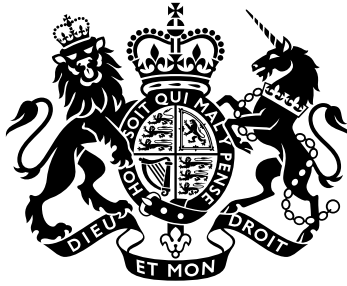




HM Treasury

Treasury Minutes

Government Response to the Committee of Public Accounts on the Thirty-seventh to the Forty-first reports from Session 2022-23



Treasury Minutes

Government Response to the Committee of Public Accounts on the Thirty-seventh to the Forty-first reports from Session 2022-23

Presented to Parliament
by the Exchequer Secretary to the Treasury
by Command of His Majesty

May 2023



© Crown copyright 2023

This publication is licenced under the term of the Open Government Licence v.3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3.

Where we have identified any third party copyright information, you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.uk/official-documents.

Any enquiries regarding this publication should be sent to us at: public.enquiries@hmtreasury.gov.uk

ISBN 978-1-5286-4114-2

E02913443 5/23

Printed on paper containing 40% recycled fibre content minimum.

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office.

Government response to the Committee of Public Accounts Session 2022-23

Report Title	Page
Thirty-seventh report: Support for vulnerable adolescents Department for Education	2
Thirty-eighth report: Managing NHS backlogs and waiting times in England Department for Health and Social Care	9
Thirty-ninth report: Excess Votes 2021-22 HM Treasury	14
Fortieth report: COVID employment support schemes HM Revenue & Customs, HM Treasury	16
Forty-first report: Driving Licence backlogs at the DVLA Department for Transport	22

Thirty-seventh Report of Session 2022-23

Department for Education

Support for vulnerable adolescents

Introduction from the Committee

There are approximately 7.3 million adolescents aged 9 to 19 years in England. Some adolescents are vulnerable to serious, adverse, avoidable outcomes, such as physical or mental harm (including exploitation), leading to entry to the care system; contact with the criminal justice system; periods of not being in education, employment or training, or severe mental health difficulties. Most adolescents do not experience adverse outcomes but when those that do are not identified and provided with effective and timely support the costs to the child and society are significant. The estimated lifetime social cost of adverse outcomes, for all children who have ever needed a social worker, is £23 billion a year. Universal services delivered by local organisations are the first line of public support, but for some adolescents with complex and overlapping needs this will not be enough and specific programmes will be needed to provide additional support to promote their welfare, help them achieve better life outcomes and avoid costly interventions and support later.

Several government departments have lead policy responsibilities that aim to address the challenges facing vulnerable adolescents and those around them, for which they fund specific programmes to be delivered by local bodies. Because of the complexity and variety of the challenges involved, departments do not treat vulnerable adolescents as one group with a single, specific cross-government policy programme

Based on a report by the National Audit Office, the Committee took evidence on 21 November 2022 from the Department for Education, the Department for Levelling Up, Housing and Communities, the Home Office and the Ministry of Justice. The Committee published its report on 22 February 2023. This is the government's response to the Committee's report.

Relevant reports

- NAO report: [Support for vulnerable adolescents](#) – Session 2022-23 (HC 800)
- PAC report: [Support for vulnerable adolescents](#) – Session 2022-23 (HC 730)

Government response to the Committee

1: PAC conclusion: Government has not demonstrated it understands the cumulative scope and impact of avoidable adverse outcomes for vulnerable adolescents.

1: PAC recommendation:

- **Government should set out within six months the measures it will use to track whether outcomes for vulnerable adolescents are improving.**
- **Annually thereafter Government should produce a report on progress in improving outcomes for vulnerable adolescents.**

1.1 The government disagrees with the Committee's recommendation.

1.2 The government regularly publishes information and reports to Parliament relating to outcomes for vulnerable adolescents. For instance, Ofsted, which inspects children's social care providers local authority children's services and leads the Joint Targeted Area Inspections of local areas (involving Ofsted, Care Quality Commission, His Majesty's

Inspectorate of Constabulary and Fire & Rescue Service, HMI Probation) publish an Annual Report. The government also publishes reports on individual issues, or clusters of issues that affect vulnerable adolescents. For example, in February 2023, the Department for Education (DfE) published a research report, [State of the nation 2022: children and young people's wellbeing](#). In addition to their own Annual Report, His Majesty's Inspectorate of Constabulary and Fire & Rescue Services publish thematic reports to assess policing's response to child protection.

1.3 The DfE's Outcome Delivery Plan includes a delivery priority to support families and protect young people, and enable engagement with education for all, through high quality local services, early education and childcare. This priority is supported by several departments: Department for Culture Media and Sport, Department for Health and Social Care, Department for Levelling-Up, Housing and Communities, Department for Work and Pensions, Home Office and Ministry of Justice.

1.4 There is a reasoned basis for not giving any single department leadership responsibility for tracking outcomes for all adolescents at risk (or indeed any age group at risk). The government does not maintain a single, all-encompassing definition of vulnerability because it is a broad and subjective term. Single needs are best met, by and large, through services with one area of focus overseen by the relevant department and effective cross-government engagement which is already underway.

1.5 The DfE's Outcome Delivery Plan does set out programmes, success metrics and the evaluation strategy related to the delivery priority. Many of the programmes and success metrics will involve support for vulnerable adolescents, although there will not be a separate outcome framework. These metrics will be reported quarterly to Cabinet Office and HM Treasury. Information on performance against priority outcomes will be published in the Department for Education's Annual Report and Accounts. More regular performance information can be found in official statistics and other public datasets. The joint governance forum overseeing progress against the Outcome Delivery Plan is the Vulnerable Children and Families Strategy Board, chaired by the Department for Education.

2: PAC conclusion: *There is reluctant leadership of the challenges faced by vulnerable adolescents which undermines ownership of the problem.*

2: PAC recommendation: *The Department for Education should set out within six months its accountabilities for vulnerable adolescents, the terms of its leadership role and how strategic planning and oversight will work.*

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The government is committed to ensuring that at-risk children and young people, including vulnerable adolescents, receive high quality and effective support as soon as a need is identified.

2.3 The DfE exercises its leadership and strategic oversight role through the Vulnerable Children and Families Strategy Board for which it acts as the chair and secretariat. The Board acts as the key forum to bring departments together that are working to improve outcomes for vulnerable children and young people, by joining-up oversight on strategy and agreeing and co-ordinating cross-cutting responses.

