



National Audit Office

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Date 4 April 2023

## TRANSPARENCY IN PUBLIC SERVICE ORGANISATIONS AND INSTITUTIONS

Thank you for your request of 17 March 2023 in relation to 'Transparency in Public Service organisations and institutions, and your additional correspondence on 28 March 2023. Your request is being handled under the terms of the Freedom of Information Act 2000 (FOIA). We can confirm that we hold information in scope of your request. Your specific request is set out at Annex A.

We can confirm that we do not hold the information you requested as we do not record whether correspondents are referred to a local authority under our correspondence handling process. Nevertheless, we may as part of our evaluations or investigations suggest that a correspondent may wish to consider contacting a local authority to raise their concerns directly with them. Furthermore, we have no powers to require or compel a local authority to consider or act on matters brought to their attention as a result of any correspondence they receive.

I should add that it would be disproportionately costly for us to attempt to compile the information you have requested, as it would require that we review and analyse every individual piece of correspondence handled during the period you requested. For this reason, we have applied Section 12 of the FOIA which allows a public authority to refuse a request if the cost of providing the information to the applicant would exceed the 'appropriate limit' as defined by the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004. Annex B provides details of the Section 12 exemption. I hope this also serves to answer the points you raised in your correspondence on 28 March 2023.

We also noticed that you referred to the following in your correspondence dated 17 March 2023:

- *Government make legislation*
- *Parliament hold Government to account*
- *Delegate to local authority*
- *So if the NAO States "despite government's greater activity and good intent, its approach may be no more successful than previous attempts to provide the country with the skills it needs."*
- *And local authority audit themselves*

We have therefore described the arrangements that exist for local authority audit, including hyperlinks to enable you to obtain additional information. Local authorities do not audit themselves; there is a national framework to ensure local authority income and expenditure is audited independently:



- [Local Audit and Accountability Act 2014](#) (the 2014 Act): This sets out the requirement for local authorities and some other public bodies to be audited. It requires external auditors to give an opinion on the authority's accounts and to decide whether they have arrangements in place to secure value for money from the resources they use.
- [Code of Audit Practice](#): This is issued by the National Audit Office and sets out what auditors of local authorities must do to meet their responsibilities under the 2014 Act. Among other things, it requires the auditors to comply with international standards when doing their audits.
- [Public Sector Audit Appointments \(PSAA\) Ltd](#): This is the organisation responsible for appointing external auditors to most local authorities. Auditors are appointed independently of the local authority, and once appointed, the auditor acts independently of both the NAO and PSAA when doing their audit work. You can find out more about PSAA and their role from their website.

I hope the information helps to explain why we cannot provide you with the information you are requesting, but also reassures you that there are arrangements in place to ensure that local authorities are subject to a full and independent audit each year.

**Annex C** sets out the steps you may wish to take if you are not satisfied with the way we have handled your request for information under the FOIA.

Yours sincerely,

**NAO FOI Team**

## Annex A

### Request for information about 'Transparency in Public Service Organisations and Institutions'

*"We audit public sector accounts, including all central departments, agencies and other public bodies, from charities to big commercial entities such as Network Rail. We report the results to Parliament. We report on the value for money (the effectiveness, efficiency and economy) of government spending.*

*End quote*

*Government make legislation*

*Parliament hold Government to account*

*Delegate to local authority*

*So we asked about 2021 and 2022, Providing a country with skills it needs. Links with request*

*Quote: One of the local authority's obligations is to provide an educational service. The education authority provides free schooling for all 5- to 16-year-olds in the area, as well as school or college places for those who want to stay on after 16.*

*End quote*

*Quote: To help people achieve their potential in the workplace and drive economic growth, it is essential that government and employers support opportunities for learning and development. The government has taken sensible steps to address skills shortages in recent years, but the challenges it faces have increased. There is a risk that, despite government's greater activity and good intent, its approach may be no more successful than previous attempts to provide the country with the skills it needs."*

*Xxxxx, the head of the NAO*

*End quote: So if the NAO States Quote: despite government's greater activity and good intent, its approach may be no more successful than previous attempts to provide the country with the skills it needs.*

*End quote*

*And local authority audit themselves We as Witness requesters would like to know about transparency in Public Service organisations and institutions Where the Government make legislation, Parliament hold Government to account, Delegate to local authority.*

*REQUEST: "To request how many times the NAO referred a person to local authority in Twenty twenty one Twenty twenty two (Please note they refer to years IE 2021 and 2022) To request subject of the most frequent referral from NAO to local authority" SO JUST WHERE THE NAO REFERRED A PERSON TO LOCAL AUTHORITY"*

## Annex B

### Refusal Notice – Section 12 Freedom of Information Act 2000 (FOIA)

Section 12 of the FOIA allows a public authority to refuse a request if the cost of providing the information to the applicant would exceed the 'appropriate limit' as defined by the Freedom of Information and Data Protection (Appropriate Limit and Fees) Regulations 2004:

The Regulations provide that the appropriate limit to be applied to requests received by public authorities is £450. For the purposes of the estimate the costs of performing these activities should be estimated at a rate of £25 per hour. This is therefore equivalent to 18 hours work.

In estimating the cost of complying with a request for information, a public body can only take into account any reasonable costs incurred in:

- (a) determining whether it holds the information,
- (b) locating the information, or a document which may contain the information,
- (c) retrieving the information, or a document which may contain the information, and
- (d) extracting the information from a document containing it.

For example, taking the first part of your request; 'Items relating to the accounts' will encompass all our audit work on Horseracing Betting and Levy Board (HBLB). Therefore, to consider properly your request we would need to search our audit files, the email folders and shared storage areas of anyone who worked on the HBLB

audit across the three years of your request for anything relating to the audit. We consider there will be hundreds of potential files that will need to be reviewed to determine if they are in scope of the request. A conservative estimate would be 200 items per audit year. And taking on average, 5 minutes to review each would take approximately 50 hours, well in excess of the Section 12 limit.

Your clarified request is in three parts but the FOIA best practice guide advises that we should not decide which aspect of your request we should try and meet within the limit as this denies you the right to express a preference as to which part or parts of your request you may wish to receive which can be provided under the appropriate limit. As a result, we are refusing your whole request under section 12 of the Freedom of Information Act 2000.

## **Annex A**

### **Statement of Policy**

Our policy is to respond to requests made under the Freedom of Information Act 2000 as helpfully and promptly as possible, having regard to the principles set out in the Act. I therefore hope you are happy with the way we have handled your request. If you are not, then you should take the following steps.

In the first instance, within 40 working days, write to the National Audit Office Freedom of Information (FOI) Team at [FOI.requests@nao.org.uk](mailto:FOI.requests@nao.org.uk) or by post to:

FOI Team, Green 2, National Audit Office, 157-197 Buckingham Palace Road, London, SW1W 9SP

The Head of FOI will arrange a review, which will be conducted by a senior member of staff who was not involved in decisions relating to your original request. Once the review has been completed, we will write informing you of the outcome.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at:

<https://ico.org.uk/> or Information Commissioner's Office Wycliffe House Water Lane Wilmslow Cheshire SK9 5AF