

Correspondence and whistleblowing

Annual report 2022/23



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1. Key messages

- 1** We dealt with 292 correspondence cases in 2022/23. This includes 232 issues of concern about public bodies (an increase of 25 per cent from 2021/22), and 55 enquiries about our audit work.¹ Five cases were carried over from the previous year.
- 2** Most issues of concern related to either the local government sector (44 per cent) or to central government (44 per cent), with eight per cent about the NHS. We also received 16 whistleblowing disclosures and ten cases that were out of our remit.
- 3** Performance against our targets remains high. During 2022/23, we acknowledged 98 per cent of issues of concern within our target of five working days. We also issued a final response within our target of 30 working days for 99 per cent of cases (up from 97 per cent in 2021/22).
- 4** Public expectation about Audit Scotland's role in dealing with correspondence continues to grow. Coverage in the media and an active online presence have been noted in correspondence as the reason why people have contacted Audit Scotland. The issues that people raise with us continue to remain complex.
- 5** During 2022/23, 54 per cent of concerns were used as either audit intelligence or explored as part of our audit work.

¹ Issues of concern can cover a broad range of concerns about the bodies we audit. Enquiries about our audit work can include requests for further information related to our reports or queries about our work more broadly.

2. Introduction

1. This report sets out information about the correspondence we received during 2022/23 (the period between 1 April 2022 to 31 March 2023), including the volume, which part of the public sector it relates to, and performance against our target response times.
2. We receive correspondence from a range of people, including the general public, MSPs, MPs and councillors. People correspond with us on a variety of matters about the Scottish public bodies we audit, and this can be a valuable source of information for our audit work. They may want to raise an issue of concern or make a whistleblowing disclosure; have an enquiry about our audit work; or raise an objection to a local government body's accounts.
3. We consider issues of concern as part of our [Code of Audit Practice](#). The Code states that the key factor in determining whether we examine an issue of concern is its relevance to Audit Scotland's role and functions.
4. Freedom of information requests are covered in a separate annual report, along with complaints about Audit Scotland.
5. Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. We help the Auditor General for Scotland and the Accounts Commission check that organisations spending public money use it properly, efficiently and effectively. Audit Scotland manages correspondence sent to the Auditor General for Scotland and the Accounts Commission.

Whistleblowing

Under the Public Interest Disclosure Act 1998, people can raise concerns about an organisation with 'prescribed persons', eg independent regulators. The Auditor General, the Accounts Commission and Audit Scotland are prescribed persons. Statutory reporting about whistleblowing disclosures came into effect on 1 April 2017. This report includes whistleblowing disclosures during 2022/23.

Objections to local government accounts

Auditors appointed by the Accounts Commission have specific duties to consider formal objections to the accounts of local government bodies which are raised by members of the public.

Freedom of information

Audit Scotland also responds to Freedom of Information (Fol) requests. Our Corporate Governance team handles and reports on these.

3. Correspondence in 2022/23

Volume of correspondence

6. The volume of correspondence we received increased by 34 per cent between 2020/21 and 2022/23 ([Exhibit 1](#)). In 2022/23, we received 287 items of correspondence, compared to 188 in 2020/21. This consists of:

- 160 new issues of concern, which includes whistleblowing concerns and objections to accounts
- 72 re-opened issues of concern
- 55 enquiries about our audit work.

