has performed within the limits set by the Scottish Parliamentary Corporate Body (SPCB) and therefore is in compliance with the financial targets for the 2018/19 financial year.

No misstatements in excess of our reporting threshold of £4,800 or disclosure deficiencies have been identified up to the date of this report.

Status of the financial statements audit

Outstanding matters to conclude the audit include:

- Finalisation of internal quality control procedures;
- Receipt of final financial statements;
- Receipt of signed management representation letter; and
- Our review of events since 31 March 2019.

Conclusions on audit dimensions

As set out on page 3, our audit work was restricted to concluding on the appropriateness of the disclosures in the governance statement and the financial sustainability of SPSO.

We have, however, considered the specific risks highlighted by Audit Scotland, in particular, the impact of EU withdrawal, the changing landscape for public financial management, dependency on key suppliers and increased focus on openness and transparency.

Our overall conclusion on the audit dimensions is summarised on page 5.

Introduction (continued)

The key messages in this report (continued)

Conclusions on audit dimensions (continued)

Governance statement - The disclosures are appropriate and address the minimum requirements of the Scottish Public Finance Manual (SPFM).

Financial sustainability - SPSO performed within the limits set by the SPCB and therefore achieved short term financial balance in 2018/19. A balanced budget has been set for 2019/20 and robust financial reporting procedures are in place.

In common with other similar bodies, SPSO only receives funding confirmation from the SPCB for one year, therefore has not prepared a medium or long term financial strategy. It does, however, have a four year Strategic Plan, which includes a high level assessment of the resources required. The current Strategic Plan runs to 2020 and we understand that the next plan is being developed in order to be in place for 2020.

It is important that SPSO consider the potential implications of the Scottish Government's Medium Term Financial Strategy in setting future medium to longer term plans.

Specific risks - SPSO is closely monitoring developments in relation to EU withdrawal, engaging with the SPCB and taking account of advice and guidance from the Scottish Government. We are therefore satisfied that SPSO is sufficiently prepared.

SPSO is appropriately open and transparent in its operations and decision making and applies a number of areas of good practice.

Our detailed findings and conclusions are included on pages 13 to 20 of this report.

Next steps

An agreed Action Plan is included at page 23 of this report. We will consider progress with the agreed actions as part of our 2019/20 audit.

Added value

Our aim is to add value to SPSO by providing insight into, and offering foresight on, financial sustainability, risk and performance by identifying areas for improvement and recommending and encouraging good practice. In so doing, we aim to help SPSO promote improved standards of governance, better management and decision making, and more effective use of resources.

This is provided throughout the report. We have also shared our informed perspectives from our work across the wider public sector on page 26 of this report.

Pat Kenny
Audit Director

Our audit explained

Area dimensions

In accordance with the 2016 Code of Audit Practice, we have considered how you are addressing the wider audit dimensions:

