

Directorate of Internal Audit and Assurance

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Richard Leonard MSP
Convener
Public Audit Committee
Scottish Parliament
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Dear Mr Leonard

MAJOR IT PROJECTS – SIX MONTHLY PROGRESS REPORT

We are writing to propose a change of format to the six-monthly progress reports on major IT projects which are provided to the Public Audit Committee.

These reports were commissioned by the Public Audit and Post-Legislative Scrutiny Committee in 2017 with the first one provided in May 2018. The reports have been generated from the high level, routine information collected by the Digital Assurance Office to help inform potential assurance requirements for digital projects and investments. While the Digital Assurance Office carries out independent assurance at specific points in a project, it does not have responsibility for the ongoing tracking and monitoring of project management information such as project spend or delivery progress as the accountability for delivery remains with the relevant Accountable Officer and Senior Responsible Owner.

As set out by Geoff Huggins in the Committee meeting of 8 December 2022, a programme of work has been underway this year to develop a more system wide approach which includes the prioritisation of digital investment and delivery through portfolio management. With this work now further advanced, Digital Directorate will be better placed to provide future reports to the Committee.

The intention is to focus the information reported to the Committee on initiatives that are in active delivery, and to provide enhanced information (Annex C in the last report) which more clearly conveys the health of major digital projects to support the Committee to execute its responsibilities. Information such as the Senior Responsible Owner formally appointed by the relevant Accountable Officer, business case stage and approval status, annual expenditure and significant delivery milestones will be included.

The approach outlined above will remove some information currently included in Annex A to focus the information provided to better inform oversight and scrutiny where most needed on digital delivery. Information to be removed includes:

- Items that relate to business as usual and licencing costs which are not specific to a programme or project.
- The pipeline of potential projects. Having reviewed this list and found that many of the items have little prospect of progressing; we are developing more formal approaches to determine when a project is ready for a decision in respect of funding.

The report will also include an update from the Directorate for Internal Audit and Assurance which will include:

- The assurance review volumes and outcomes currently provided (Annex B in the last report).
- Insights generated annually through the previous year's assurance reviews.
- An update on continuous improvement work.

We will also engage with stakeholders to consider development of a more transparent report which provides the outcome of the latest assurance reviews.

The next six monthly report is due in December but we propose to focus effort on the development of the required data collection process and new style report for the June reporting cycle. This approach will also allow budgetary decisions to be enacted and reflected within the return. The improvements outlined are intended to support and assist the scrutiny process which we consider a necessary and helpful part of our governance process therefore we welcome comments on this proposal. A briefing can be provided to the Committee in this regard if helpful.

Yours sincerely

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