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Jenny Marra MSP
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Public Audit and Post-Legislative Scrutiny Committee
Scottish Parliament
Edinburgh
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31 May 2018

Dear Ms Mara

I am writing with reference to Jackie Baillie's letter of 14 November 2017 which requested six monthly updates on the progress of major IT projects which describes how any delivery issues are being managed and mitigated.

The Office of the Chief Information Officer (OCIO) within Digital Directorate administers the Technology Assurance Framework for technology enabled projects across Central Government organisations (excluding NHS bodies). Major projects are classed as those with a whole life cost of £5+ million or which are otherwise deemed to carry significant risk. There are currently 266 projects recorded with the OCIO, of which 25 are classed as major projects. A breakdown of all projects is shown at **Annex A**.

Since the shift to a more interventionist approach to independent assurance in January 2017, the OCIO has worked to establish strong engagement with the major projects to enable forward plans for assurance activity to be developed. This is often carried out jointly with the other corporate assurance providers such as Internal Audit and the Capability Development and Project Assurance Team who provide independent assurance for programmes and (non-digital) projects.

Assurance for major projects under the Technology Assurance Framework takes the form of:

(1) Mandatory Stop/Go Assurance Reviews

These take place at the following stages:

- **Business Justification:** to ensure that the project is soundly based at the outset and has a robust Strategic Business Case
- **Pre-Procurement:** to ensure that the procurement strategy is sound and the commercial risks are understood

- **During Delivery:** to ensure that the delivery strategy remains appropriate, there is a valid Full Business Case and that delivery is on track
- **Pre Go-Live:** to ensure that the solution is ready to be launched into use and the organisation is ready to accept the business change.

(2) Mandatory Digital First Service Standard Assessments

Assessment for compliance with the [Digital First Service Standard](#) for new digital services takes place at the following stages.

- After user research has been carried out and before beginning to build a prototype (end of Discovery/entry to Alpha)
- After building a prototype and before launching a working version to a limited user group (end of Alpha/entry into Private Beta)
- Before launching the service to all users (end of Private Beta/entry into Public Beta)

(3) Non-Mandatory Healthchecks

Typically these would be conducted at the request of the organisation with a bespoke terms of reference agreed for the scope of the review.

Many of the projects were underway when the new technology assurance arrangements came into effect in January 2017. The initial technology assurance point is therefore variable for each project depending on the point the project was at when the new arrangements were introduced. As yet, no project has been through every stage of mandatory assurance.

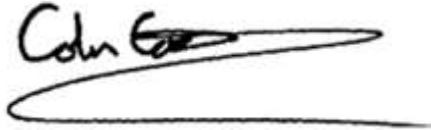
Assurance is carried out at the above points in time. Projects are required to submit an action plan in response to review recommendations to the OCIO with evidence sought to substantiate the actions taken. The OCIO however does not have an ongoing role in the monitoring of project delivery as the accountability for delivery remains with the relevant Accountable Officer and Senior Responsible Owner.

Whilst I am keen to ensure that our approach to assurance is as transparent as possible, there are, inevitably, potential commercial and other implications of putting the outcome of assurance reviews of live projects in the public domain. I would therefore welcome the Committee's feedback on the level of detail that it requires and how it envisages using this information, so that we can better tailor future reports. To prompt discussion on future reporting requirements, I attach a report at **Annex B** which provides an overview of the technical assurance activity conducted on each of the major projects. While the detailed outcome of each assurance activity has not been included for the reasons stated above, I can advise that projects have only progressed to the next stage on successful completion of the mandatory review requirements.

Please note that technical assurance may be only one of the independent assurance activities carried out on a particular project or programme. For example, as a minimum, a large programme will generally be subject to internal audit and Gateway Review as well as technical assurance. Assurance providers are working closely together to ensure an aligned approach with the aim of providing the right type of assurance at the right time. Digital Directorate can however only offer an update on technical assurance.

I would welcome guidance from the Committee on how we might share sensitive assurance material in a helpful way which will not affect commercial and other considerations – for example, would a private session with the Committee be appropriate.

Yours sincerely

A handwritten signature in black ink, appearing to read "Colin Cook", with a long, sweeping horizontal line underneath it.

Colin Cook
Director Digital

BREAKDOWN OF PROJECTSTable 1 – Total Number of Projects Recorded in Project Register

	Dec -16	Jun-17	Aug-17	Nov-17	May-18	Total May 18
Total Number of Projects	304	314	315	132	266*	£650.1 m

*This figure includes potential projects and projects at early scoping stage.

Table 2 – Breakdown of Projects with an Estimated Whole Life Cost Recorded*

	Dec -16	Jun-17	Aug-17	Nov-17	May-18	Total May 18
Investments under £100k	113	111	111	22	65	£2.7 m
Investments between £100k - £499k	61	63	62	20	55	£14.6 m
Investments between £500k - £999k	29	27	26	11	23	£15.2 m
Investment between £1m - £4.9m	33	35	36	24	32	£66.5 m
Investments of £5m and over	16	25	24	19	21	£553.1 m

* The OCIO does not monitor the financial expenditure of projects and captures estimated whole life costs as a vehicle for identifying high level projects and gauging the level of assurance which may be warranted. Whole life costs reflect the total cost of creating and maintaining an asset through to its disposal. The nature of the project register means that some estimates will include projected costs that are not related directly to the IT delivery element of the project. It should also be noted that the project register is updated regularly through a process of engagement between the OCIO and organisations and therefore the nature of the information held will change over time.