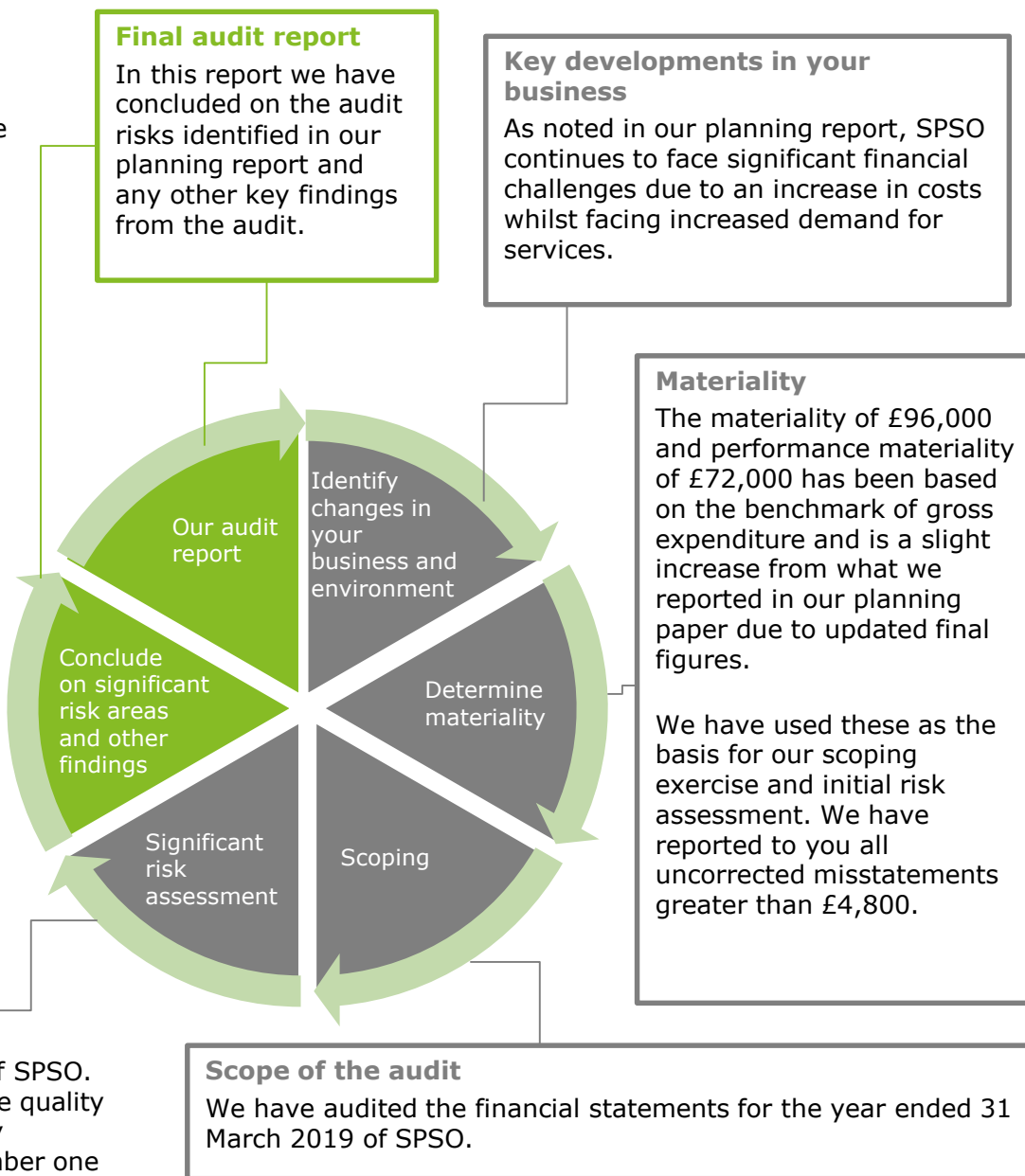
- Financial sustainability
- Governance and transparency

Significant risks

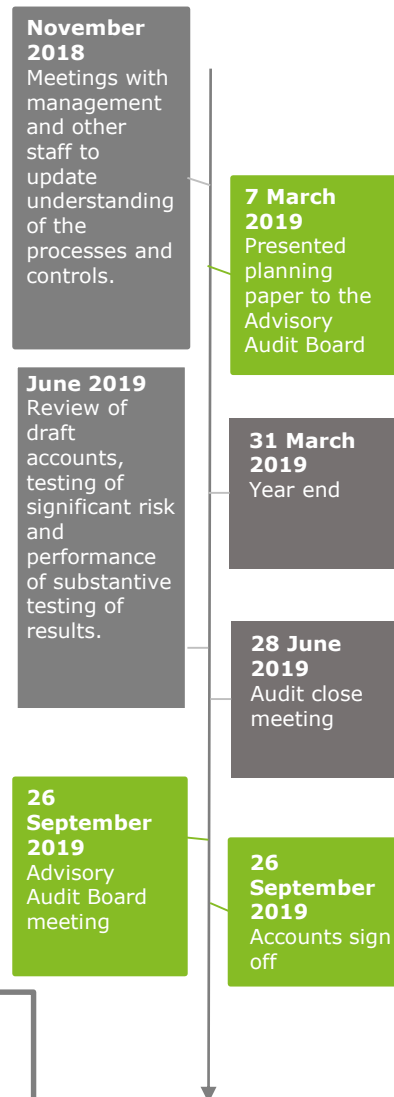
Our risk assessment process is a continuous cycle throughout the year. Page 8 provides a summary of our risk assessment of your significant risks.

Quality and Independence

We confirm we are independent of SPSO. We take our independence and the quality of the audit work we perform very seriously. Audit quality is our number one priority.









Timeline 2018/19



Financial statements audit



Significant risks Dashboard

Risk	Material	Fraud risk	Planned approach to controls testing	Controls testing conclusion	Consistency of judgements with Deloitte's expectations	Comments	Page no.
Operating within expenditure resource limits			D+I	Satisfactory		Satisfactory	9
Management override of controls			D+I	Satisfactory		Satisfactory	10

Overly prudent, likely to lead to future credit



Overly optimistic, likely to lead to future debit.

