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Jenny Marra
Convener
Public Audit and Post-legislative Scrutiny
Committee
Room T3.60
The Scottish Parliament
Edinburgh
EH99 1SP

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Dear Ms Marra,

Scottish Government guidance and support to public boards

Thank you for your letter of 18 February regarding the Scottish Government's guidance and support to public boards. This followed evidence taken from the Auditor General for Scotland on two section 22 reports: the 2018/19 audit of Bòrd na Gàidhlig and the 2018/19 audit of Disclosure Scotland.

You asked, in particular, for clarification on the role of Scottish Government in relation to two specific issues; the impact of "Principles of a Digital Future" and the publication of board minutes, agendas etc.

Principles for a Digital Future

Firstly, you make reference to the Office of the Chief Information Officer (OCIO). For clarification, and to confirm the information provided by Colin Cook, Director Digital, in his correspondence to the Committee of 31 May 2019, a restructuring took place last year with regard to the assurance of IT projects. That letter confirmed that, with effect from 1 April 2019, the Directorate for Internal Audit expanded its remit to include wider project assurance and had been renamed the Directorate for Internal Audit and Assurance. The OCIO Assurance Team moved from the Digital Directorate to the Directorate for Internal Audit and Assurance and was renamed the Digital Assurance Office (DAO). The move was intended to bring greater independence to the role of the DAO as it no longer sits within a delivery Directorate. I will therefore refer to the DAO in response to the questions you raise.

I have provided responses below to each of the questions you have raised.

- **Whether the DAO directs all organisations that register an ICT project with it to the Audit Scotland report, [Principles for a digital future](#);**
- **The steps the DAO takes to ensure that such organisations are aware that they should be applying the principles/checklists in the development and management of their ICT project;**

The DAO provides bi-annual reporting to the PAPLS Committee on individual major projects, as well as on the combined cost of digital and IT projects identified elsewhere across the public sector. There are currently 410 projects registered with the DAO; with 27 of those identified as Major IT. These are set out in the [PAPLS Nov 2019 report. The definition of a Major IT project can be found in the Scottish Public Finance Manual.](#)

Once a project is registered with the DAO, an assessment is made of the technical assurance requirements of that project. Once a project is identified as requiring assurance, a Senior Engagement Manager is ascribed to the project to work alongside the Senior Responsible Officer (SRO) and project team, to guide them through the assurance process and requirements. It is at this stage that a full briefing, which raises awareness of the strategic context for mandatory assurance (e.g. Scottish Government's refreshed Digital Strategy, Audit Scotland's Principles for a Digital Future, the Scottish Public Finance Manual) is provided to the SRO and project team.

- **What steps the DAO takes to monitor the application of the principles/checklists by the organisation for the duration of the ICT project.**

The application of the success principles themselves (Planning, Governance, Users, Leadership, Strategic Oversight) are monitored as part of the Stop/Go process. If there is a lack of sufficient evidence of these (embedded in the criteria for each Gate), then a project is not allowed to progress to the next stage until appropriate remediation has taken place. The remediation (framed in an Action Plan) is proportionate to the findings of the review team (based on a Red/Amber/Green risk rating) and are formalised between the projects' SRO and the Head of the DAO.

The Stop/Go gates which require evidence in support of the success principles are:

- **Business Justification:** to ensure the project is soundly based at the outset and has a robust Strategic Business Case; has been adequately scoped and that resourcing and skills have been considered and addressed.
- **Pre-Procurement:** to test the contracting and procurement strategy and ensure all commercial risks are understood.
- **During Delivery:** to review whether the delivery strategy remains appropriate; there is a valid Full Business Case; delivery is on track and standards are being met.
- **Pre Go-Live:** to ensure that the system and processes are ready for live service.

The DAO, as part of the Internal Audit and Integrated Assurance Directorate, is currently developing a new Communications Strategy aimed at making the scope of, and fit between, its various assurance activities as transparent as possible. The new strategy provides a further opportunity to reinforce the importance of Audit Scotland's Principles for A Digital Future and that these will be prominent within new material. We will also review our first point of contact with any organisation on the register to see how we can better direct and support them to the principles. In addition, the DAO is currently actively engaged with the Public Bodies Unit to help develop communications products to support sponsor teams raise awareness of assurance generally across public bodies and again, we will be alert to the need to give appropriate prominence to the success principles through this channel.

