

PE1824/F

Petitioner submission of 18 November 2020

Scottish Government submission of 28 October 2020

I raised the petition subject issues with the Scottish Government, Audit Scotland, and Scottish Futures Trust, in 2016. Four years on, there is only now a suggestion from the Scottish Government of vague, potentially ineffective questionnaires and surveys since no one will ever know if they are accurate without an audit. This issue is affecting thousands of businesses on a daily basis, it has been exacerbated by the pandemic, and yet no one seems to recognise the significant harm that late payment causes, and actually want to do something to remedy it. Making a statement is just that, words, what is needed, is urgent action.

In terms of construction projects, this is actually devastatingly simple to monitor and police. All that the relevant departments have to do is write to each main contractor and ask them two straightforward questions.

1. Can they confirm that they have complied with the contractual obligation to ensure that the 30 day supply chain payment requirement is being carried out, and provide evidence to support this.
2. If this cannot be confirmed, can they explain why not, and clarify by return, what steps are being taken to ensure compliance, and under what timescales.

A few spot checks will be enough to focus minds.

I am a construction lawyer, and I am happy to offer my time free of charge if it will assist in getting this resolved with a degree of urgency.

My suspicion is that there has been no compliance whatsoever since the contractual requirement commenced eleven years ago, and the reason for this is that officials have never taken it seriously and set up proper management systems to ensure that the Ministers wishes were being carried out.

If this is correct, then perhaps there is an additional concern with regard to efficiency and productivity, if there are no task driven quality assurance systems within the Scottish Government. It does seem strange that Audit Scotland have never commented on this.

All the legislation in the world is meaning less if it is not monitored and policed.

Auditor General for Scotland response of 30 October 2020

As mentioned above, this issue was raised with Audit Scotland four years ago, so it is not something new.

There does seem to be a significant “not my problem” theme within the response. The question I think that the public will want to know, is why has this never been identified in any audit in the last eleven years, or if it has, why was it never raised with the relevant department? Is the Auditor General suggesting that there are no issues whatsoever?

I have to respond to the frankly unrealistic comment by the Auditor General, that as Central Government public bodies reporting of their own performance has not identified any payment issues, it is not a problem. The evidence lodged with the parliament by the various sub-contractor bodies would suggest that this is simply not the case. Could this possibly be due to the fact that the 30 day payment requirement for the supply chain has never been complied with anywhere, and the relevant bodies are not going to admit it? Is there a fundamental flaw in the audit procedures?

Again, as this is within my area of expertise, I am happy to offer my time free of charge to the Auditor General and Audit Scotland in order to show them where to look.

For the record, when I asked if the Audit Scotland review of the Forth Crossing considered compliance with the thirty day payment requirement, I was advised that it was not a matter for consideration.