D+I: Testing of the design and implementation of key controls

Significant risks (continued)

Risk 1 – Operating within expenditure resource limits

Risk identified

There is a key financial duty for SPSO to comply with the Revenue Resource Limit set by the SPCB.

There is a risk that SPSO could materially misstate expenditure in relation to year end transactions, in an attempt to align with its tolerance target or achieve a breakeven position. The significant risk is therefore pinpointed to accruals and prepayments made by management at the year end and invoices processed around the year end as this is the area where there is scope to manipulate the final results.



Key judgements and our challenge of them

Given the financial pressures across the whole of the public sector, there is an inherent fraud risk associated with the recording of accruals and prepayments around year end.

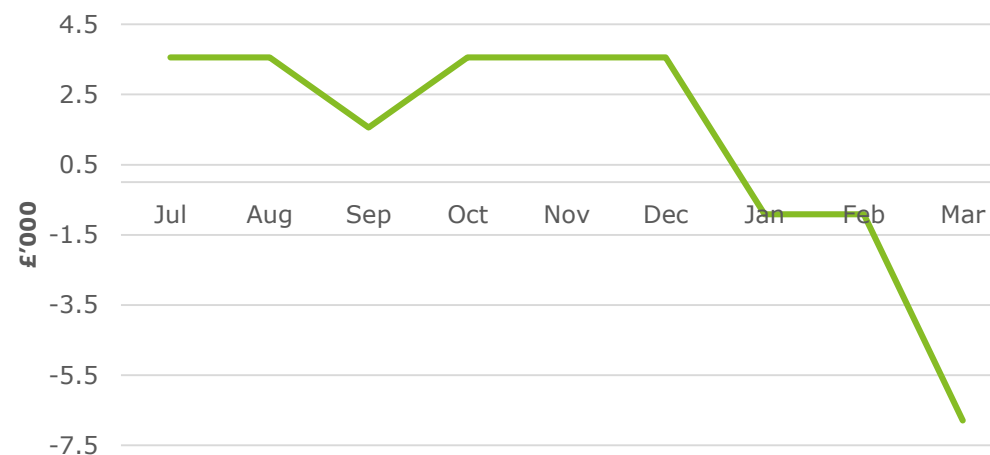


Deloitte response

We have evaluated the results of our audit testing in the context of operating within the limits set by the SPCB. Our work in this area included the following:

- evaluating the design and implementation of controls around monthly monitoring of financial performance;
- obtaining independent confirmation of the resource limits allocated to SPSO by the SPCB;
- performing focused testing of accruals and prepayments made at the year end; and
- performing focused cut-off testing of invoices received and paid around the year end.

Forecast (under)/over spend in year



Deloitte view

We have concluded that expenditure and receipts were incurred or applied in accordance with the applicable enactments and guidance issued by the Scottish Ministers.

We confirm that SPSO has performed within the limits set by the SPCB and therefore is in compliance with the financial targets in the year.

As illustrated above, SPSO's forecast net revenue costs stayed fairly consistent throughout the year, ranging from a forecast overspend of £3,560 in July to the final underspend of £6,791 in March. Any variances throughout the year were monitored effectively to ensure a final underspend position was achieved.

Significant risks (continued)

Risk 2 - Management override of controls

Risk identified

In accordance with ISA 240 (UK) management override is a significant risk. This risk area includes the potential for management to use their judgement to influence the financial statements as well as the potential to override the controls for specific transactions.



Key judgements

The key judgments in the financial statements includes those which we have selected to be significant audit risks around operating within expenditure resource limits. This is inherently an area in which management has the potential to use their judgement to influence the financial statements.



Deloitte response

We have considered the overall sensitivity of judgements made in preparation of the financial statements, and note that:

- SPSO's results throughout the year were projecting a slight overspends. This was closely monitored and whilst projecting overspends, the underlying reasons were well understood; and
- Senior management's remuneration is not tied to particular financial results.

We have considered these factors and other potential sensitivities in evaluating the judgements made in the preparation of the financial statements.

Significant and unusual transactions

We did not identify any significant transactions outside the normal course of business or any transactions where the business rationale was not clear.

Journals

We have performed design and implementation testing of the controls in place for journal approval.

We have used data analytics to risk assess journals and select items for detailed follow up testing. The journal entries were selected using computer-assisted profiling based on areas which we consider to be of increased interest.

We have tested the appropriateness of journal entries recorded in the general ledger, and other adjustments made in the preparation of financial reporting. No issues were noted.