**PUBLIC AUDIT AND POST LEGISLATIVE SCRUTINY COMMITTEE
MAJOR IT AND DIGITAL PROJECT REPORT MAY 2018**

Organisation	Project Name	Project Description	Estimated Whole-life cost* £m	Project start date	Project end date	Current stage	Technology Assurance Activity To Date	Technology Assurance Activity planned
Scottish Government – Agriculture and Rural Economy Directorate	Land Parcel Identification System	To implement a replacement Land Parcel Identification System to support compliance with EC Regulation.	£4.0	January 2016	July 2018	Delivery	Go-Live Gate. Implementation of the solution is under planning.	None
Scottish Government – Agriculture and Rural Economy Directorate	Scottish Customer Account and Scheme Management System	To develop a new payment mechanism to improve the efficiency of rural payments.	£4.2	August 2015	March 2019	Delivery	None	The OCIO and project team are in ongoing engagement and assurance will be planned in as appropriate.
Scottish Government – Agriculture and Rural Economy Directorate	Delivery Partner to support Common Agricultural Policy Payments	To procure a new IT delivery partner to deliver and support the Common Agriculture Policy systems. This is about putting in place contract(s) to maintain and develop the existing CAP system while there is still a commitment to the EU and subsequent Transition. It does not include, as yet unknown, Brexit requirements.	£50 - £80 over 5 years	November 2017	Summer 2019	Preparing for Procurement	None	The OCIO and project team are in ongoing engagement and assurance will be planned in as appropriate.
Childrens' Hearings Scotland/Scottish Children's Reporter Agency	Joint Digital Delivery Programme	The purpose of the digital transformation programme is to improve the life chances of Scotland's most vulnerable children and young people. It is intended to address three key business needs: 1. A reduction in the time taken to process cases in the system, 2. An improvement in access to information and the quality of that information to improve decision making 3. An increase in the effectiveness of participation of children and young people in the system. The programme will focus on technology based, user centric service design and	£5.3	April 2017	March 2020	Delivery	None	Healthcheck scheduled for 30-31 May and Digital First assessment provisional for September.

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		delivery. It will develop and expand on the work outlined in the Children's Hearings System digital strategy and GIRFEC which was under pinned by user research. The programme is expected to deliver one or more digital systems which will assist SCRA and CHS in meeting the requirements of all their users and stakeholder.						
Disclosure Scotland	Transformation Programme	Replacement of Protecting Vulnerable Groups system and transition to customer centric organisation with enhanced Digital Capabilities.	£44.1m	October 2015	April 2019	Delivery	Digital First assessment Healthcheck on police connectivity workstream.	Future healthchecks are provisionally scheduled for Summer 2018.
Scottish Government - Fair Work, Employability and Skills Directorate	Employability Programme – IT Project	IT solution to support delivery of a new Scottish Employment Service, Fair Start Scotland, for those who are either unemployed and disabled, or at risk of long-term unemployment, including those with health conditions.	£3.4	January 2017	April 2018	Development completed on time. Solution in live use.	Pre-Procurement, Delivery and Go-Live Gates. Digital First assessment.	The OCIO and Employability IT project team are in ongoing engagement. Planning of future assurance activity will be aligned to the strategy for future releases as appropriate.
Scottish Government – Education, Local Government and Communities Directorate	Digital Planning Programme – National Case Handling Transformation	Expansion of the current portal for submitting planning and building standards applications online to a full national solution on behalf of Local Authorities.	£5	July 2017	July 2021	Paused	None	The project is currently paused to enable a holistic scoping of the digital transformation of the planning system in Scotland. Assurance activity will be planned in as the project evolves.
Scottish Government - Digital Directorate	eRDM	Procurement of a new support and maintenance contract and implementation of the next generation Electronic Records and Document Management solution.	£9	October 2016	December 2018	Delivery	None	The OCIO and eRDM team are in ongoing engagement and a Delivery Gate is under planning.
Forestry Commission Scotland	Digital Services Transition Project	Transition of information systems from a UK based central service into Forest Enterprise Scotland (FES) as part of the devolution of Forestry.	£3.8	September 2016	September 2019	Delivery	None	The OCIO and Forestry Commission Scotland are in ongoing engagement and future assurance activity is under planning.
National Records of Scotland	Census 2021	The IT to support Scotland's Census 2021 which will be primarily online.	£110	October 2015	December 2023	Delivery	Two Pre-Procurement Gates.	The OCIO and Census Programme Team are in ongoing engagement and future assurance activity is under planning.
National Records of Scotland	Digital Preservation Programme	To develop solution to preserve in perpetuity, born digital records created by Scottish public authorities archived under The Public	£8.1m	March 2016	December 2022	Delivery	None	The OCIO and Digital Preservation Programme Team are in ongoing engagement and a healthcheck is provisionally scheduled for September following the end of the Design phase.