Disclosure Scotland's Transformation programme underwent a number of external reviews from 2016. These include gateway reviews, Digital First Assessment, OCIO Reports and audits. The reviews from November 2016 onwards, while recognising the challenges faced by Disclosure Scotland, did not recommend an alternative approach, or a means for Disclosure Scotland to move off the BT IT system at an earlier date.

- Gateway 0 - Feb 2016
- Gateway 0 - Nov 2016
- Digital First Assessment – Nov 2016
- Gateway – March 2017
- Digital First Assessment – Nov 2017
- OCIO – Police connectivity – May 2018
- OCIO – Tech Assurance – Nov 2018
- Capgemini – Health check – Nov 2018
- Scott Moncrieff – External Audit – April 2019
- Internal Audit – Aug 2019
- IT Health Checks – Carried out frequently through the programme.

Throughout the development of PASS, Disclosure Scotland performed well against a number of the principles described by Audit Scotland. Users were placed at the heart of the programme, the leadership of the organisation was stable through the main period of development and the Scott Moncrieff report which preceded the section 22 report, noted the commitment of the senior management to the programme. Nevertheless there were periods when governance should have been sharper and changes have been put in place to provide a new layer of independent support and challenge. The committee will, of course, be able to discuss this in more detail when Disclosure Scotland officials attend the meeting on 12 March.

Publication of Board minutes, agendas, etc

- **Whether sponsor teams specifically recommend to their respective public bodies that board meetings should be held in public unless there is a good reason not to.**

Sponsor teams are the primary source of advice between the public body and the Scottish Government. We expect them to recommend to their respective public bodies that board meetings should be held in public unless there is a good reason not to in the normal course of their sponsorship relationship. This is in line with guidance provided to sponsor teams and the On Board guidance.

- **Whether sponsor teams would raise this matter with a board if they became aware that the board was not routinely meeting in public.**

Yes, we would expect them to raise these matters with the public body as part of their ongoing relationship.

- **Whether sponsor teams regularly check the websites of their respective public bodies to monitor whether agendas and minutes are being published timeously.**

We would expect the sponsorship function to be flexible, proportionate and responsive both to the needs of public bodies and Ministers – in line with Smarter Sponsorship. While we would not expect micro-management, we would expect the sponsor team to be aware of agendas and minutes of public body board meetings.

- **Whether the certificate of assurance includes a requirement in relation to the transparency of board meetings and papers and, if so, what that requirement states.**

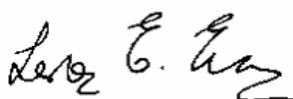
The annual Certificates of Assurance exercise and the supporting Internal Control Checklists underpins the Governance Statement on the management of public resources within the annual accounts. The Scottish Public Finance Manual (SPFM) chapter explains the requirement and purpose of the assurance process and the detail of the SG's own certificates of assurance process. The specific questions in the Internal Control Checklists are publicly available in the [Annex](#) – the sponsorship questions are at section 12. The section regarding sponsorship are about assurance in respect of the conduct of the sponsorship function; it is not where the requirements or expectations of the governance of the public body are set out and do not include questions on the transparency of board meetings and papers.

Your letter raises specific concerns about transparency of Bòrd na Gàidhlig's board meetings and publication of related papers. I can confirm that:

- The Scottish Government's sponsorship team has highlighted the relevant guidance to the Bòrd's Chief Executive and, with input from the Scottish Government's Public Bodies Unit, has provided some specific recommendations to the Bòrd on its holding of board meetings in public;
- Bòrd na Gàidhlig have published agendas and minutes from their Board meetings on their website and have been working to resolve the delay in uploading these and have kept the sponsor team apprised of developments;
- The sponsor team has monitored progress and, at the time of writing, the agendas and minutes of all the Bòrd na Gàidhlig Board meetings up to and including, December 2019 have been published. The agenda from the Board's last meeting in February has also been published and Bòrd na Gàidhlig has confirmed the minutes from that meeting will be published soon after their approval by their Board;
- Bòrd na Gàidhlig have confirmed that going forward agendas will be uploaded on to their website a week prior to the meeting;
- The next full Board meeting of Bòrd na Gàidhlig which will be held on the 26th May, will be held in public. The Policy and Resources Committee of Bòrd na Gàidhlig will meet on 21st April and this meeting will also be held in public.

I hope this provides the information sought by the Committee but please do not hesitate to contact me if you require anything further.

Yours sincerely



LESLIE EVANS

Permanent Secretary

Copied to: Paul Johnston, DG Education, Communities and Justice