Accounting estimates

We reviewed the financial statements for accounting estimates which could include biases that could result in material misstatements due to fraud.

We considered any adjustments required for the transition to the new standards (IFRS 15 Revenues from contracts with customers and IFRS 9 Financial Instruments), focusing on the areas of greatest judgement and value.

No issues have been identified from our testing.

Deloitte view

We have not identified any significant bias in the key judgements made by management.

We have not identified any instances of management override of controls in relation to the specific transactions tested.

We agree with management's position that the new accounting standards do not have a material impact for SPSO.

Our audit report

Other matters relating to the form and content of our report

Here we discuss how the results of the audit impact on other significant sections of our audit report.



Our opinion on the financial statements

Based on our work completed to date it is anticipated that our opinion on the financial statements is unmodified.



Material uncertainty related to going concern

We have not identified a material uncertainty related to going concern and will report by exception regarding the appropriateness of the use of the going concern basis of accounting.



Emphasis of matter and other matter paragraphs

There are no matters we judge to be of fundamental importance in the financial statements that we consider it necessary to draw attention to in an emphasis of matter paragraph.

There are no matters relevant to users' understanding of the audit that we consider necessary to communicate in an other matter paragraph.



Other reporting responsibilities

The Annual Report is reviewed in its entirety for material consistency with the financial statements and the audit work performance and to ensure that they are fair, balanced and reasonable.

Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Our opinion on matters prescribed by the Auditor General for Scotland are discussed further on page 12.

