

Correspondence and whistleblowing

Annual report 2021/22



Key messages

- 1** We dealt with 264 correspondence cases in 2021/22. This includes 185 issues of concern about public bodies (up from 119 in 2020/21), and 73 enquiries about our audit work. Six cases were carried over from the previous year.
- 2** Most issues of concern related to either the local government sector (42 per cent) or to central government (42 per cent), with eight per cent about the NHS. We also received 13 whistleblowing disclosures and 14 cases that were out of our remit.
- 3** Performance against our targets remains high. During 2021/22, we acknowledged 97 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 97 per cent of cases.
- 4** Public expectation about Audit Scotland's role in dealing with correspondence continues to grow. The issues that people raise with us are also becoming more complex.
- 5** During 2021/22, 51 per cent of concerns were used as either audit intelligence or explored as part of our audit work. Ethical standards and ferries were commonly raised issues.

Introduction

1. This report sets out information about the correspondence we received during 2021/22, including the volume, which part of the public sector it relates to, and performance against target our 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 account**.
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.

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 2021/22.

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 (FoI) requests. Our Corporate Governance team handles and reports on these.

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.

Correspondence in 2021/22

Volume of correspondence

5. The volume of correspondence increased in 2021/22 compared to the previous two years ([Exhibit 1](#)). We received 143 new issues of concern in 2021/22, compared with 97 in 2020/21, an increase of nearly 50 per cent.

6. In 2021/22, we received 258 items of correspondence. This consists of:

- 143 new issues of concern, which includes whistleblowing concerns and objections to accounts
- 42 reopened issues of concern
- 73 enquiries about our audit work.

7. We also carried forward six cases that were still in progress on 1 April 2021, bringing the total we dealt with in 2021/22 to 264.

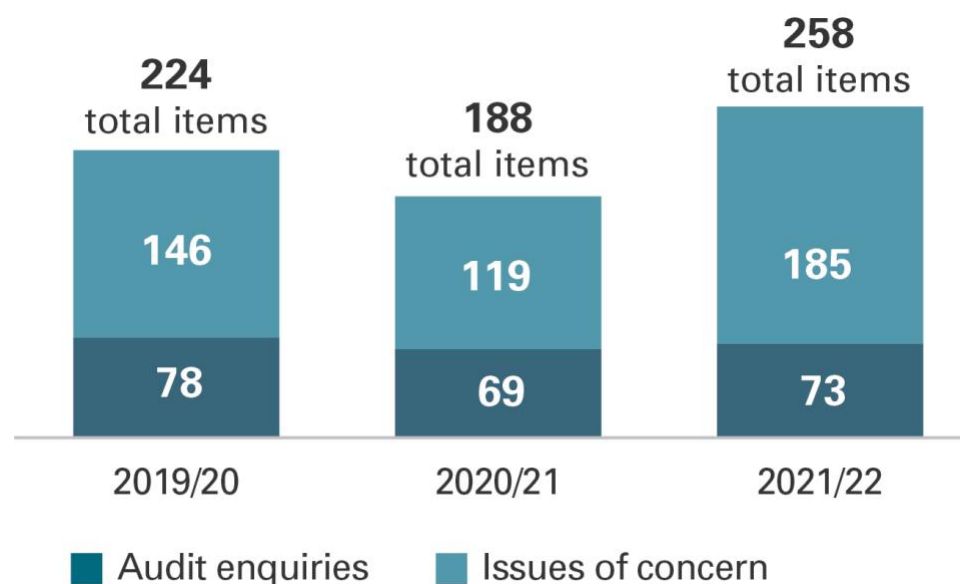
8. Most of the issues of concern were raised by members of the public (93 per cent). MSPs and councillors raised seven per cent of concerns.

9. Enquiries and requests for information about our audit work include questions about legislation and information about the role of public bodies. We also receive requests for further data from performance audit reports and comments following publication of reports such as [New vessels for the Clyde and Hebrides](#) and the S22 report on [The 2020/21 audit of the Commissioner for Ethical](#)

[Standards in Public life in Scotland](#). We received an unusually high volume of correspondence on these two reports.

Exhibit 1

Volume of correspondence received, 2019/20 to 2021/22



Note: The information for 2021/22 does not include the six cases carried forward from the previous year.

Correspondence in 2021/22

Whistleblowing

10. Workers, as described by the guidance 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.

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

12. Whistleblowing cases are reported in the overall number of issues of concern we receive. In 2021/22, we received 13 whistleblowing disclosures, an increase on the 11 in 2020/21. The breakdown by prescribed person is as follows:

- Auditor General – five
- Accounts Commission – eight.