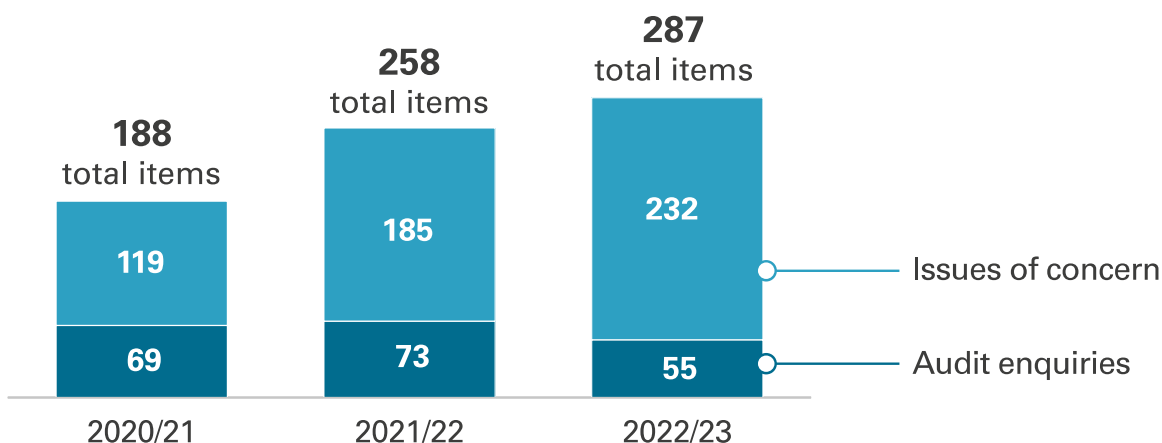
7. We received 160 new issues of concern in 2022/23, compared with 143 in 2021/22, an increase of nearly 12 per cent. We also carried forward five cases that were still in progress on 1 April 2022, bringing the total we dealt with in 2022/23 to 292.

8. Issues of concern are mainly raised by members of the public (93 per cent). MSPs and councillors raised seven per cent of concerns. These figures are consistent with the previous reporting period, 2021/22.

9. Enquiries and requests for information about our audit work include questions about legislation and information about the role of public bodies. We also received requests for further data in relation to performance audit reports and questions related to our report on [New vessels for the Clyde and Hebrides](#) and subsequent media coverage.

Exhibit 1.

Volume of correspondence received, 2020/21 to 2022/23



Note: The information for 2022/23 does not include the five cases carried forward from the previous year.

10. Audit enquires have decreased by 25 per cent compared to the last reporting period, 2021/22. One reason for this is that correspondents are asking more specific questions about the bodies we audit rather than general enquiries about our work.

Whistleblowing

11. Workers, as described by the guidance accompanying the Public Interest (Prescribed Persons) Disclosure Order (2014), can raise disclosures about fraud, corruption or wrongdoing within the public bodies we audit. Our role is to provide workers with an alternative method for making a protected disclosure where they do not feel they can contact the public body directly.

12. We take our whistleblowing responsibilities very seriously and have a process in place to ensure we deal with disclosures appropriately.

13. Whistleblowing cases are reported in the overall number of issues of concern we receive. In 2022/23, we received 16 whistleblowing disclosures, an increase on the 13 received in 2021/22. Since 2020/21 we have seen the number of whistleblower cases increase slightly to almost return to pre-pandemic levels. For example, in 2019/20 we reported on 19 cases. The 2022/23 breakdown by prescribed person is as follows:

- Auditor General – 12
- Accounts Commission – four

14. Audit Scotland, the Accounts Commission and the Auditor General and the auditors they appoint do not have the power to issue fines or enforcements on the public bodies we audit. The legislation does not place any additional power or duty on 'prescribed persons' and we do not have a legal obligation to act on a whistleblowing disclosure.

Outcomes for whistleblowing disclosures

- Issues raised in **two** disclosures were included as part of routine audit work.
- Issues raised in **twelve** disclosures did not warrant an investigation but were considered as useful audit intelligence.
- We could not take any action in relation to issues raised in **two** disclosures as the concerns raised were outside the scope of our audit work. Nonetheless we shared this intelligence with the auditors for information.