2.4 The standing membership has been designed to ensure that representatives from all accountable departments and arms-length bodies are able to contribute to discussion and bring items requiring cross-government input. This includes representatives from Department

of Health and Social Care, Home Office, Department for Culture Media and Sport, Department for Levelling-Up Housing and Communities, Department for Work and Pensions, Ofsted, NHS England, Cabinet Office, Ministry of Justice and HM Treasury.

2.5 There is a reasoned basis for not giving any single department leadership responsibility for the needs all adolescents at risk (or indeed any age group at risk). Single needs are best met, by and large, through services with one area of focus overseen by the relevant department. For individuals with multiple overlapping needs, systems and programmes are put in place to enable join up. This includes Children’s Social Care, Family Hubs and targeted programmes like Supporting Families.

3: PAC conclusion: Critical local multi-agency safeguarding partnerships are still not working well enough, which risks those vulnerable adolescents that need support and help falling through the gaps.

3: PAC recommendation: Government should set out within six months how it plans to improve the way multi-agency safeguarding partnerships work.

3.1 The government agrees with the Committee’s recommendation.

Recommendation implemented

3.2 The government is committed to strengthening local multi-agency safeguarding arrangements. [Stable Homes, Built on Love: implementation strategy and consultation](#) published in February 2023 set out commitments to ensure that all agencies play a full role in protecting and promoting the welfare of children and young people.

3.3 Following the publication of the Child Safeguarding Practice Review Panel national review into the murders of Arthur Labinjo-Hughes and Star Hobson, and the Independent Review for Children’s Social Care, Ministers from the Department for Education, Home Office and Department for Health and Social Care wrote to all local authorities, police and health authorities (the three safeguarding partners) to put out a call to action to take forward the important recommendations.

3.4 The DfE has already started rolling out its response to these recommendations. In November 2022, the new cross-government Child Protection Ministerial Group was established. It is supported by the newly formed Multi-Agency Safeguarding Partner Performance Board made up of senior officials across government.

3.5 The DfE has developed a support offer to multi-agency safeguarding arrangements so that agencies work together more effectively. The department has extended a national offer of support to safeguarding partners led by health, police and local authority National Facilitators. Alongside this, the Panel are developing a support offer to maximise the impact of learning from safeguarding reviews, a pilot of which will begin in Spring 2023.

3.6 The DfE will further strengthen multi-agency leadership by amending guidance to safeguarding partners. This will ensure leaders with the right level of authority are making key decisions and effectively overseeing the system. The department will also explore how the role of education can be strengthened, including consulting on whether or how it should become a safeguarding partner. The department will also build on its support offer to safeguarding partners once their roles and responsibilities have been clarified next year in Working Together.

3.7 The department will continue to monitor safeguarding partners through single agency inspections and through joint targeted area inspections. This government is prepared to intervene where arrangements are not fit for purpose.

4: PAC conclusion: It is not clear how lessons and learning from changing threats, serious case reviews and child safeguarding review panels are embedded in day-to-day practice.

4a: PAC recommendation:

- **Government should set out within six months how it will ensure that learning from national reviews is built into day-to-day practice, including supporting appropriate and timely data sharing, by those working with vulnerable adolescents.**

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 'Stable Homes, Built on Love', published by the Department for Education in February 2023 sets out plans to transform children's social care, ensuring the system improves and makes better use of evidence and data. This responds to the National Review findings, following the murders of Arthur Labinjo-Hughes and Star Hobson and the Independent Review for Children's Social Care.

4.3 The department is strengthening its child protection response by supporting agencies to share data and work together in a more integrated way. The government funded national facilitators are currently supporting local areas to develop the way that they use learning to improve practice. This is in addition to existing single agency support and means organisations can work together more effectively to protect children. To enhance this further, the Panel is introducing a support offer to maximise the impact of learning from safeguarding reviews. The department has also committed to developing Practice Guides, to help leaders design services in a way which embeds the best evidence and learning on what works.

4.4 To address specific challenges that adolescents face the department has funded the Tackling Child Exploitation Programme. This will develop multi-agency practice principles and improve local area responses when safeguarding adolescents from extra-familial harm. The department is also prioritising the development of a highly skilled social work workforce and are introducing an Early Career Framework, based on learning and best practice, as a programme of support for child and family social workers to set the groundwork for professional confidence and competence.

4.5 The DfE has set up a new governance structure to make sure that child protection and safeguarding are championed across government. The Child Protection Ministerial Group has been established where joint action or resolution is needed. The Group is attended by Ministers from Department of Health and Social Care, Home Office, Department for Levelling-Up Housing and Communities, and Ministry of Justice.

4b: PAC recommendation:

- **The Department for Education, in its response to the Care Review should set out how the revised care system will more effectively address the risks to adolescents posed by extra-familial threats.**

4.6 The government agrees with the Committee's recommendation.

Recommendation implemented

4.7 In February 2023, the Department for Education published [Stable Homes, Built on Love: implementation strategy and consultation](#) in response to the Independent Review of Children's Social Care.

4.8 In the response, the department outlined its commitment to deliver a decisive and multi-agency child protection system for all children, acknowledging a more tailored approach is required to respond to harm outside the home. The Children's Social Care National Framework, published for consultation, alongside the Implementation Strategy, also recognises the need for a strong child protection response to harm outside the home and exploitation.

4.9 To strengthen local area responses to safeguarding adolescents from exploitation and extra familial harm, the department has invested £2.8 million in the Tackling Child Exploitation Programme. In 2022-23, the programme has worked with the sector, and across government, to develop multi-agency practice principles for local partnerships when tackling harms outside the home. These principles are grounded in evidence and draw on the views of young people with lived experience. The principles will be available in Spring 2023.

4.10 The department is also taking steps to ensure that the child protection framework is strengthened to respond effectively where harm is from outside the home. In 2022-23, the department is provided funding to four local authorities, to further test a Risk Outside the Home pathway, based on the model developed in Wiltshire Council. Learning from the pilots will help to identify the key features of a bespoke pathway, and opportunities to further strengthen Working Together to Safeguard Children statutory guidance for children facing harm outside the home.

5: PAC conclusion: We are extremely concerned about the waiting time for children to receive support for mental health issues and about the proportion of adolescent girls seeking help.

5: PAC recommendation: Government should report back to the Committee within six months on progress on the implementation of access standards for community and A&E mental health care.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 In summer 2021, NHS England consulted on the potential to introduce five new waiting time standards as part of its Clinically-led Review of NHS Access Standards. All proposed standards and recommendations have been piloted since May 2019 and build on the transformation of services set out in the NHS Long Term Plan. These are:

- For an 'urgent' referral to a community based mental health crisis service, a patient should be seen within 24 hours from referral, across all ages;
- For a 'very urgent' referral to a community based mental health crisis service, a patient should be seen within four hours from referral, for all age groups;
- Patients referred from Accident and Emergency should be seen face to face within one hour, by mental health liaison or children and young people's equivalent service;
- Children, young people and their families/carers presenting to community-based mental health services, should start to receive help within four weeks from referral; and
- Adults and older adults presenting to community-based mental health services should start to receive help within four weeks from referral.

