



The Scottish Parliament
Pàrlamaid na h-Alba

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**Public Audit and Post-legislative Scrutiny
Committee**

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Dear Permanent Secretary,

Common Agricultural Policy Futures programme: An update

We wish to reiterate how frustrating it has been to watch the catalogue of errors unfold within the CAP Futures programme, to the extent that, at our last evidence session with you and other officials on [8 December](#), yet more mistakes had to be declared. We know that the uncertainty for rural communities has caused real difficulties and it is frankly unacceptable that so many mistakes have been made. Time and time again, this and other public sector IT projects have come before the Parliament's Public Audit Committee, with initial timescales and costs increasing, and with the risk of public confidence in these programmes diminishing.

As we stated on the record on 8 December, it was therefore concerning that only two paragraphs in your written submission to the Committee were dedicated to "lessons learned", particularly as the First Minister subsequently told the Conveners Group that the Scottish Government "work hard with Audit Scotland as well as within the Government to ensure that lessons are learned and applied."

We take our role of scrutinising the financial performance and governance of the Scottish public sector very seriously. We expect that the Scottish Government will take all appropriate action to ensure that the CAP Futures programme recovers from its ongoing difficulties and finally delivers for all farmers and crofters. However, if there are any further difficulties with this programme, we will not hesitate to hold to account those who are responsible.

We are aware that Audit Scotland is undertaking further, broader work on IT projects in early 2017 and we expect that this work, along with its other relevant audits and recommendations to date, will ensure that painful lessons are learned and that similar mistakes are not made with future IT projects.

We urge you and your colleagues to pay full heed to Audit Scotland's recommendations and to work hard to restore public faith in the public sector's ability to undertake such projects. Indeed, we note that the First Minister recently told the Conveners Group about her expectations for future IT programmes, including in relation to new social security powers—

“We have significant lessons to learn from the experience with the common agricultural policy payments system and the NHS 24 IT system ... A monumental amount of work is going on in the Scottish Government just now to ensure that the lessons are learned and applied for the future.”¹

Turning to our meeting on 8 December, you committed to providing the following information:

- The difference between the original budget and the outturns for the Rural Payments Inspections Division (RPID) (Col. 15 of the Official Report);
- What the legal requirements are for payment of the programme, and whether the Scottish Government is aware of any farmers or NFU Scotland seeking legal advice on whether to seek damages or compensation for hardship caused by the delays and errors in the programme (Cols. 19 & 20); and
- Whether the conflict of interest identified at pages 35 and 36 of the AGS report was ever included on the risk register, and if so, when (Col. 32).

In addition, we would be grateful for more information on the following:

- in Annex A of your response dated 3 November 2016, the table setting out trigger points for escalation indicates that Ministers are not briefed if any critical milestone due within 6 months whose final delivery date, or forecast delivery, slips more than 4 weeks. Can you explain how it is decided which issues are escalated to Ministers, and the reasons why the critical milestone timelines are not escalated?
- in the further information provided on 7 December 2016, you commit to updating the Committee on any “significant, substantive issues” with the programme. We request instead that the Scottish Government provide a monthly update on the overall progress of the programme, including on any ‘significant and substantive’ issues;
- how many of the 166 individuals who received over-payments have now been contacted, and how many have repaid the money;
- an update on the Information Commissioner's office's investigation into the data protection breach; and

¹ [Conveners Group transcript of 16 November 2016, page 8](#)

- an update on the technical stock-take review commissioned by the Cabinet Secretary for Rural Economy & Connectivity, and the timescales for this review.

We also note that a live police investigation into the conflict of interest identified at pages 35 and 36 is underway (Cols 31 & 32). We would be grateful if you could let us know when this is no longer the case in order to provide us with an update on this matter.

We have copied this letter to the Convener of the Rural Economy & Connectivity Committee, given its ongoing interest in this programme. We also ask that care is taken to provide both committees with the same information, where relevant, when the Scottish Government provides future updates; this was not the case with the letters we received on 7 December.

We ask that you provide the first monthly update by the end of January 2017, which should also include the other follow-up information requested in this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jenny Marra', with a long horizontal line extending to the right.

Jenny Marra MSP
Convener of the Public Audit and Post-legislative Scrutiny Committee