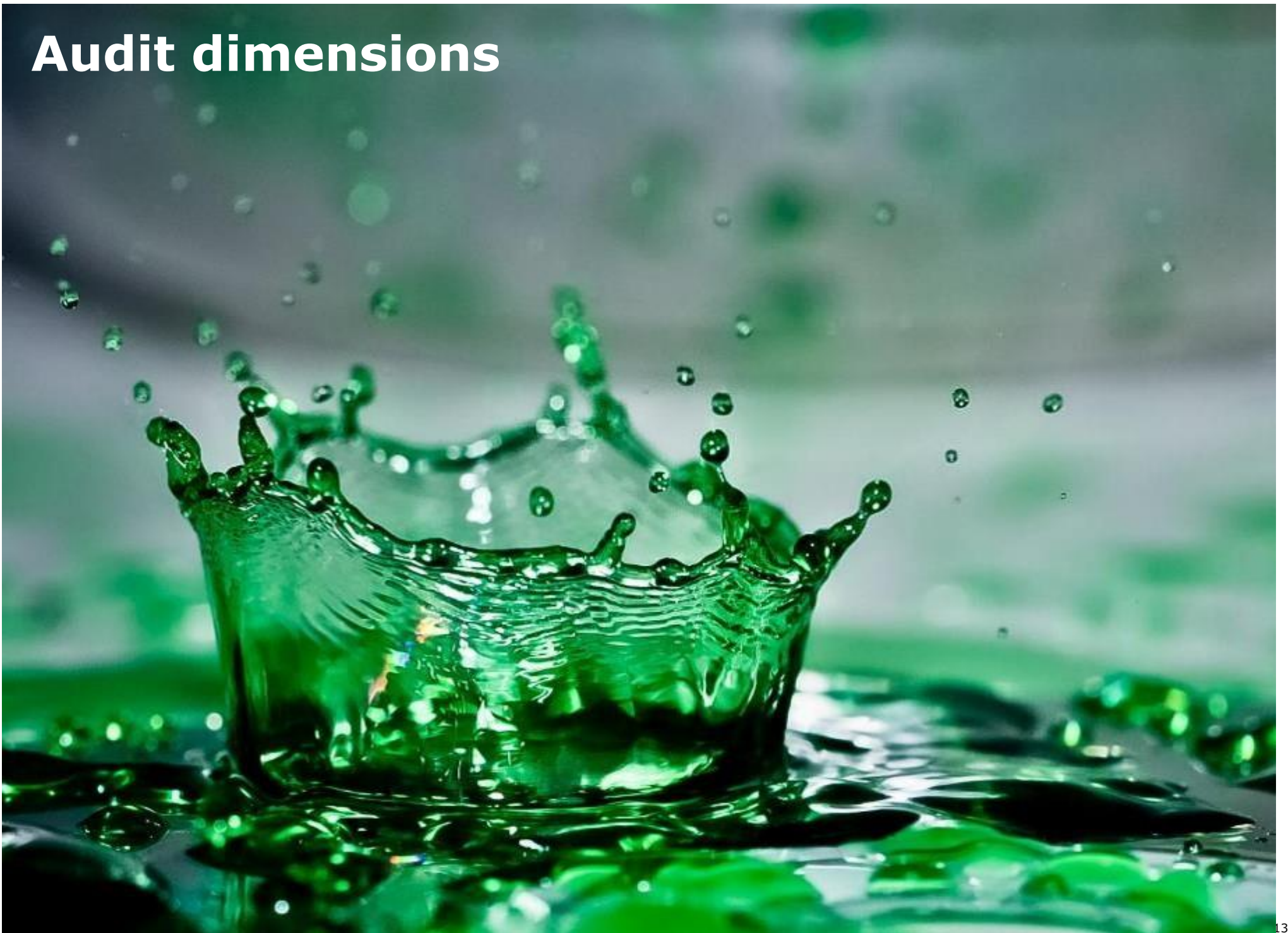


Your annual report

We are required to provide an opinion on the auditable parts of the remuneration and staff report, the annual governance statement and whether the management commentaries are consistent with the disclosures in the accounts.

	Requirement	Deloitte response
The Performance Report	The report outlines SPSO's performance, both financial and non-financial. It also sets out the key risks and uncertainties as set out in the Strategic Plan.	<p>We have assessed whether the performance report has been prepared in accordance with the accounts direction. No exceptions noted.</p> <p>We have also read the performance report and confirmed that the information contained within is materially correct and consistent with our knowledge acquired during the course of performing the audit, and is not otherwise misleading.</p>
The Accountability Report	Management have ensured that the accountability report meets the requirements of the FReM, comprising the governance statement, remuneration and staff report and the parliamentary accountability report.	<p>We have assessed whether the information given in the governance statement is consistent with the financial statements and has been prepared in accordance with the accounts direction. No exceptions noted.</p> <p>We have also read the accountability report and confirmed that the information contained within is materially correct and consistent with our knowledge acquired during the course of performing the audit, and is not otherwise misleading.</p> <p>We have also audited the auditable parts of the remuneration and staff report and confirmed that it has been prepared in accordance with the accounts direction.</p>
Going Concern	Management has made appropriate disclosure relating to Going Concern matters.	The 2019/20 budget was approved by the SPCB on 28 February 2019. We have concluded that the plan is sufficiently robust to demonstrate that SPSO will be a going concern for 12 months from signing the accounts.

Audit dimensions



Audit dimensions

Overview

Public audit in Scotland is wider in scope than financial audit. This section of our report sets out our findings and conclusion on our audit work covering the following areas. As set out in our plan, due to the relative size and scale of the functions delivered by SPSO, we concluded that the full wider scope audit was not appropriate. In accordance with paragraph 53 of the Code, our work in this area was restricted to concluding on:

- The appropriateness of the disclosures in the **governance statement**; and
- The **financial sustainability** of SPSO and the services that it delivers over the medium to longer term.

Our report is structured in accordance with these two specific areas, but also covers our specific audit requirements on best value and specific risks.

Best Value (BV)

The Scottish Public Finance Manual sets out that accountable officers appointed by the Principal Accountable Officer for the Scottish Administration have a specific responsibility to ensure that arrangements have been made to secure best value.

We have considered the accountable officers' duty to secure BV as part of the governance arrangements considered as part of the audit dimensions work.

Specific risks (SR)

As set out in our Annual Audit Plan, Audit Scotland had identified a number of specific risks (SRs) faced by the public sector which we have considered as part of our work on the four audit dimensions.

SR 1 – EU Withdrawal

SR 2 – Changing landscape for public financial management

SR 3 – Dependency on key suppliers

SR 4 – Openness and transparency

Governance statement

Overview

The FReM requires a **governance statement** to be published with the financial statements. Guidance on content is provided in the governance statements section of the Scottish Public Finance Manual (SPFM) which sets out the essential features.

As set out in our audit plan, there is a risk that the governance statement is inconsistent with the financial statements and is not in accordance with the SPFM. There is also a risk that the statement is inconsistent with our knowledge as auditors of SPSO or is potentially misleading.