5.3 In February 2022, NHS England [published](#) the outcomes of its consultation on the potential to introduce five new access and waiting time standards for mental health services as part of its clinically-led review of NHS Access Standards.

5.4 In terms of progress, NHS England has recently shared and promoted guidance with its local system partners to consistently report waiting times to support the development of a

baseline position. NHS England is developing implementation proposals for consideration by the government.

6: PAC conclusion: The Ministry of Justice and Home Office seem to lack curiosity about the increase in the proportion of children from ethnic minority background in youth custody and appear to have no current plan to address the situation.

6: PAC recommendation: Ministry of Justice and Home Office should report back within six months on what they understand about 'what works', and what action they will take to understand why ethnic minority children make up over half of all children in custody. They should also set out how they will use the understanding to address the issues.

6.1 The government agrees with the Committee's recommendation.

Target Implementation date: August 2023

6.2 The Ministry of Justice and Home Office recognise concerns about the over-representation of children from ethnic minority backgrounds in the criminal justice system and are working alongside Government partners and other stakeholders to address these disparities.

6.3 Both departments will update the Committee within six months with an analysis of the issue and the steps that government are taking to address the over-representation of ethnic minority children in custody.

7: PAC conclusion: Data sharing exercises need to be better used to understand the support vulnerable adolescents need.

7: PAC recommendation: The Department for Education should take the lead in coordinating and setting out within six months an agreed approach to how departments will collect and use data to understand the pathways to adverse outcomes for vulnerable adolescents.

7.1 The government disagrees with the Committee's recommendation.

7.2 The government is committed to safe and effective data and information sharing across government to address the needs of vulnerable children and young people, including adolescents. This is taking place through the Longitudinal Education Outcomes and Pupil Parent Matched Data Programmes; Department for Education's Data Matching and Linking function; The Data Improvement Across Government programme (which includes the Ministry of Justice / Department for Education data share; the Extended ECHILD work and facilitated in Ministry of Justice by Data First); and the Ministry of Justice BOLD project. Stable Homes, Built on Love: Implementation Strategy and Consultation also commits DfE to publishing a data strategy to set out the long-term plan for transforming data in children's social care.

7.3 There is a reasoned basis for not giving any single department leadership responsibility for setting out an approach for collecting data on outcomes for all adolescents at risk (or indeed any age group at risk). The government does not maintain a single, all-encompassing definition of vulnerability because it is a broad and subjective term. Different agencies and professions define vulnerability differently and need flexibility. As a result, it is not appropriate for one department to set out a common approach for collecting and using data to assess outcomes for all vulnerable adolescents.

7.4 The Department for Education chairs and acts as the secretariat for the Vulnerable Children and Families Strategy Board which is attended by several departments and arms-length bodies. The Board will monitor the progress of data sharing designed to safeguard and protect vulnerable children and young people and identify risk factors across central and local government. This will include ensuring there is a coherent overarching approach, a clear line of sight on what datasets exist, that new opportunities for data sharing are identified and that best practise is disseminated.

Thirty-eighth Report of Session 2022-23

Department of Health and Social Care

Managing NHS backlogs and waiting times in England

Introduction from the Committee

At the start of the COVID-19 pandemic, the NHS in England had not met its elective waiting time performance standard for four years, nor its full set of eight operational standards for cancer services for six years. Due to the pandemic, the number of people receiving elective and cancer care initially reduced sharply. Between March 2020 and August 2022, on average there were 8,300 COVID-19 patients in hospital in England at any one time, with peaks in this number during waves of infection. Backlogs of patients, both visible on waiting lists and hidden because they had not yet seen a doctor, grew rapidly.

The expectations for recovery were agreed by the Department of Health and Social Care (the Department) and NHS England (NHSE). The government announced an additional £8 billion of resource and £5.9 billion of capital funding for recovery from 2022–23 to 2024–25. In February 2022, NHSE published a plan to recover elective and cancer care over the three years from April 2022 to March 2025. This planned recovery is essential but in itself only partial. The NHS will still be operating below its legal and operational standards for elective and cancer care even if all targets are met.

Based on a report by the National Audit Office, the Committee took evidence on Monday 28 November 2022 from the Department of Health and Social Care. The Committee published its report on Wednesday 1 March 2023. This is the government's response to the Committee's report.

Relevant reports

- NAO report: [Managing NHS backlogs and waiting times in England](#) – Session 2022-23 (HC 799)
- PAC report: [Managing NHS backlogs and waiting times in England](#) – Session 2022-23 (HC 729)

Government response to the Committee

1. PAC conclusion: Cancer waiting times are at their worst recorded level and NHS England (NHSE) will not meet its first cancer recovery target.

1. PAC recommendation: NHS England should be able to treat 85% of people with cancer within 62 days of an urgent GP referral and no one should ever have to wait more than 104 days for cancer treatment. It is unacceptable that 8,100 people waited over 104 days in the first five months of 2022–23. As a matter of urgency, the Department of Health and Social Care and NHS England should do whatever is required to bring cancer treatment back to an acceptable standard.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 The Department of Health and Social Care (the department) and NHS England remain committed to reducing cancer waiting times. Since the publication of the [Delivery Plan for tackling the COVID-19 backlog of elective care](#), levels of GP urgent cancer referrals remain high – over 2.8 million people were seen in the 12 months to December 2022, and supported

by the NHS's 'Help us Help You' awareness campaigns. Despite this record demand, as at week ending 28 February 2023, the 62-day cancer backlog has fallen 35% since its peak in May 2020, and the department has seen early signs of a recovery in early-stage diagnosis.

1.3 NHS England set out clear plans and actions to reduce waiting times, including for cancer care, in the Delivery Plan. To support delivery, the department and NHS England have stood up further action in recent months. NHS England issued a letter to all NHS providers on 1 February 2023 on [maximising 62 day backlog reductions](#). The four key areas highlighted to support reducing the cancer backlog – instructing the explicit prioritisation of Community Diagnostic Centre (CDCs) capacity for the cancer; implementing faecal immunochemical test (FIT) triage for patients on Urgent Suspected Cancer endoscopy waiting list; maximising use of wider local capacity including Independent Sector; and increased focus on data validation and accuracy.