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		Records Scotland Act 2011 and other relevant legislation.						
Revenue Scotland	SETS2	Design, implementation and transition of tax administration and management solution and associated service redesign.	tbc	July 2017	August 2019	Delivery	Business Justification and Pre-Procurement Gates	The OCIO and Revenue Scotland are in ongoing engagement. A Digital First assessment and Delivery Gate will be scheduled.
Registers of Scotland	Digital Routing & Automation	Enabling a customer focussed digital journey with over 80% of application processed automatically	£12.5	November 2017	March 2020	Initiation	None	The OCIO and Registers of Scotland are in ongoing engagement. Assurance will be planned in as appropriate as the project progresses.
Registers of Scotland	Land Register Transformation	Continuation of transformation of Registers of Scotland data, roll-out of the new Land Register data model to support land register completion and a digitally enabled land register.	£13	November 2017	March 2020	Initiation	None	The OCIO and Registers of Scotland are in ongoing engagement. Assurance will be planned in as appropriate as the project progresses.
Marine Scotland	IT Replacement	Marine Scotland has a number of disparate and ageing IT applications which need to be replaced to ensure the future operations of fisheries business processes and in line with contractual expirations. The project delivered a core live system as of March 2017 which continues to be enhanced and augmented with major and minor releases.	£7.8	April 2016	April 2020	Delivery	None	The OCIO is in engagement with Marine Scotland about future assurance requirements.
Scottish Government – Social Security Directorate	Social Security Programme (IT elements)	To enable Scottish Government control and administration of devolved welfare benefits.	£190	January 2017	tbc	Delivery	2 Pre-Procurement Gates 3 Digital First assessments	The OCIO and the Social Security Directorate are in ongoing engagement. A number of assurance reviews are planned over the next few months and further assurance will continue to be planned throughout the life of the Programme.
Scottish Public Pensions Agency	PS Pensions Project	Consolidation and upgrade of pensions administration and payroll system.	£13	January 2015	February 2018	Under Closure	2 Healthchecks Delivery Gate	None
Scottish Public Pensions Agency	Service Extension Project	Preparation of variation(s) to existing contract(s) to protect service continuity and progress improvements to services.	£10.5	June 2018	March 2024	Contract under finalisation.	Business Justification Gate	The OCIO and SPPA are in ongoing engagement and future assurance activity will be planned in as the project progresses.
Transport Scotland	Booking and Reservations Ticketing Solution	A booking system for CalMac Ferries Ltd to increase replace and enhance their current system adding an ITSO capacity for passenger	£20	August 2016	October 2021	Pre-Procurement	Digital First Discovery Pre-Procurement Gate	To be scheduled following completion of procurement activity.

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		bookings.						
Transport Scotland	Reprocurement of IRIS (system to be called APMS)	The main tool for the management of the maintenance of the Trunk Road Network.	£5	June 2017	August 2020	Pre-Procurement	None	Pre-Procurement Gate under planning.
Transport Scotland	Fareshare TABO 2 (Transport Back Office Application)	Replacement and enhancement of the current TABO system that calculates payments to transport operators for the National Concessionary Schemes. Enhancements include improved management of operator data and the integration of the BSOG (Bus Services Operators' Grant) scheme.	£3 over 4 year life of contract. £4.6 million over 8 years with extensions.	February 2016	September 2018	Delivery	None	Delivery and Go-Live Gates under planning.
VisitScotland	Project Unlimited	Cross agency project to rebrand and overhaul the Scotland.org website to promote Scotland under a single brand.	tbc	tbc	tbc	Early Scoping	None	Project Director will be taking up post in July. Project currently developing governance and resource management. OCIO and VisitScotland will be meeting soon to discuss next steps.
Scottish Government – Justice Directorate	Digital Evidence Sharing Capability	To develop a capability which will drive better information sharing across the criminal justice system.	£5+	2016	2020-2021 (estimate)	Pre-procurement, developing requirements	None.	The OCIO and the project are in ongoing engagement and assurance activity will be planned in as the project progresses.
Scottish Courts and Tribunals Service	Integrated Case Management System	Creation of a new agile case management system and online portal for the sheriff court and Court of Session with the aim of replacing the current civil case management system and incorporating changes to the rules of court.	£12.7	March 2015	September 2019	Delivery	Phase 1 Go-Live Gate	Phase 2 Go-Live Gate
Scottish Enterprise	Digital Transformation Programme	Transformation Programme to: connect more business across Scotland with the support Scottish Enterprise offer; build capacity across our operations to ensure face to face time is spent on the most complex challenges and opportunities to stimulate growth and; make it simpler and easier for customers to do business with Scottish Enterprise.	£5	2017	2020	Delivery	None	The OCIO is in engagement with the programme about future assurance requirements.