Deloitte View

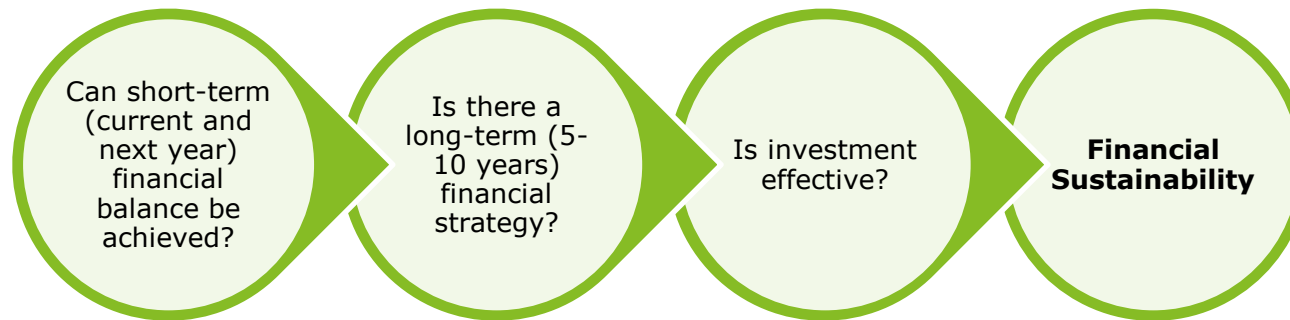
We have reviewed the draft governance statement for consistency with the financial statements and our knowledge gained during the audit. No inconsistencies have been noted.

We have also reviewed the governance statement to assess compliance with the SPFM and have confirmed that it follows the format and content of the SPFM, incorporating all essential features.

Financial sustainability

Overview

Financial sustainability looks forward to the medium and longer term to consider whether the body is planning effectively to continue to deliver its services or the way in which they should be delivered.



Audit risks

Within our audit plan we identified a number of risk as follows:

- A lack of forward financial planning, leading to projects being delayed or cancelled; and
- SPSO's long-term financial planning is inconsistent with the Scottish Governments five-year plan.

Financial sustainability (continued)

2018/19 budget

SPSO approved an annual funding budget of £4,658k for the financial year 2018/19. The final drawdown, as reported in the financial statements was £4,658k therefore SPSO achieved short term financial sustainability.

In addition to this, SPSO received £1,570k in additional non-recurring funding for the Shared Accommodation Project to provide shared accommodation, which brought together the Children and Young People's Commissioner for Scotland, Scottish Human Rights Commission and SPSO in Bridgehouse, Edinburgh.

SPSO are the primary leaseholder for the Shared Accommodation Project and the costs incurred in the project have been capitalised as leasehold improvements in the SPSO accounts. The new lease agreement was not regarded as a significant risk and based on our audit work performed, we are satisfied that the costs incurred have been correctly capitalised.

Budget monitoring is performed by the Corporate Services Manager on a monthly basis, and reported to the Leadership Team on a quarterly basis. This process allows variances to be flagged and investigated timeously. No significant variances were noted during the year and the year to date budget versus actual results were transparently reported.

2019/20 budget

SPSO approved an annual budget of £4,516k for 2019/20 on 28 February 2019. This incorporates an annual funding budget of £4,205k and an accommodation budget of £311k to reflect the shared accommodation arrangements.

Medium term financial planning

SPSO has managed its budget effectively over prior years, managing to maintain its costs within the expenditure limits set by SPCB.

In common with other similar bodies, SPSO only receives funding confirmation from the SPCB for one year, therefore has not prepared a medium or long term financial strategy.

The Ombudsman is required to have a four year Strategic Plan laid before Parliament setting out how she will perform her functions during this period. The 2016-2020 Strategic Plan was laid before the Scottish Parliament in March 2016 and this incorporates, at a high level, indicative funding requirements for the four year period. The next plan is currently being developed in order to be in place for 2020.

Each year, SPSO also publishes an annual Business Plan which sets out the specific programme of activity it will deliver over the year in pursuit of the key strategic themes set out in the four year Strategic Plan.

As set out in our audit plan, it is important that SPSO review the potential implications of the Scottish Government's Medium Term Financial Strategy in setting its future medium to longer term plans.

Deloitte View – Financial sustainability

SPSO performed within the limits set by the SPCB and therefore achieved short term financial balance in 2018/19. A balanced budget has been set for 2019/20 and robust financial reporting procedures are in place.

In common with other similar bodies, SPSO only receives funding confirmation from the SPCB for one year, therefore has not prepared a medium or long term financial strategy. It does, however, have a four year Strategic Plan, which includes a high level assessment of the resources required. It is important that SPSO consider the potential implications of the Scottish Government's Medium Term Financial Strategy in setting future medium to longer term plans.

Other specific risks

As set out in our Audit Plan, Audit Scotland identified a number of areas as significant risks faced by the public sector. We have considered these as part of our audit work on the four audit dimensions and summarised our conclusions below.

