Thank you for your letter of 6th January concerning the Auditor General’s report on which your Committee took oral evidence from Transport Scotland on 22nd December 2010.

Your Committee was understandably concerned to understand how the original estimate for the introduction of ETM technology was set at £9m in 2004. The report sets out in paragraph 15 the circumstances of dislocation and lack of continuity associated with the transfer of responsibility to Transport Scotland, and the consequential limitations in the audit trail and in knowledge transfer. Given the passage of time, I do not believe that any of the individuals who would have been involved in developing this policy would be able to give the Committee the information they are properly seeking.

I have, therefore, put in place further manual searches of our records to seek to establish a clearer basis for the original estimate.

I will write to you again as soon as this work is completed. I am copying this letter to the Auditor General.

The Public Audit Committee took oral evidence from Transport Scotland on the Auditor General for Scotland’s report entitled National concessionary travel at its meeting on 22 December 2010. The Official Report of that meeting can be accessed at the following link:
http://www.scottish.parliament.uk/s3/committees/publicAudit/meetings.htm

The Auditor General for Scotland’s report can be accessed at the following link:

In his report, the Auditor General for Scotland stated that, “The original budget set by the Scottish Executive for the introduction of ETM technology in 2004 was £9 million,
although it is not clear how this was calculated or what cost factors were included.” This figure was subsequently increased to £42 million in 2010\(^1\). At the meeting, the Committee questioned Transport Scotland witnesses how the initial figure of £9 million was calculated. Transport Scotland witnesses confirmed that they could not explain the figure of £9 million was calculated nor had they spoken with those officials who had calculated this figure.

I would be grateful if you could confirm which Scottish Government officials worked on the National Concessionary Travel scheme from 2003 to 2006 (when the scheme transferred to Transport Scotland) and who may have been involved in calculating the figure of £9 million provided in 2004. I would also be grateful if you could confirm whether they still work for the Scottish Government, what position they hold and what information they can provide on how the figure of £9 million was calculated.

I would be grateful for a response to this request by 27 January 2011. Should this deadline cause you any difficulties or you require any further information please do not hesitate to contact either the Assistant Clerk, Jason Nairn on 0131 348 5236 or by email at pa.committee@scottish.parliament.uk.

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\(^1\) Audit Scotland. (2010) *National concessionary travel*, page 9