1.4 Alongside these interventions, NHS England has developed an intervention model to target support towards the most challenged trusts in terms of cancer backlogs. This intensive support work includes developing a co-ordinated support plan monitored by progress meetings focussing on areas such as pathway improvements, workforce support and targeted capacity increases.

2. PAC conclusion: NHS England was over-optimistic about the circumstances in which the NHS would be trying to recover elective and cancer care.

2. PAC recommendation: NHS England and the Department of Health and Social Care should revisit their planning assumptions for the recovery and publicly report any updates to targets so that patients and NHS staff can see a clear and realistic trajectory to achieve the 62-day cancer backlog target, the 52-week wait target for elective care, and, ultimately, the 18-week legal standard for elective care.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2024

2.2 The department and NHS England have stepped up actions to tackle the backlog since the publication of the [Delivery Plan for tackling the COVID-19 backlog of elective care](#). The ambitions in the delivery plan were agreed between NHS England and the government, based on detailed modelling and available funding at the time. The aim of setting stretching ambitions though to March 2025 was to ensure that patients, taxpayers and frontline staff had a shared and realistic expectation of progress towards recovering the backlog caused by the pandemic. The scope of the Delivery Plan's targets reflected this aim.

2.3 Trajectories and planning assumptions for the commitments set out in the Delivery Plan are formally reviewed and revised annually through the operational planning process. In recognition of the additional pressures that the NHS is operating under since the publication of the plan, the government announced an additional £3.3 billion for the NHS in 2023-24 and 2024-25 in the 2022 Autumn Statement, enabling rapid action to improve emergency, elective and primary care performance.

2.4 The department and NHS England are committed to delivering the targets in the Delivery Plan and continue to work together to agree future ambitions. The NHS has delivered on the first of the ambitions, virtually eliminating long waits of over 104 weeks by July 2022 and is on track to virtually eliminate waits over 78 weeks, albeit the NHS is facing additional hurdles to delivery due to industrial action.

3. PAC conclusion: NHS funding has increased, but to deliver key priorities such as elective and cancer recovery it will need to be spent in the most cost-effective way.

3. PAC recommendation: NHSE should transparently describe how the additional funds for elective recovery have been allocated. Alongside the Treasury Minute response, it should also write to us providing details of the programmes on which it expects the £14 billion to be spent, the independent evaluations it has put in place to monitor the effectiveness of additional spending, and how it expects additional spending to improve NHS productivity.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The government, as part of the Autumn Statement 2022, announced an additional £3.3 billion for each of 2023-24 and 2024-25 to support the NHS in England. This additional funding will help the NHS to focus on delivery of its public commitments on Elective Recovery, following a challenging set of delivery conditions and higher-than-expected levels of inflation.

3.3 More broadly, at the 2021 Spending Review, £14 billion was made available to the NHS to support Elective Recovery. £8 billion of the £14 billion funding for elective recovery is revenue, allocated to local systems that develop plans for delivering local priorities that will support the NHS to meet the commitments made in the delivery plan, using NHSE issued operational planning guidance. The remaining £6 billion is capital to support longer-term investment in the NHS that will support productivity improvements and increase capacity. NHS England will write to the Committee before summer recess to set out further detail on how funding available for elective recovery will be spent, together with details of its evaluation plans and initiatives to improve productivity.

3.4 To support an improved understanding of the impact of spend, the NHS England elective recovery programme will coordinate evaluations, which will focus on rapid programme learning, improvement of programme delivery, and effectiveness of high priority recovery interventions in collaboration with other NHS England programmes. It will also work with external organisations who may plan or already undertake evaluations of interventions relevant to elective recovery.

4. PAC conclusion: NHS England's elective recovery programme partly relies on initiatives which have potential but for which there is so far limited evidence of effectiveness.

4. PAC recommendation: NHS England should know more about the conditions necessary for individual programmes to make the greatest contribution possible to recovery. Alongside its Treasury Minute response to this report, it should write to us more fully describing the real-world impact of community diagnostic centres, surgical hubs, increased use of the independent sector, and the advice and guidance programme. It should set out its understanding of the extent to which these initiatives have so far generated genuinely additional activity, rather than simply displacing activity elsewhere in the NHS.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 The actions in the NHS published Delivery Plan are targeted at increasing activity, managing demand or increasing productivity and NHS England carefully monitors progress against delivery targets at regular intervals.

4.3 [The 2023-24 priorities and operational planning guidance](#) published on 23 December 2022 detailed three tasks over the coming year; recover core services and productivity; as the NHS recovers, make progress in delivering the key ambitions in the Long Term Plan, and; continue transforming the NHS for the future. To assist in meeting these objectives, NHS England has set out the most critical, evidence-based actions that will support delivery - based on what systems and providers have already demonstrated makes the most difference to patient outcomes, experience, access, and safety.

4.4 The NHS is delivering at pace, 100 community diagnostic centres are currently in operation and have performed over 3.5 million tests, exams, and scans since July 2021 despite challenging and uncertain delivery conditions. NHS England will write to the Committee before summer recess to set out further detail of the impact of community diagnostic centres, surgical hubs, use of the independent sector, and the advice and guidance programme.

5. PAC conclusion: NHSE started 2022–23 with a strategy but spent most of the year dealing with tactical issues and its strategic and programme management of the recovery must improve.

5. PAC recommendation: NHS England must lift its sights and refocus on its strategic duty to offer direction to the whole NHS. This should involve making difficult trade-offs to address historical inequalities between areas, and by having a clear set of actions to improve leadership. To demonstrate progress, NHS England should write to us by the Summer recess setting out the action it has taken to address variation in elective and cancer performance and provide evidence of the impact this has had on patient waiting lists.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: July 2023

5.2 As part of the second phase of the Elective Recovery Plan, all providers have been assessed based on confidence of delivering against the targets of reducing the cancer 62 day backlog back to pre-pandemic levels by March 2023, and reducing the number of 78 week elective long waiters to zero by April 2023 with the exception of those patients who choose to wait longer, and a very small number of specific highly specialised areas. Those providers at the highest risk have been included in a Tier 1 grouping. This means additional national support and oversight, which may include on-site expertise and ongoing conversation between ministers and provider chief executives. Day-to-day performance is continually monitored through NHS England's Elective Recovery and Cancer programme teams, under the Senior Responsible Officers of these teams' National Directors, with the department providing additional oversight.

5.3 The elective recovery programme has established an elective recovery health inequalities user group to ensure the lens of health inequalities is embedded within all aspects of elective recovery, guaranteeing that recovery is fair for all those who need treatment.

5.4 As set out in the [2023/24 priorities and operational planning guidance](#), Integrated Care Boards are expected to work with NHS England through their joint commissioning arrangements to develop delivery plans. These should identify at least three key priority

pathways for transformation, where integrated commissioning can support the triple aim of improving quality of care, reducing inequalities across communities, and delivering best value.