Risk	Areas considered	Conclusion
EU Withdrawal	We have assessed what work SPSO has done to prepare for the impact of EU withdrawal, specifically considering people and skills; finance; and rules and regulations.	<p>SPSO has appropriately assessed and planned for the potential impact of EU withdrawal. In particular:</p> <ul style="list-style-type: none"> • People and skills - SPSO is not aware of any direct implications of EU withdrawal with regard to staff and workforce planning. • Finance - SPSO do not receive any funding from the EU therefore no risk identified. • Rules and regulations - SPSO is not aware of any direct implications as a result of changes to trade and customs which would affect their supply chains and the cost and availability of products. <p>SPSO is closely monitoring developments, engaging with the SPCB, taking account of advice and guidance from the Scottish Government. We are therefore satisfied that SPSO is sufficiently prepared.</p>
Changing landscape for public financial management	As part of our audit work on financial sustainability (see page 17) we have considered how SPSO have reviewed the potential implications of the Scottish Government's Medium Term Financial Strategy for its own finances, including long term planning.	As noted on page 17, SPSO do not currently prepare a medium or longer term financial plan. We recommend that it considers the implications of the Scottish Government's Medium Term Financial Strategy for its own finances in any future medium to long term plans.

Other specific risks (continued)

Risk	Areas considered	Conclusion
Dependency on key suppliers	We obtained a detailed breakdown of expenditure by supplier and performed an analysis to identify if there were any risks of dependency on key suppliers.	<p>Our analysis showed that 10 suppliers made up 49% of SPSO's expenditure in the prior year and 73% in the current year with the majority of payments relating to rent and business rates.</p> <p>SPSO have business continuity plans in the event of supplier failure and this level of expenditure is within our expectations. Therefore, due to the business continuity plans in place and services offered by the identified suppliers we don't foresee any specific risks of "supplier failure" in the current year.</p>
Openness and transparency	We have considered SPSO's approach to openness and transparency as part of our audit work on governance and transparency (see page 20).	From our audit work, we are satisfied that SPSO is appropriately open and transparent in its operations and decision making and applies a number of areas of good practice.

Other specific risks (continued)

Openness and transparency

Openness and transparency

Taking an **open approach** to business can support good governance.

It is about behaviours, centred on a preference for sharing information about how and why decisions are made. In the public sector, this is based on the recognition that public services are delivered for the public good using public money.



Transparency can be seen as a process. Access to information provides insight into decision-making and how the organisation work.

Transparency in the public sector is supported by statutory requirements and regulations. These are minimum requirements and it is for individual organisations to decide whether the content and volume (in terms of quantity and amount of detail) of the information that they make available contributes to increased understanding. There are judgements to be made, and an approach designed to increase transparency rather than comply with minimum standards is more likely to satisfied the good governance test.

Openness and transparency are individually important, and working well together they help demonstrate that public organisations are acting in the public interest.

We have considered SPSO's approach to openness and transparency, how good SPSO's information is; and its commitment to improving openness and transparency and concluded:

- Openness and transparency are at the core values of SPSO as freedom of information brings openness and transparency to public authorities.
- SPSO has a positive attitude to openness and transparency and places a high level of importance on both informing and consulting staff.
- SPSO's first strategic aim is to be recognised as being run transparently and efficiently, and governed effectively.
- Corporate information, including strategic and business plans, Leadership Team minutes and financial performance, is available through the SPSO website.



Appendices



Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

What we report

Our report is designed to help the Ombudsman discharge her governance duties. It also represents one way in which we fulfil our obligations under ISA 260 (UK) to communicate with you regarding your oversight of the financial reporting process and your governance requirements. Our report includes:

- Results of our work on key audit judgements and our observations on the quality of your Annual Report.
- Our internal control observations
- Other insights we have identified from our audit

What we don't report

As you will be aware, our audit was not designed to identify all matters that may be relevant to SPSO.

Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.

Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

The scope of our work

Our observations are developed in the context of our audit of the financial statements. We described the scope of our work in our audit plan and again in this report.

This report has been prepared for the Ombudsman and SPSO, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose.

We welcome the opportunity to discuss our report with you and receive your feedback.



Pat Kenny

for and on behalf of Deloitte LLP
Glasgow

19 August 2019

Action plan

Recommendations for improvement

Area	Recommendation	Management Response	Responsible person	Target Date	Priority
<i>Financial sustainability</i>	We recommend that SPSO considers the implications of the Scottish Government's Medium Term Financial Strategy in setting future medium to longer term plans.	Agreed	Corporate Services Manager	31 March 2020	Medium

Fraud responsibilities and representations

Responsibilities explained



Responsibilities:

The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations. As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.



