GLASGOW CITY COUNCIL INTERNAL AUDIT SECTION

COMMITTEE SUMMARY

Item 2(i)

28th September 2022

Title of the Audit: Corporate Review – Project Impact Management

1. Introduction

1.1 The Covid-19 pandemic has led to organisations adopting new technologies at an accelerated pace to allow business operations to continue as usual. For many organisations, including the Council, this has meant greater use of cloud technology, which has introduced new ways of working, increased reporting capabilities, as well as new considerations to be managed as part of the changing to global workplace.

1.2 As part of the Council's digital transformation programme, coinciding with the pandemic, several innovations and new technologies have been adopted and incorporated into business-as-usual processes within the Council, including the expanded use of the M365 suite of products, such as MS Teams.

1.3 There are many benefits to new technologies but there can sometimes be unintended consequences, for example, functionality can be enabled to facilitate remote management and to enhance employee monitoring, however, this may be considered as an invasion of privacy and overly intrusive.

1.4 This is one example of a situation where the deployment of new technology may have an unintended consequence/impact on users or clients, and therefore deployments like this should be rolled out with caution and only following appropriate consideration, and engagement with trade unions where relevant.

1.5 The purpose of this audit was to gain assurance that the Council has embedded a set of principles into its corporate frameworks, for the management of ethical considerations or unintended consequences that may arise when adopting innovative technologies, and that these are being adhered to.

2. Audit Opinion

2.1 Based on the audit work carried out a reasonable level of assurance can be placed upon the control environment. The audit has identified some scope for improvement in the existing arrangements and two recommendations which management should address.

3. Main Findings

3.1 We found that whilst there is a general framework for managing projects within the Council, and this provides guidance on aspects such as stakeholder management, some improvements could be made. Specifically ethical considerations/unintended consequences are not directly considered within the current framework; these would support those involved in the deployment of new technology when assessing all aspects of its introduction.

3.2 Similarly, although the Digital Workforce Board (DWB) is in place to oversee the implementation of M365, and we were advised that the consequences of new functionality are considered, as the Board does not currently have a set of

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principles/guidance against which to assess these, it was not possible to formally verify this.

3.3 There is room for improvement across four key areas regarding the management of ethical issues/unintended consequences within projects:

- Documentation could be improved to support staff with new technology introductions.
- Consideration could be given to formalise the management and approval of ethical issues/unintended consequences.
- Retrospectively address any potential ethical issues on recently rolled out technology.
- Engaging with staff and trade unions as appropriate prior to new technology introductions.

3.4 An action plan is provided at section four outlining our observations, risks and recommendations. We have made two recommendations for improvement. The priority of each recommendation is:

Priority	Definition	Total
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	0
Medium	Less critically important controls absent, not being operated as designed or could be improved.	2
Low	Lower-level controls absent, not being operated as designed or could be improved.	0
Service Improvement	Opportunities for business improvement and/or efficiencies have been identified.	0

3.5 This audit has been undertaken in accordance with the Public Sector Internal Audit Standards.

3.6 We would like to thank officers involved in this audit for their cooperation and assistance.

3.7 It is recommended that the Head of Audit and Inspection submits a further report to Committee on the implementation of the actions contained in the attached Action Plan.

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No.	Observation and Risk	Recommendation	Priority	Management Response
Key Control: The Council has considered the ethical implications of adopting new technology and has formally documented its requirements.				
1	We reviewed the corporate documentation available relating to the deployment of new technology, including the project management toolkit, and found that there is currently no dedicated framework or guidance in place to support staff on new technology projects, that may involve ethical issues or unintended consequences. For example, there is currently no guidance or documentation: - such as a checklist or aide memoire for assessing the suitability of new system features (e.g. productivity metrics). - to assist staff or managers on the proper use of newly available features. - on when staff and trade unions should be consulted. Additionally, - the Terms of Reference of the DWB do not specifically address ethical issues. - Ethical issues are not considered by any current Board or governance structure. With no standardised framework, there is a risk that staff may take incorrect action regarding new technologies and this may leave the Council exposed to additional business risk.	The Digital Workforce Board should work with cross-service representatives to define and establish an ethical framework for managing the consequences of new technology deployments. In doing so the group should devise guidance for managers/staff which includes (but not limited to): - The ethical risk identification and assessment arrangements that should be adopted when embarking on new technology processes. - When third party engagement (e.g. with staff, trade unions etc.) may be required. - Any approval / risk acceptance processes that are required. - The record keeping requirements for justifying the outcome of ethical assessments.	**Medium**	**Response:** Accepted. A short-life sub-group of the Digital Workforce Board will be established to develop an ethical framework for use by projects in the deployment of new technology. **Officer Responsible for Implementation:** Lynn Norwood, Chair of the Digital Workforce Board **Timescale for Implementation:** 31 December 2022

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No.	Observation and Risk	Recommendation	Priority	Management Response
		- The monitoring and compliance arrangements relating to the framework. The DWB's Terms of Reference should also be updated to reflect its role in relation to ethical considerations / unintended consequences.		

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No.	Observation and Risk	Recommendation	Priority	Management Response
Key Control: The ethical risks / unintended impacts have been identified, recorded and managed for new technologies and significant upgrades.				
2	As part of our audit fieldwork we reviewed the risk register in place for the management of the M365 deployment by the Digital Workforce Board. Whilst one risk was recorded which related to productivity metrics this was limited and did not include all aspects required as part of the Risk Management Policy and Framework, e.g. risk owner, responsible officer etc. If the risk management procedures are not fully complied with, there is an increased risk that these will not be managed appropriately.	The Chief Executive's Department should ensure that the DWB Risk Register is updated so that risks are suitably detailed and the Register complies with the requirements of the Corporate Risk Management Policy and Framework.	**Medium**	**Response:** Accepted. **Officer Responsible for Implementation:** Lynn Norwood, Chair of the Digital Workforce Board **Timescale for Implementation:** 30 August 2022