6. PAC conclusion: The NHS's recovery cannot succeed without comprehensive, realistic and sustainable plans for the future of the workforce and the capacity of adult social care.

6a. PAC recommendation: The Department of Health and Social Care should work with NHS England to reassess the achievability of elective and cancer recovery targets following the publication of its workforce plan in 2023, and planned improvements to the discharge of patients into adult social care. It should write to us as soon as possible describing the conclusions of this achievability assessment.

6.1 The government disagrees with the Committee's recommendation.

6.2 NHS England acknowledged in the [Delivery Plan for tackling the COVID-19 backlog of elective care](#) the key role that workforce will play in achieving these targets, and committed to increasing workforce capacity by identifying and addressing gaps across key staff groups and sectors. Since publication, the department has further committed to publishing the NHS long term workforce plan this year. The department has also provided additional support for discharge, including the £500 million Adult Social Care Discharge Fund.

6.3 All aspects of NHS performance, and their impact for delivery, are kept under continued review by the department and NHS England. Any conclusions from the long-term workforce plan or the work to improve discharge will be reflected, as necessary, in operational planning guidance and/or the department's mandate to NHS England in the usual way.

6b. PAC recommendation: The Department should publish the underlying assumptions of its workforce projections alongside the forecasts in the workforce plan. This should include quantification of key assumptions, particularly on productivity, domestic training and overseas recruitment and, in full, the independent reviewer's assessment.

6.4 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2023

6.5 The department is committed to publishing an NHS long term workforce plan, including projections for the numbers of doctors, nurses, and other key professionals required over the next 5, 10, and 15 years. The Plan is due to be published shortly including further details on independent verification.

Thirty-ninth Report of Session 2022-23

HM Treasury

Excess Votes 2021-22: The Department of Health and Social Care

Introduction from the Committee

This Report is part of the framework of control over government spending. Resource based Supply requires Departments to estimate and manage the financial resources they need during each financial year on an accruals basis for commitments to provide services, and on a cash basis to meet commitments as they mature. Parliament authorises Departments' proposed cash spending and use of resources.

HM Treasury is responsible for monitoring and overseeing Departments' compliance with the limits authorised by Parliament and for controlling adjustments to the approved limits during the financial year. If a Department needs to adjust its budget during the year it has one opportunity to do so via a Supplementary Estimate, which is approved by Parliament towards the end of the financial year.¹

Resource-based Estimates reflect accruals and non-cash consumption of resources, such as depreciation. A cash limit is also voted by Parliament together with a non-budget line, through which departments are required to record adjustments to their prior year costs. Parliament expects Departments to stay within the limits they are voted. Any expenditure outside the limits authorised by Parliament potentially undermines parliamentary control over public spending. A breach of any of the budgetary control limits, the cash limit or the non-budget line results in the need for the expenditure to be regularised through the Parliamentary Excess Votes process.

Under Standing Order of the House of Commons number 55(2) (d), the Committee of Public Accounts scrutinises the reasons behind any individual bodies exceeding their allocated resources, and reports to the House of Commons on whether it has any objection to making good the reported excesses. Once the Committee has reported, Statements of Excesses will be presented to Parliament, to be voted into the Supply and Appropriation (Anticipation and Adjustments) Act. The passing of this Act authorises the additional grant by Parliament to regularise the excesses incurred by departments.

Figure 1 below shows the excesses incurred in 2021–22. Parliament is being asked to approve additional budget for the excesses reported in the table.

The Committee agreed to the excess vote report which included the excess of Department of Health and Social Care and published their report on 9 February 2023. This is the government's response to the Committee's report.

¹ Central Government Supply Estimates 2021-22: Main Supply Estimates for the year ending 31 March 2022, May 2021, HC 14; and Central Government Supply Estimates 2021–22: Supplementary Estimates, February 2022, HC 1152

Figure 1: Summary of 2021-22 Excesses

Department	Non-Budget	
	Excess £	Amount voted £
Department of Health and Social Care	2,457,088,000	2,457,088,000

Relevant reports

- PAC report: [Excess Votes 2021-22](#): – Session 2022-23 (HC 1132)
- DHSC [Annual Report and Accounts 2021-22](#)

Government response to the Committee

1: PAC conclusion: The Department of Health and Social Care breached its Non-Budget Expenditure Limit by £2,457.1 million

1: PAC recommendation: Under the terms of the Standing Order of the House of Commons number 55(2)(d), we recommend that Parliament provides the additional resources by means of an Excess Vote, as set out in Figure 1.

1.1 The government agrees with the Committee’s recommendation.

Recommendation implemented

1.2 The excess spend by the Department of Health and Social Care was captured in the Supply and Appropriation (Anticipation and Adjustments) Act 2023. This was given Royal Assent on 23 March 2023.

Fortieth Report of Session 2022-23

HM Revenue and Customs & HM Treasury

COVID employment support schemes

Introduction from the Committee

In March 2020, in response to the COVID-19 pandemic, HM Treasury and HM Revenue & Customs (HMRC) (collectively the Departments) put in place two schemes to provide financial support for jobs adversely affected by the COVID-19 pandemic and to avoid mass unemployment. The schemes were the Coronavirus Job Retention Scheme (CJRS) for businesses and their employees, and the Self-Employment Income Support Scheme (SEISS) for the self-employed. The Departments worked together to design the schemes, with HMRC responsible for administering them.

The schemes were extended several times before closing in September 2021. In total the schemes cost £96.9 billion. The Departments distributed £68.9 billion of furlough payments through CJRS to 1.3 million employers covering 11.7 million individual jobs, and £28.1 billion over five SEISS grants to 2.9 million self-employed people. The schemes' costs include an estimated £4.5 billion of error and fraud. The first three of the five SEISS grants paid £3.5 billion to people whose self-employed income did not reduce in 2020–21. Spending on CJRS by October 2020 included £1.5 billion paid to employers whose turnover did not fall, and who would not have cut their workforce even without the grant.

In December 2020, we published our first report on these schemes as part of our inquiry into COVID-19: Support for jobs. We commended the Departments for implementing the schemes at pace, but concluded that they could have done more to widen access to workers excluded, and to evaluate the schemes' impacts on different groups and to estimate their costs. We raised concerns that the levels of error and fraud were still not known and called on HMRC to outline the steps it would take to recover grants from recipients who made substantial profits or were not adversely affected by the pandemic.

Based on a report by the National Audit Office, the Committee took evidence on 17 November 2022 from HM Revenue & Customs and HM Treasury. The Committee published its report on 8 March 2023. This is the government's response to the Committee's report.