Issues of concern

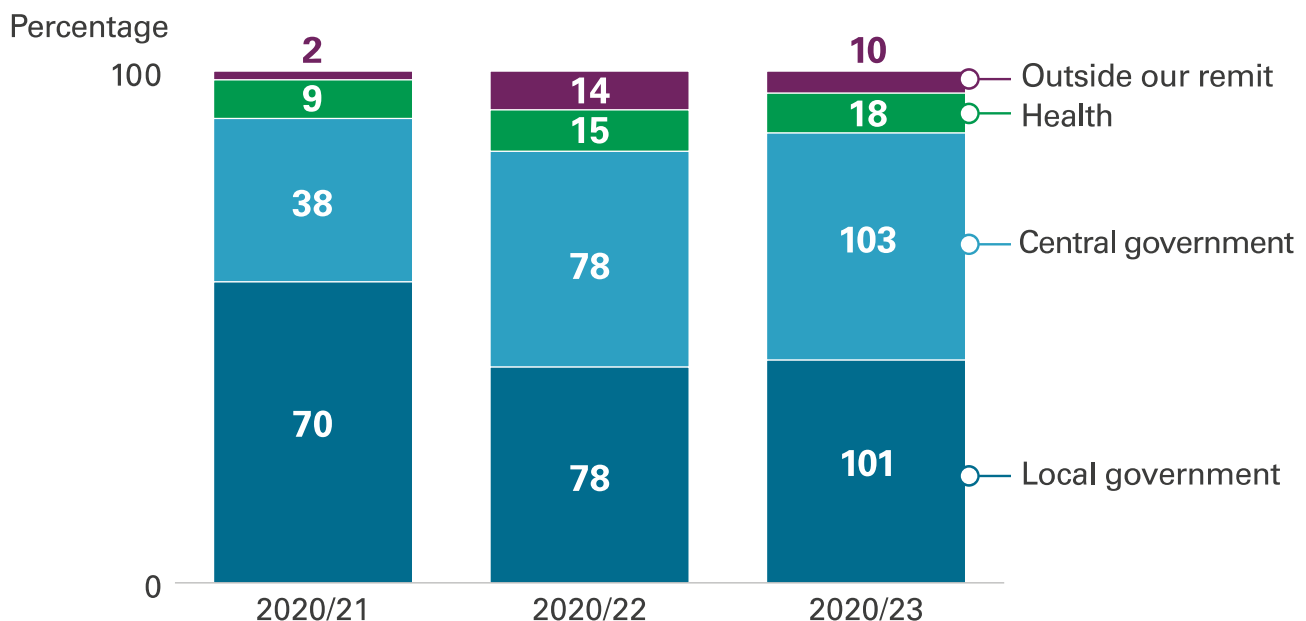
15. All but 10 of the concerns we received in 2022/23 were about public bodies we audit: 101 concerns (44 per cent) related to the local government sector, 103 concerns (44 per cent) related to central government bodies and 18 (eight per cent) to NHS bodies ([Exhibit 2](#)).

16. Over the past two years we have seen a marked increase in persistent correspondents who write to us repeatedly about the same issues. In 2022/23 we had 72 re-opened cases, compared to 42 in 2021/22 and 22 in 2020/21. Of the 72 re-opened cases, 39 per cent (28) concerned repeat correspondence from eight individuals.

17. Concerns are increasing in complexity. For example, concerns about complex technical or legislative issues or those involving more than one public body. As set out in our policy, we aim to deal with all correspondence in a timely manner and have the same response targets regardless of the complexity of each case. We discuss our performance in [Part 7](#).

Exhibit 2.