Required representations:

We have asked SPSO to confirm in writing that you have disclosed to us the results of your own assessment of the risk that the financial statements may be materially misstated as a result of fraud and that you are not aware of any fraud or suspected fraud that affects the entity or group.

We have also asked SPSO to confirm in writing their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.



Audit work performed:

In our planning we identified operating within expenditure resource limits and management override of controls as key audit risks for your organisation.

During course of our audit, we have had discussions with management and those charged with governance.

In addition, we have reviewed management's own documented procedures regarding fraud and error in the financial statements

We have reviewed the paper prepared by management for the Advisory Audit Board on the process for identifying, evaluating and managing the system of internal financial control.

Concerns:

No concerns have been identified regarding fraud.



Independence and fees

As part of our obligations under International Standards on Auditing (UK), we are required to report to you on the matters listed below:

Independence confirmation We confirm that we comply with FRC Ethical Standards for Auditors and that, in our professional judgement, we and, where applicable, all Deloitte network firms are independent and our objectivity is not compromised.

Fees The audit fee for 2018/19, in line with the fee range provided by Audit Scotland, is £17,870 as broken down below:

	£
Auditor remuneration	13,740
Audit Scotland fixed charges:	
Pooled costs	3,310
Audit support costs	820
Total proposed fee	17,870

No non-audit fees have been charged by Deloitte in the period.

Non-audit services In our opinion there are no inconsistencies between FRC Ethical Standards for Auditors and the company's policy for the supply of non-audit services or any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary.

Relationships We are required to provide written details of all relationships (including the provision of non-audit services) between us and the organisation, its board and senior management and its affiliates, including all services provided by us and the DTTL network to the audited entity, its board and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on our objectivity and independence.

We are not aware of any relationships which are required to be disclosed.



Deloitte perspectives

Talking Public Sector: Our podcast series on government and public services

Our podcast explores the big challenges facing the public sector, how citizens want the public services to be run and what the future holds by drawing on expert opinion and exclusive research. Aimed at anyone who works in or with the public sector, this podcast brings together leaders from government and the public services, industry experts and commentators to provide an insights on the big issues facing public bodies in the UK and around the world.

Listen and subscribe to Talking Public Sector:

<https://www2.deloitte.com/uk/en/pages/public-sector/articles/talking-public-sector.html>

Tech Trend 2019: A Government and Public Services Perspective

Our recently published 10th edition of the Tech Trends report reflects on a decade of disruptive change and demystifies the future of digital transformation. The story of technology trends is inseparable from the story of the public sector.

Technology can help make government more effective by protecting and maintaining infrastructure, creating more personalised and secure citizen interactions, or automating tasks so workers can focus on more value-added jobs.

As leaders work to reshape their organisations and realise these possibilities, they rely on fresh, relevant insights. We are delighted to share [our perspective](#) which provides a UK Government and Public Services lens on Deloitte's *Technology Trends 2019: Beyond the digital frontier*.

<https://www2.deloitte.com/uk/en/pages/public-sector/articles/public-sector-tech-trends.html>

Digital government: It's all about the people *a view from Government and Public Sector Lead Partner, Rebecca George*

Deloitte has published our third Digital Disruption Index. Based on a survey of the UK's most senior digital leaders from both private and public sectors, the index explores levels of digital maturity in their organisations. The results reinforce my belief that the defining factor in getting digital right is not the technology – which of course needs to deliver – but is people: the people who lead digital transformation and the people with the skills to make it happen.

Read Rebecca's full view at:

<https://www2.deloitte.com/uk/en/pages/public-sector/articles/digital-government-all-about-people.html>

The Digital Disruption Index is available online:

<https://www2.deloitte.com/content/campaigns/uk/digital-disruption/digital-disruption/digital-disruption-index.html>

One of the key insights is around Artificial Intelligence (AI) which is increasingly a strategic priority. After Cloud, Cyber-security and Data analytics – three foundational digital pillars – respondents to our survey rated AI as the most important technology to their digital strategy.

The use of advanced data science, whether explicitly AI or a combination of AI, Robotic & cognitive automation (RCA) and Data analytics, is at the centre of much current debate about ethics and the societal impact of digital technology. A significant number of senior leaders seem unaware of these ethical considerations. We believe that what is unethical in the real world is unethical in the digital world, and we explore how organisations are able to make AI decision-making as transparent as human decision-making.



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