13. 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 guidance 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 **six** 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 **five** disclosures as the concerns raised were outside the scope of our audit work. Nonetheless we shared this intelligence with the auditors for information.

Correspondence in 2021/22

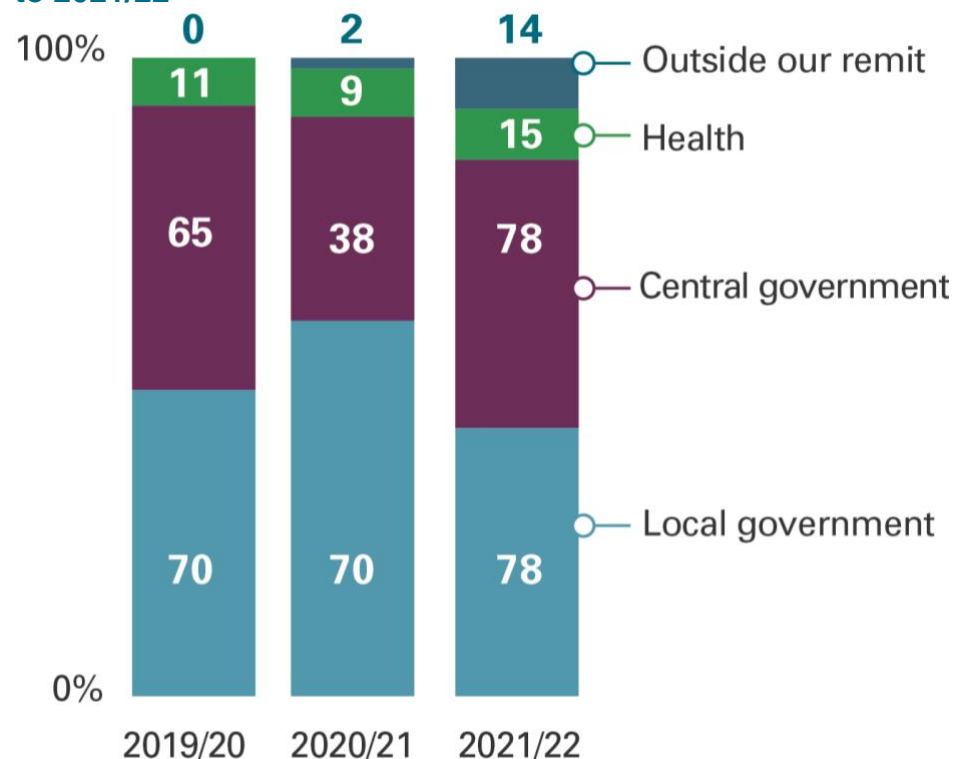
Issues of concern

14. All but 14 of the concerns we received in 2020/21 were about public bodies we audit, 78 concerns (42 per cent) related to the local government sector, 78 concerns (42 per cent) related to central government bodies and nine (eight per cent) to NHS bodies ([Exhibit 2](#)). In the previous year, a larger proportion of concerns related to local government (59 per cent).

15. Concerns are increasing in complexity. For example, concerns about complex technical or legislative issues or those involving more than one public body. We are also seeing an increase in persistent correspondents who write to us repeatedly about the same issues. In 2021/22, we had 42 reopened cases, compared to 22 in 2020/21. 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 on page 12](#).

Exhibit 2

Number and percentage of concerns by sector, 2019/20 to 2021/22



Local government issues of concern 2021/22

16. All but one of the 78 local government issues of concern we received were about councils ([Exhibit 3](#)). This includes four objections to accounts, one each about Angus Council and North Ayrshire Council, and two about City of Edinburgh Council.