Number and percentage of concerns by sector 2020/21 to 2022/23



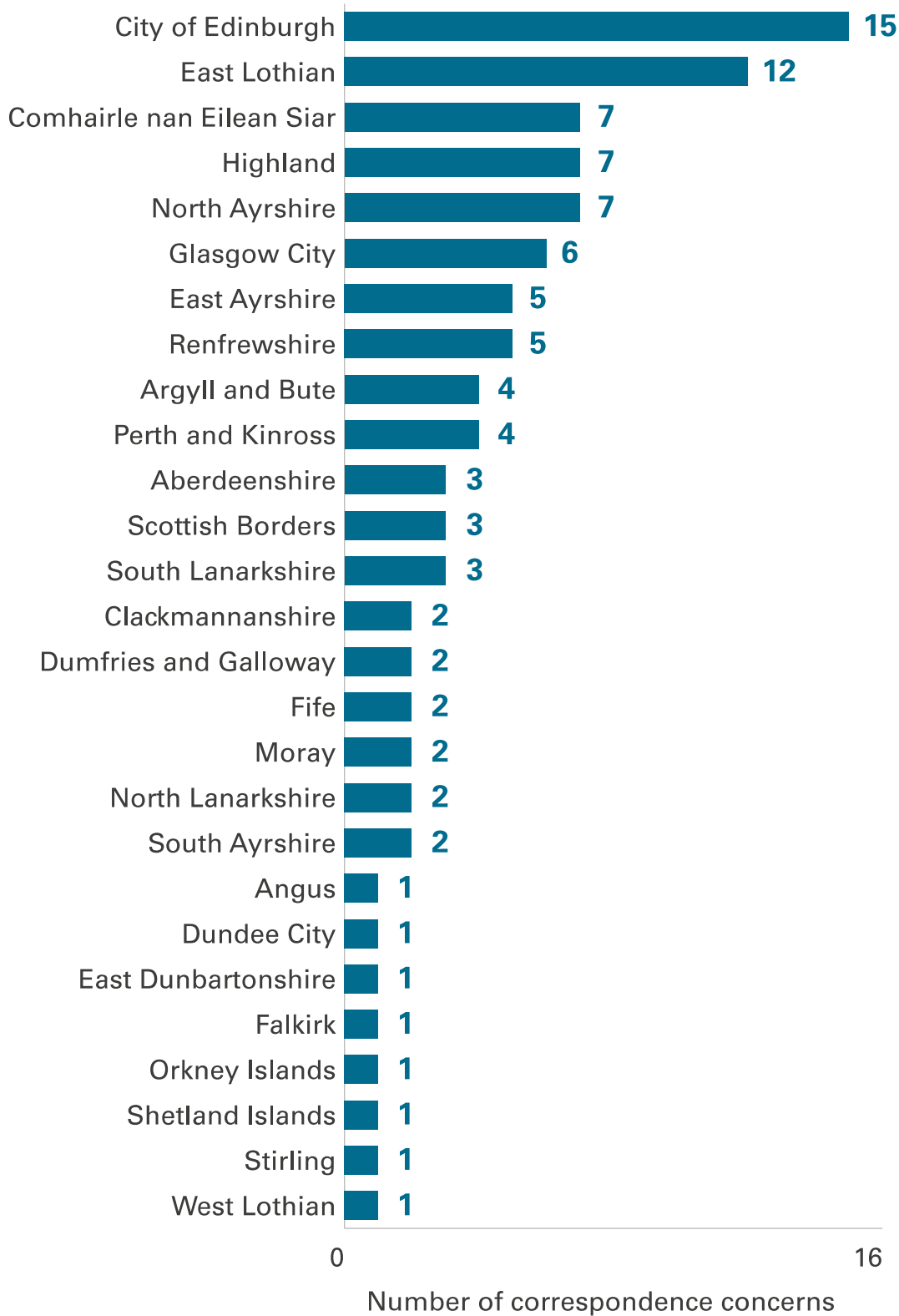
4. Local government issues of concern 2022/23

18. All 101 local government issues of concerns received were about councils ([Exhibit 3, page 9](#)). This includes one objection to accounts for North Ayrshire Council.

19. City of Edinburgh and East Lothian councils had the highest proportion of concerns raised in 2022/23 (15 per cent and 12 per cent respectively), followed by Comhairle nan Eilean Siar, Highland and North Ayrshire councils (all with seven per cent).

20. There are some recurring themes in the correspondence received about local government. Of note this year were concerns about:

- transparency of decisions made within councils
- maintenance of council area and council housing
- management of council assets
- council spend for local area projects
- transparency of decisions in education (spending and contracts)
- early learning and childcare funding.

Exhibit 3.**Number of correspondence concerns, by local government body 2022/23**