- NAO report: [Delivery of employment support schemes in response to the Covid-19 pandemic](#) (HC 656)
- PAC report: [COVID employment support schemes](#) – Session 2022-23 (HC 810)

Government response to the Committee

1: PAC conclusion: The Departments do not have a good enough understanding of the impacts of the £97 billion of taxpayers' money they spent on the COVID-19 employment support schemes.

1a: PAC recommendation: The Departments should, by December 2023, publish their final evaluations of CJRS and SEISS, which should cover their wider impacts including on business and people who were ineligible, economic inactivity amongst the over 50s, second jobs for furloughed staff and consequences of support for those not adversely affected by the pandemic.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: by December 2023

1.2 HM Treasury and HM Revenue and Customs (HMRC) will publish the Coronavirus Job Retention Scheme (CJRS) and Self-Employment Income Support Scheme (SEISS) final evaluations by December 2023. The final evaluations will build on the evidence published in the interim evaluations in October 2022, by assessing the entire impact of the schemes up until their closure in September 2021. The final evaluations will also include a value for money assessment, including a consideration of possible deadweight, for the schemes.

1.3 Through the CJRS final evaluation, evidence will be provided on the issues raised by the Committee, where data allows. The schemes were implemented at pace, and designed in such a way as to minimise fraud and error while not unnecessarily delaying payments. The CJRS final evaluation will assess the impact on employers who did not use the scheme, as well as employees not placed on furlough, as appropriate comparators in assessing the scheme's impact. For the SEISS, the ineligible self-employed population will be assessed as part of the evaluation.

1b: PAC recommendation: The Departments should, by December 2023, work with other relevant countries to develop a better understanding of how UK unemployment support schemes and those in other comparable countries compare and publish the results.

1.4 The government agrees with the Committee's recommendation.

Target implementation date: by December 2023

1.5 HM Treasury and HM Revenue and Customs will continue their engagements with other relevant countries, to understand their experiences and the impacts of implementing similar employment support schemes. Where applicable, comparative evidence will be included in the CJRS and SEISS final evaluations.

1.6 The departments will also look to factor in wider work from independent fiscal institutions and draw on relevant analysis on cross-country approaches.

2: PAC conclusion: Gaps and lags in HMRC's data contributed to the schemes providing excessive support to some, while others in need were ineligible.

2: PAC recommendation: The Departments should set out, by July 2023, their priorities for obtaining data which would enable the better targeting of economic support. In doing so, they should consider how they can keep burdens on customers proportionate.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 From July to October 2022, the government consulted on options for improving the range of data HMRC collects, uses and responsibly shares across government, to provide an accurate and up to date picture of citizens and businesses. Some options were focused on specific customer groups, such as the self-employed, whilst others proposed collecting a particular piece of information across different customer groups (e.g., occupation).

2.3 Following careful consideration of the views of respondents to the consultation, the government [published a response on 27 April 2023](#). This set out a measured and proportionate approach to prioritising the collection of data that customers already hold,

including specific options that will be taken forward in a future Finance Bill with the intention to collect this data from April 2024.

2.4 The government will prioritise three options: collection of data on employee hours worked via Real Time Information PAYE reporting, dividends received from owner-managed businesses via the Self-Assessment return and start and end dates of self-employment, as set out in the consultation. The government also previously set out plans for the introduction of Making Tax Digital for Income Tax, which will provide a more up-to-date data picture of the income and expenditure levels of self-employed customers with a qualifying income of more than £50,000 per annum from 2026 and £30,000 from 2027, through quarterly updates.

2.5 The government will continue to review the data it collects to ensure future policy measures requiring economic support are effectively targeted whilst also balancing the cost of collection.

3: PAC conclusion: HMRC's performance in recovering the £2.3 billion incorrectly paid to employers claiming furlough for employees who continued to work has been woeful.

3: PAC recommendation: HMRC should set out, in its Treasury Minute response, how it will improve its ability to recover furlough claimed for employees who continued to work.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2024

3.2 HMRC will continue to address COVID-19 schemes compliance risks where it is cost effective to do so. Following two years of a taskforce approach, targeting the highest value and riskiest claims, HMRC will transition COVID-19 scheme compliance activity to be worked alongside business-as-usual tax compliance by September 2023. This is the most cost-effective way to ensure taxpayers' money continues to be protected and recovered, as it enables HMRC to deal with all aspects of a customer's potential non-compliance in a single check.

3.3 With the schemes closed, as action has already been taken on the riskiest claims, HMRC expects to start seeing diminishing returns, with cases of lower value and risk in the pipeline – such as the remaining profile of 'employers claiming for employees who are working'. Therefore, HMRC has assessed that it is more cost effective for these risks to be worked on alongside business-as-usual tax compliance activity. This approach enables HMRC to deal holistically and efficiently with all aspects of a customer's potential non-compliance issues, related to the COVID-19 schemes and more widely.

3.4 HMRC has developed a unit of expertise to ensure that knowledge gained in tackling COVID-19 scheme risks as part of the taskforce can be used to support the wider business-as-usual teams going forward.

4: PAC conclusion: HMRC's decision to close the Taxpayer Protection Taskforce in 2023–24 puts at risk the recovery of taxpayers' money paid out as a result of error and fraud.

4a: PAC recommendation: HMRC should continue compliance work on the COVID-19 employment support schemes while it remains cost-effective to do so. It should set out, in its Treasury Minute response, how it will assess the cost-effectiveness of continuing compliance work after September 2023, and how it would compare to addressing fraud on other government spending.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2024

4.2 Following an investment at Budget 2021, the Taxpayer Protection Taskforce (TPT) was formed to further combat error and fraud in the COVID-19 schemes. The taskforce prioritised tackling the riskiest cases. Up to February 2023, the TPT recovered over £490 million of overpaid COVID-19 employment scheme grants, in addition to the £534 million recovered prior to the taskforce being established. With the schemes closed, as action has already been taken on the riskiest claims, HMRC expects to start seeing diminishing returns, with cases of lower value and risk in the pipeline.

4.3 Therefore, HMRC has assessed that it is more cost effective to deploy TPT resource to business-as-usual tax compliance, and for COVID-19 scheme risks to be worked alongside other tax compliance activity. For 2021-22, the TPT outturn yield was around £0.20 million per full time equivalent (FTE) officer and for 2022-23 the TPT yield is forecast to be £0.28 million per FTE. This is lower than business-as-usual tax compliance work, where HMRC has delivered around £1.15 million yield per FTE in recent years.

