



Department for Levelling Up,
Housing & Communities

Rt Hon Michael Gove MP
Secretary of State for Levelling Up, Housing
and Communities
Minister for Intergovernmental Relations

Sarah Healey CB
Permanent Secretary

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23 February 2023

Dear Michael,

The Government remains committed to the construction of the UK Holocaust Memorial and Learning Centre (UKHM&LC), which has widespread support within Parliament and will commemorate the six million Jewish men, women and children who were murdered in the Holocaust and all other victims of Nazi persecution. The Holocaust Memorial Bill, laid in the House today, is seeking to establish a specific legal power to fund construction of the Memorial.

This note relates to my responsibilities as Accounting Officer, under which I have a duty to ensure compliance with the public accounting rules as set out in *Managing Public Money*. Expenditure on UKHM&LC ahead of Royal Assent is lawful. It is also included in the Main Estimates for this financial year and is specifically covered by the Department's ambit. However, under its propriety criteria, *Managing Public Money* has specific, additional criteria for expenditure ahead of Royal Assent. In assessing this programme, I have concluded that the proposed expenditure on UKHM&LC ahead of Royal Assent goes beyond these criteria.

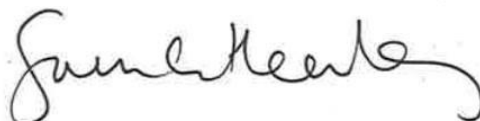
Based solely on this specific requirement in *Managing Public Money*, non-compliant expenditure should be ceased until specific legislation is in place. However, this is not in the public interest. The planned expenditure relates to the planning process and other pre-construction preparations. Ceasing this expenditure would not represent best value for money, as it will add to the expected time and cost of the programme.

In circumstances such as this, the prescribed course of action in *Managing Public Money* is to seek a Ministerial Direction. I therefore require you to formally direct me to continue to spend until Royal Assent is received. As Secretary of State, it is perfectly legitimate for you to consider other factors in taking this decision, such as the significance of the Memorial and its strong cross-party support. Parliament has recently demonstrated a clear desire to get the construction underway as soon as possible to increase the chance of Holocaust Survivors being alive to see it opened, and there has been significant Parliamentary oversight of the programme via a substantial number of PQ responses in both houses and via the NAO Value for Money report published in July 2022 which included updated expenditure forecasts.

Should you issue a direction, I will inform the Comptroller and Auditor General at the National Audit Office, the Chair of DLUHC's Select Committee, the Chair of the Public Accounts Committee, and the Treasury Officer of Accounts. Our exchange of letters will also be published on the gov.uk website, in line with the requirements of *Managing Public Money*. I will also ensure

that all non-compliant spend to date is noted in the Department's 2022/23 Annual Report and Accounts and draw this to the attention of the National Audit Office and HM Treasury.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sarah Healey', with a stylized flourish at the end.

SARAH HEALEY