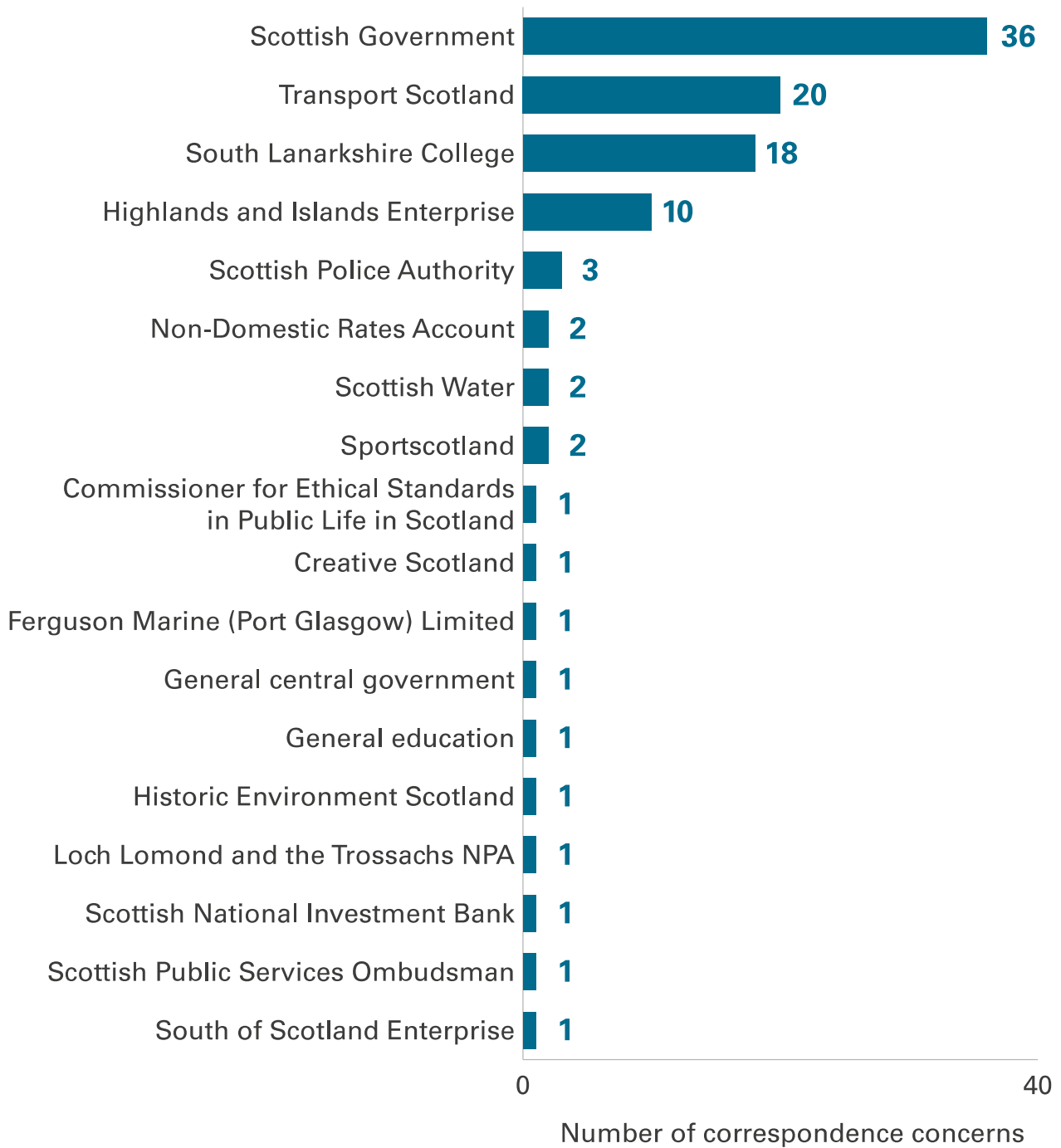
5. Central government and NHS issues of concern 2022/23

21. We received 103 items of correspondence relating to 16 central government bodies and two cases marked as general central government and general education ([Exhibit 4, page 11](#)).² The bodies with the highest proportion of concerns were the Scottish Government (35 per cent), Transport Scotland (19 per cent) and South Lanarkshire College (17 per cent).