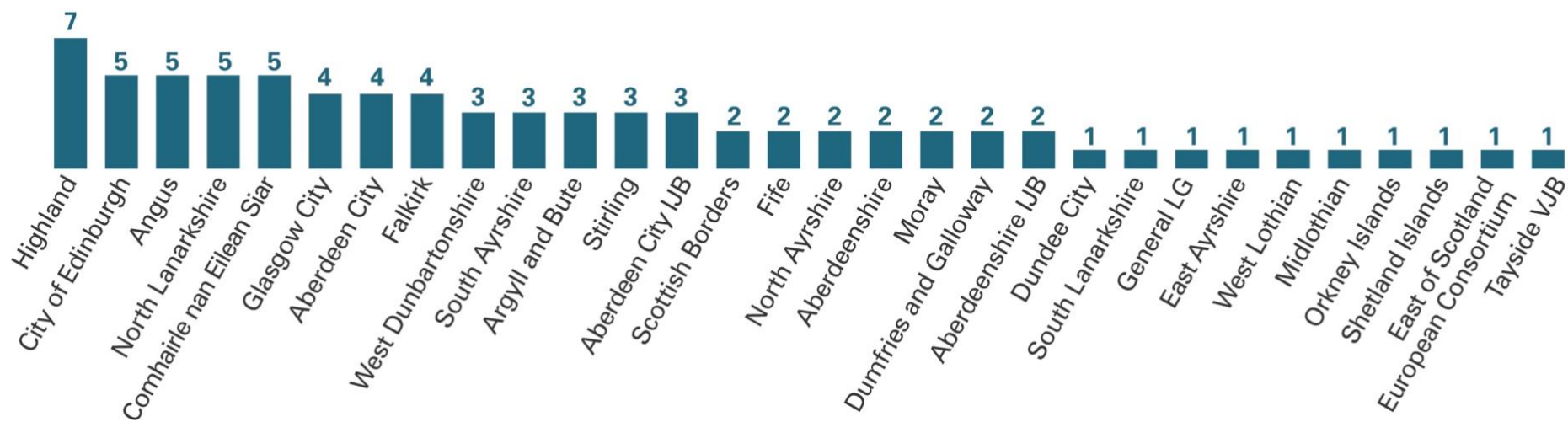
17. The council with the highest proportion of concerns raised in 2020/21 was Highland (nine per cent), followed by Angus, Comhairle nan Eilean Siar, City of Edinburgh and North Lanarkshire (all with six per cent).

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

- planning/planning decisions
- council decision-making
- town centre regeneration
- council support to development trusts
- alleged fraud.

Exhibit 3

Number of correspondence concerns, by local government body 2021/22



Note: General LG is used to record concerns that are raised about councils in general, or where the person does not specify which council.

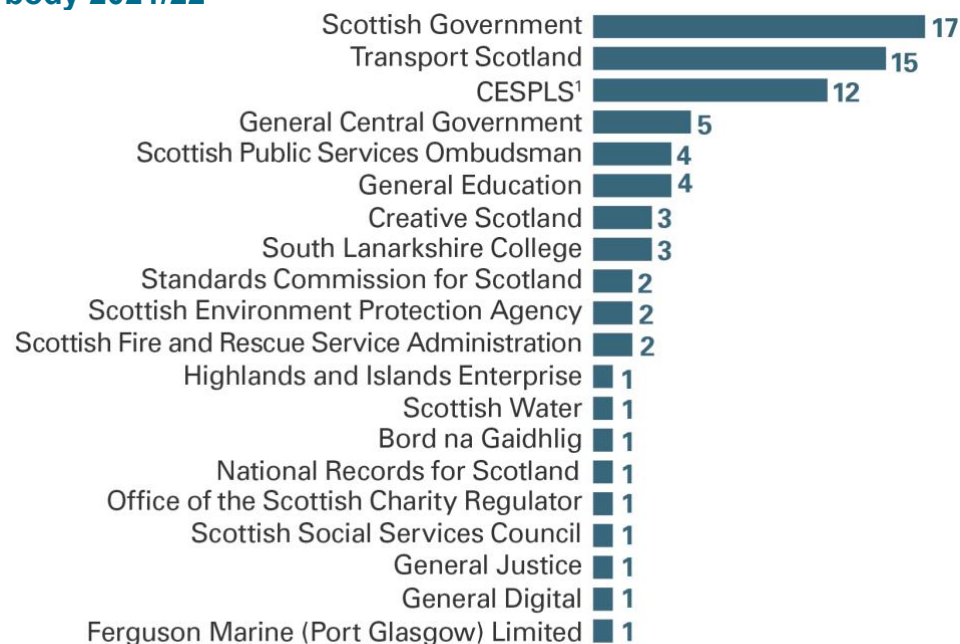
Central government and NHS issues of concern 2021/22

18. We received 78 items of correspondence relating to 16 central government bodies ([Exhibit 4](#)). The bodies with the highest proportion of concerns were Scottish Government (22 per cent) and Transport Scotland (19 per cent).

