

The Scottish Parliament Pàrlamaid na h-Alba

John-Paul Marks Permanent Secretary Scottish Government Public Audit Committee Room T3.60 The Scottish Parliament EDINBURGH EH99 1SP

By email only

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14 March 2024

Dear Permanent Secretary,

The 2022/23 audit of the Scottish Government Consolidated Accounts

Thank you for your correspondence of 23 February 2024 in relation to the Committee's scrutiny of the abovementioned report. The Committee considered your correspondence on 7 March 2024 and agreed to seek additional information on the following points.

Post Office Horizon IT scandal

Regarding the compensation arrangements to sub-postmasters who were wrongly convicted as a result of the Post Office Horizon IT scandal, the Committee notes the UK Government's intention to bring forward legislation to reverse the convictions of wrongly convicted sub-postmasters in England and Wales only.

The Committee also notes that while the Cabinet Secretary for Justice and Home Affairs has made it clear that UK-wide legislation would be the quickest route to resolving the matter, the Scottish Government will introduce legislation in the absence of UK-wide legislation. However, this can only be introduced once a UK bill had passed "to ensure full compatibility with UK legislation and the UK compensation scheme." The Committee asks how the decision to first bring forward legislation in England and Wales before Scotland-specific legislation will impact on wrongly convicted sub-postmasters in Scotland, including any potential delay in their exoneration compared to their counterparts in the rest of the UK.

As you will recall when you gave evidence to the Committee on <u>18 January 2024</u>, the Committee asked whether the Scottish Government was allocating money for potential compensation for people who were wrongly convicted in Scotland. In your response, you explained that the Scottish Government was working closely with the UK Government on the opportunity of a legislative consent motion, which would enable people to access the UK compensation scheme. You further stated—

"There is no provision in the 2024-25 budget specifically for the Crown Office for that, because the intent is to get the consent motion through so that we can access the compensation scheme, but the Crown Office can prioritise its budget to ensure that any activity to support that effort is taken forward."

In light of the UK Government's decision to bring forward legislation in the terms set out above, a legislative consent motion now appears unlikely. The Committee therefore asks how the Scottish Government intends to fund any future compensation scheme, and the potential impact on other areas of spending.

The Committee also seeks clarification of how sub-postmasters in Scotland can currently seek compensation.

Ferguson Marine Port Glasgow (FMPG)

Your correspondence states that a revised framework agreement was "substantially agreed between FMPG board and Scottish Government officials, save for certain points relating to director's responsibilities under the Companies Act and matters relating to pay policy, in December 2023". The Committee notes that the agreement was expected to be finalised by the end of February 2024.

The Committee would be grateful for an update on the status of the framework agreement, including a copy of this document, should it now be available.

Costs for vessel 802

Finally, the Committee wishes to state once again its disappointment that important cost information used to make a value for money assessment on the completion of vessel 802 at FMPG will not be disclosed by the Scottish Government. As you will be aware, since May 2023, the Committee has repeatedly sought to achieve more transparency regarding this decision, asking the Scottish Government to publish the

two commissioned reports on the funding and future options for FMPG and the due diligence used to make the value for money assessment.

It is regrettable that the Scottish Government is unwilling to confirm what the estimated cost of procuring a new vessel was, for both this Parliament and the people of Scotland to understand how it compares against the ever-rising costs associated with completing vessel 802 at FMPG. The Committee simply does not accept the position that providing this information draws on commercially sensitive information that if released, could impact on any future procurement.

The Committee maintains the view that a balance can be struck between recognising issues of commercial confidentiality and the ability of Parliament to hold the Scottish Government to account regarding the information that used to make critical decisions about the yard and the vessels.

The Committee would be grateful for a response by 15 April 2024.

Yours sincerely, Richard Leonard MSP, Convener