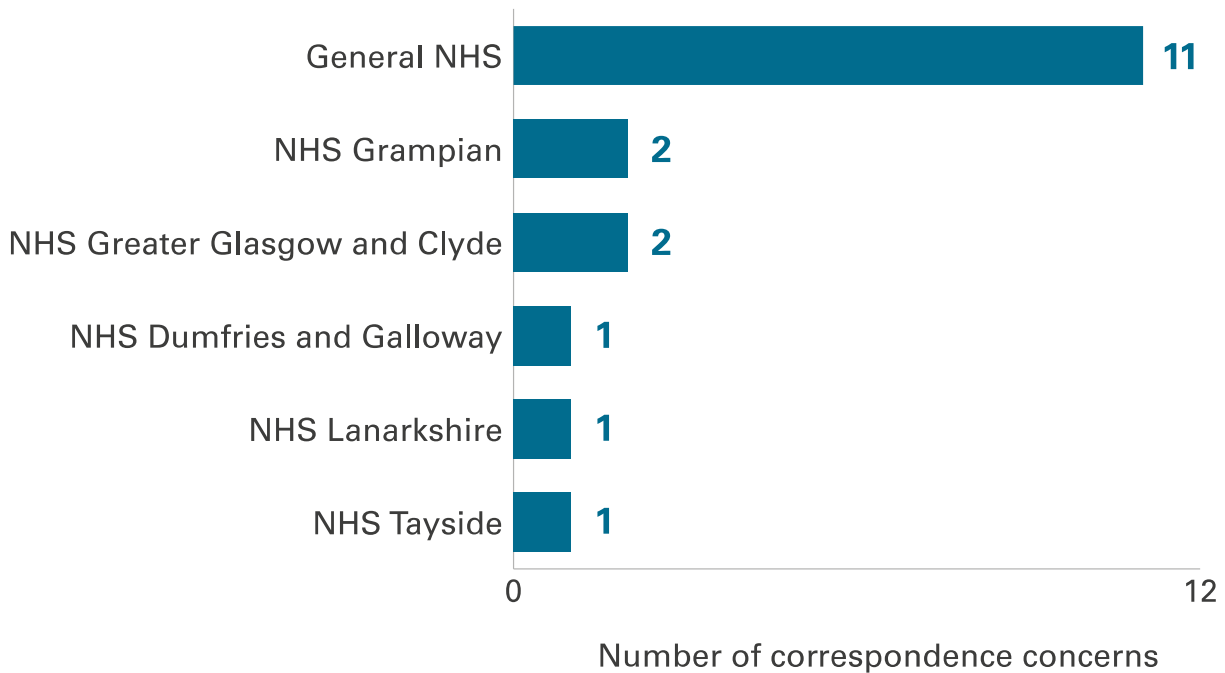
22. There were some recurring themes in the correspondence received about central government bodies. These included:

- money spent on Independence
- ferries
- college governance.

² Central government bodies include the Scottish Government and other public bodies which fall under the remit of the Auditor General for Scotland. More information about the bodies we audit is available [here](#).

Exhibit 4.**Number of correspondence concerns, by central government body 2022/23**

23. We received 18 items of correspondence relating to five NHS boards ([Exhibit 5](#)). The NHS boards with the highest proportion of concerns were NHS Grampian and NHS Greater Glasgow and Clyde (each with two concerns). We received 11 items of correspondence related to general NHS concerns.

Exhibit 5.**Number of correspondence concerns, by NHS body 2022/23**

6. Outcomes for correspondence 2022/23

We use correspondence to inform our audit work

24. Audit Scotland's correspondence team shares all correspondence with the relevant audit teams, to ensure they have oversight of all the concerns that people contact us about. The team is reliant on receiving timely information from auditors in order to meet our response targets. Over the past year this has been challenging due to the significant pressures on audit teams and the new audit appointments.

25. The correspondence team, in collaboration with auditors, uses their technical and professional judgement in deciding what action to take. While we recognise that issues that correspondents raise are important to them, we must ensure we use our resources carefully and that public money is not spent looking at issues that are not relevant to audit work.

26. We always advise the correspondent of the outcome from their contact with us ([Exhibit 6, page 14](#)).

27. We use correspondence to add to our knowledge of public bodies, and most issues of concern inform audit work in some way, even in cases where we cannot take any direct action. Issues raised in 54 per cent of the concerns were included in audit work or used as audit intelligence ([Exhibit 7, page 15](#)).