4.4 HMRC will continue to monitor performance metrics on COVID-19 scheme compliance activity to ensure that it continues to pursue this risk whilst it remains cost effective to do so.

4.5 HM Treasury will assess the effectiveness of future counter-fraud spending proposals through both appraisal before funding is committed, and evaluation after funding is committed, using the approaches set out in the Green and Magenta books. The spending review process allows HM Treasury to compare the relative cost effectiveness of interventions in different areas.

4.6 The mandate of the Public Sector Fraud Authority (PSFA) commits them to work closely with HM Treasury to review business cases and investment bids for funding on initiatives for countering fraud to consider their effectiveness and deliverability. This means HM Treasury's appraisal and evaluation will be supported by the analysis of the PSFA's counter-fraud experts.

4b: PAC recommendation: HMRC should report annually in its Report and Accounts the yield it obtains from COVID-19 employment support schemes and the levels of unrecovered error and fraud until it stops its COVID19 grants compliance activity all together.

4.7 The government agrees with the Committee's recommendation.

Target implementation date: July 2024

4.8 As planned, HMRC has started the transition of the COVID-19 scheme compliance activity undertaken by the Taxpayer Protection Taskforce into business-as-usual tax compliance activity. Therefore, from September 2023, all COVID-19 scheme risks will be reviewed alongside business-as-usual tax risks. HMRC will continue to collect performance metrics, including yield, for the duration of the compliance activity in the COVID-19 schemes.

4.9 For 2022-23, HMRC will publish COVID-19 compliance outcomes in the upcoming HMRC Annual Report and Accounts alongside the final estimates of error and fraud within the schemes.

4.10 For future years, reporting will be in line with HM Treasury reporting requirements. Reporting COVID-19 scheme compliance outcomes will be subject to the level of on-going compliance activity and decisions on cost effectiveness.

4.11 HMRC will, however, continue to pursue compliance work on the COVID-19 schemes and maintain internal management information.

5: PAC conclusion: We are concerned that in the absence of effective criminal and civil sanctions there is little incentive for those who overclaimed COVID-19 employment support to make repayments.

5a: PAC recommendation: HMRC should increase the number of employers it penalises for making excessive claims; and incentivise other employers to repay grants they have wrongly claimed.

5.1 The government disagrees with the Committee's recommendation.

5.2 In line with the recommendation, HMRC will continue its compliance activity on COVID-19 schemes and consider whether penalties can be charged within the legal framework. However, HMRC is unable to pre-determine case outcomes and as a result, is unable to determine whether there will be an increase in penalties in the future.

5.3 Legislation was included in Finance Act 2020 to enable HMRC to carry out compliance activities in relation to those claiming support from the COVID-19 employment support schemes. The legislation specifically provided that penalties would only be charged where grants were deliberately overclaimed. The compliance approach, supported by Parliament, was designed to recognise that claimants might make mistakes given the new and changing obligations under the schemes.

5.4 The test for charging penalties in the COVID-19 employment schemes is for HMRC to show, on the balance of probability, that the person knew either at the point of claim that they were not entitled to the Covid grant, or that they had ceased to be entitled to the grant. Penalties can only be applied where it is lawful for HMRC to issue them, and there is sufficient evidence of deliberate behaviour that could be shown in a tribunal or in court.

5.5 Since the start of compliance activity on the HMRC-administered COVID-19 employment support schemes, HMRC has charged over £12.8 million in penalties in addition to recovering over £1 billion of overclaimed support through its compliance checks. Claimants also have the chance to put things right, without fear of sanctions by repaying their claim, and HMRC has received over £1 billion in repayments outside its compliance checks.

5b: PAC recommendation: HMRC should set out, in its Treasury Minute response, its estimates of the number and value of furlough claims where it suspects, but cannot prove, that employers intentionally overclaimed; and its latest data on the amounts it has recovered from those employers.

5.6 The government disagrees with the Committee's recommendation.

5.7 HMRC already publishes an estimate of the value of fraudulent claims, and data about the amounts recovered from employers who made incorrect claims, which partly meets this recommendation.

5.8 HMRC is unable to identify or pre-determine behaviours that resulted in an overpayment based on the risk data alone and can only do so through evidence gathered during its compliance checks. Therefore, HMRC cannot set out an estimate of instances where it suspects, but cannot prove, that employers have intentionally overclaimed.

5.9 HMRC opens compliance checks into COVID-19 claims where it identifies there is a potential overpayment of the grant. This is based on a risk profile developed through intelligence gathered and bulk data analysis.

5.10 HMRC's compliance approach is to support claimants who have made honest mistakes to come forward without fear of penalty and to penalise those who deliberately set out to misuse the schemes.

5.11 The government was clear when it introduced the legislation in Finance Act 2020 that HMRC would not penalise those who had made honest mistakes when claiming COVID-19 scheme grants. In this situation HMRC can recover 100% of the overpaid grant to put things right.

5.12 Up to February 2023, HMRC has undertaken over 58,000 compliance interventions into the furlough scheme and recovered over £762 million.

6: PAC conclusion: The Departments have yet to fully capture the lessons that must be learnt from the employment support schemes to inform future large-scale government financial interventions.

6: PAC recommendation: The Departments should, by December 2023, publish the lessons that can be learned from the schemes for large-scale financial interventions in the future, and what actions they will take as a result.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: by December 2023

6.2 HM Treasury and HM Revenue and Customs will always look to learn lessons from any major economic events or interventions. The departments will include lessons learned, where appropriate, from the CJRS and the SEISS in the final evaluation reports to be published in 2023.

6.3 HM Treasury and HMRC have developed CJRS and SEISS playbooks, allowing for the rapid deployment of new employment and income support schemes in the future, if required. These playbooks are kept updated and will be amended as necessary upon publication of the CJRS and SEISS evaluations, considering lessons learned and key takeaways.

6.4 Decisions on future large-scale financial interventions – should they be needed – will be for Ministers at the time, based on the circumstances of the economic shock the country is facing. When producing future policy advice, HM Treasury and HMRC officials will consider a full range of feasible approaches, using the playbooks to do so.