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

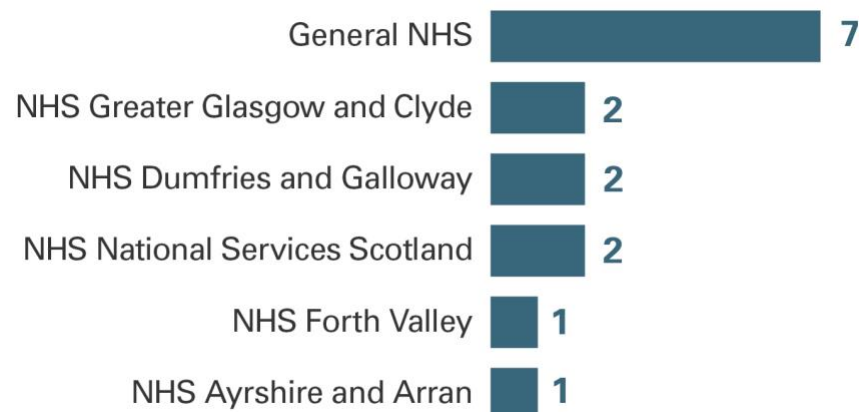
- ethical standards
- ferries.

Exhibit 4 Number of correspondence concerns, by central government body 2021/22



19. We received 15 items of correspondence relating to six NHS bodies ([Exhibit 5](#)). The NHS boards with the highest proportion of concerns were NHS Greater Glasgow and Clyde, NHS Dumfries and Galloway and NHS National Services Scotland (each with two concerns).

Exhibit 5 Number of correspondence concerns, by NHS body 2021/22



Note: 1. CESPLS – Commissioner for Ethical Standards in Public Life in Scotland

Outcomes for correspondence 2021/22

We use correspondence to inform our audit work

20. 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.

21. 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.

22. We always advise the correspondent of the four potential outcomes from their contact with us ([Exhibit 6, page 10](#)).

Exhibit 6

Outcomes for correspondence

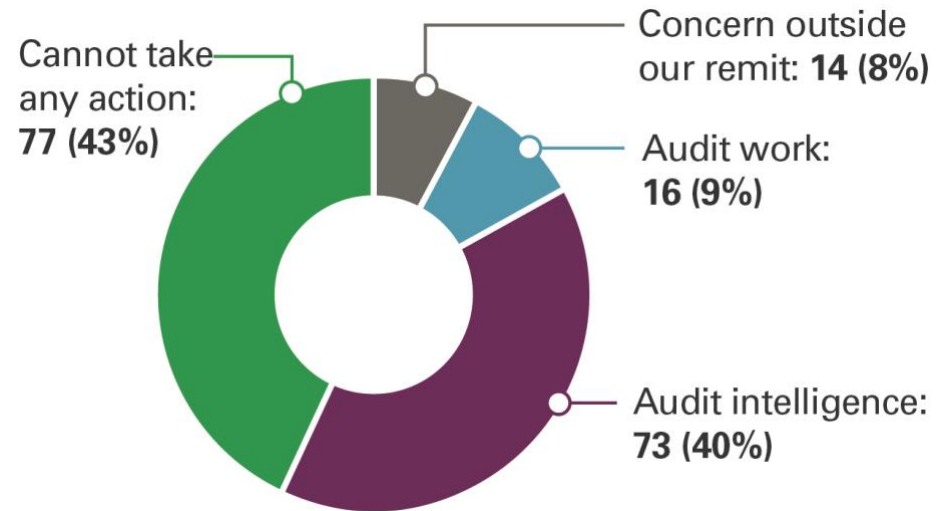
Concern outside our remit	We cannot take any action	Audit intelligence	Audit work
<p>We cannot examine an issue of concern about a body that we do not audit.</p> <p>You can find a list of the public bodies we audit here.</p> <p>Where possible, we will suggest other organisations that may be able to help.</p>	<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>	<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>	<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>

23. We use the 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 50 per cent of the concerns were included in audit work or used as audit intelligence ([Exhibit 7](#)).

24. 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 used information about contract management, raised through correspondence, when planning their work on governance arrangements and approval processes.

Exhibit 7

Outcomes for 2021/22 correspondence



Our performance in 2021/22

We performed well in relation to target response times

25. 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.

26. During 2021/22, we acknowledged 97 per cent of concerns within five working days and 97 per cent received a final response within 30 working days (98 per cent and 96 per cent respectively in 2020/21). We took longer than 30 days to give a final response to four concerns. These were complex cases which required additional work. We informed the correspondents of the delayed timescales.

27. The cost for 2021/22 was around £125,529. 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.

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

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Audit Scotland's published material is available for download on the website in a number of formats. For information on our accessibility principles, please visit: www.audit-scotland.gov.uk/accessibility

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