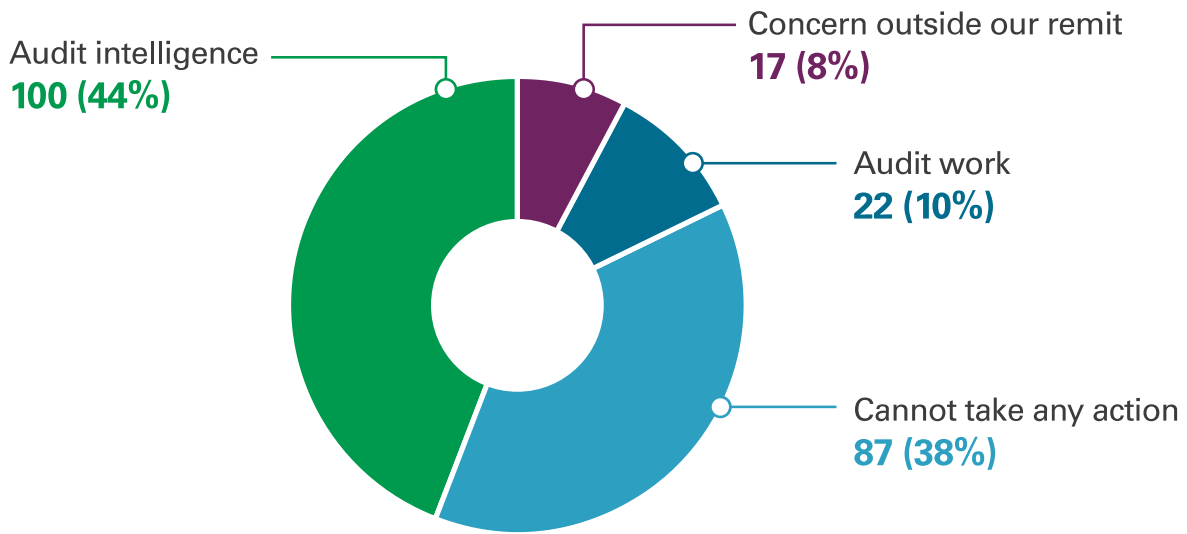
28. We use relevant intelligence from correspondence when planning audit work and in developing our programme of performance and Best Value audits. For example, auditors have drawn on concerns raised through correspondence when planning their work on governance.

Exhibit 6.

Outcomes for correspondence

| | |
|----------------------------------|--|
| Audit work | <p>Sometimes the issue of concern you raise relates to a topic that we are already covering in our audit work. The auditors can include this as part of the audit process. We may be able to provide you with findings of this work, but generally auditors would only report significant findings in the relevant published audit report.</p> <p>In some cases, your concern may lead to us carrying out specific audit work to examine the issue. If appropriate, we would publish the findings of this work on our website.</p> |
| Audit intelligence | <p>We may conclude the issue of concern does not warrant specific audit work, but that it can still inform the work we do. Along with other sources of intelligence, the information you provide may be helpful to the auditors in carrying out their work.</p> <p>It can help us to identify trends affecting public bodies that we may need to examine.</p> |
| We cannot take any action | <p>We may conclude that we cannot act on your issue of concern. For example, if you are unhappy about a council's planning decision or how a health board has handled your complaint.</p> <p>Where possible, we will refer you to the public body or a regulator that may be able to help you.</p> |
| Concern outside our remit | <p>We cannot examine an issue of concern about a body that we do not audit.</p> <p>You can find a list of the public bodies we audit here.</p> <p>Where possible, we will suggest other organisations that may be able to help.</p> |

Exhibit 7.
Outcomes for 2022/23 correspondence



Note: Exhibit 7 does not include six cases still in progress.

7. Our performance in 2022/23

We performed well in relation to set target response times

29. We have two key performance targets relating to response times for concerns. These are that we aim to acknowledge receipt of all concerns within five working days, and to provide a final response to all within 30 working days.

30. During 2022/23, we acknowledged 98 per cent of concerns within five working days and 99 per cent received a final response within 30 working days (97 per cent and 97 per cent respectively in 2021/22).

31. The cost for 2022/23 was around £115,182. This includes time spent by our correspondence team on managing cases, training and some of auditors' input. The overall cost will be higher, as most auditors record time on items of correspondence as part of their annual audit work.

32. For more information about the correspondence function please visit our [website](#).

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