Forty-first Report of Session 2022-23

Department for Transport

Driving licence backlogs at the DVLA

Introduction from the Committee

The Driver & Vehicle Licensing Agency (DVLA) is an executive agency of the Department for Transport (the Department). It runs several services on behalf of the Department, including maintaining around 50 million driver records in Great Britain and 40 million vehicle records in the UK. It operates on a large scale – of 135.2 million customer transactions the DVLA completed in 2021–22, 16.6 million (12%) related to drivers, and 118.6 million (88%) related to vehicles. The DVLA processes driving licence applications from new drivers and renews drivers' existing licences when they expire or when drivers' circumstances change, including assessing whether drivers who notify it of certain medical conditions should continue to hold a driving licence. An increasing proportion of applications for driving licences are made online, but DVLA still processes a significant amount of physical paper applications: 31% of driver-related transactions in 2021–22 were completed fully or partially on paper, including most medical licence applications. DVLA staff input information from paper-based applications onto its systems and issue letters to the applicants and other parties to request information required to make licensing decisions. The COVID-19 restrictions introduced in March 2020 meant that most of the DVLA's staff could not work at its site in Swansea, affecting DVLA's ability to process applications. Since then, DVLA has taken longer than usual to process driving licence applications from customers applying with paper documents or informing it about medical conditions, leading to backlogs developing. Calls to DVLA from customers making enquiries increased greatly, and the volume of complaints also increased.

Based on a report by the National Audit Office, the Committee took evidence on 24 November 2022 from the Department for Transport. The Committee published its report on 17 March 2023. This is the government's response to the Committee's report.

Relevant reports

- NAO report: [Investigation into the management of backlogs in driving licence applications](#) – Session 2022-23 (HC 851)
- PAC report: [Driving licence backlogs at the DVLA](#) – Session 2022-23 (HC 735)

Government response to the Committee

1. PAC conclusion: Due to the DVLA's delays processing applications, there were serious repercussions for some people from not having an up-to-date driving licence.

1. PAC recommendation: The DVLA should set up better systems to identify and fast-track driving licence applications where the customer is badly affected by a delay.

It should set out its plans to achieve this in the Treasury Minute.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 More than 83% of Driver and Vehicle Licensing Agency (DVLA) transactions are completed online and the vast majority of people throughout the pandemic had a trouble-free experience.

1.3 The DVLA already has systems in place to identify and prioritise driving licence applications and will prioritise cases where the DVLA has been provided with evidence that a driving licence or identity documents submitted are required urgently.

1.4 With additional resource, the DVLA is also triaging drivers' medical cases to ensure that cases are assessed on receipt so that those that can be, are processed quickly. The DVLA has also changed the way it issues driving licences for those with certain medical conditions to speed up the process and changed the law to allow more medical professionals to provide information.

1.5 The DVLA also advises customers through letters, emails and other communications that most people can continue to drive while their application is being processed to try and avoid customers mistakenly believing they cannot drive until a decision has been made.

1.6 The DVLA accepts that some customers were affected by delays over the pandemic, particularly in drivers medical, where the DVLA is very often reliant on responses from medical professionals to make a licensing decision on complex cases. The DVLA tries to expedite responses from medical professionals where possible and encourages customers to also do so.

2. PAC conclusion: The DVLA's communication during the pandemic was ineffective, leaving many customers feeling as if their applications were making no progress.

2a. PAC recommendation: The DVLA should improve its communication to ensure customers understand the status of their applications and are updated regularly. This should include the information that they may be able to continue to drive while they wait for their application to be processed.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The DVLA publishes information on the quickest way to transact on GOV.UK and during the pandemic published estimated processing times for key services, which varied by service.

2.3 Information relating to section 88 and how someone may be able to continue driving while their application is being processed formed a key part of DVLA responses and briefings to media during the pandemic and generated significant coverage. Section 88 information was prominent on DVLA's GOV.UK covid update pages and remains prominent on the relevant pages. The DVLA's social media messaging, GOV.UK, engagement with medical charities as well as emails and letters sent to customers also contain this message. The DVLA will continue to investigate ways to further enhance this message for customers.

2.4 The DVLA's contact centre continues to implement new and innovative ways to interact with customers, allowing them to move seamlessly between communication channels as part of their enquiry. A new call back feature was launched initially on DVLA's drivers medical telephone service in December 2022 and gives customers the option to be called back by a DVLA advisor instead of having to wait during peak times. Feedback has been very positive with advisors noting an increase in positive conversations with customers and a

reduction in average call duration. Following the success of the initial pilot on drivers' medical services, the call back feature has since been expanded to other services.

2b. PAC recommendation: The DVLA should also improve how it communicates this and other important information to stakeholders such as MPs. It should set out what it is doing to improve its communication in its Treasury Minute response to this report.

2.5 The government agrees with the Committee's recommendation.

Recommendation implemented

2.6 The DVLA has a dedicated telephone line and email service which is exclusively for the use of MPs and other elected representatives if they have queries on behalf of their constituents. This service is widely utilised, has attracted positive feedback which the DVLA will utilise to continue to develop this service. The DVLA aims to reply to correspondence from MPs within eight working days. This is the shortest target for replying to MP correspondence across government, compared to the more common target of between 15 and 20 working days.

2.7 While it was difficult to meet the eight-day target during the pandemic, performance has now returned to normal levels. In March 2023, the DVLA replied to 87% of MP correspondence within the eight working days target and 100% within the more standard cross-government target of 20 working days.

3. PAC Conclusion: The DVLA's efforts to encourage customers who can use online services to do so are not sufficient

3a. PAC recommendation: The Department and the DVLA should consider what more they can do to increase take-up of the DVLA's online services:

- **They should understand better why some customers have chosen not to engage with online services.**
- **They should incentivise customers to use digital services and discourage people who can apply online from sending paper applications**

3.1 The government agrees with the Committee's recommendations.

Target implementation date: December 2023

3.2 The DVLA is a highly digital organisation. In 2022-23, the DVLA processed 3.2 billion automated and digital interactions, up from 1.06 billion in 2019-20.

3.3 The DVLA launched ten new online services during the pandemic, which have encouraged more customers to transact digitally. On average in the last financial year, 6.5 million digital transactions were completed per month, an increase of 400,000 per month from 2019-20.

3.4 The last three years has seen a significant shift to digital services with more than 83% of transactions completed online in 2022-23, up from 74% pre-pandemic.

3.5 The DVLA runs year-round no cost communications through stakeholders, media responses, marketing messages and social media. It has run four paid campaigns promoting online services since the beginning of the pandemic. The Department for Transport (the department) will support the DVLA in gaining the relevant approvals for further paid campaigns to promote the take up and use of online services.

3.6 The DVLA reflects the higher cost of paper transactions by charging more for certain paper applications than the equivalent online channel and will review this.

3.7 While a significant majority of customers use the DVLA's online channels, there will always be those who need or choose to transact by paper. The Lloyds Bank Essential Digital Skills Report 2022 estimated around 10.2m people lack the skills to transact online. The Office for National Statistics estimates that around 2.4 million people on household incomes under £25,000 do not use the internet.

3b. PAC recommendation: The Department should, in its Treasury Minute response to this report, set out its plans to hold the DVLA to account for increased take-up of online services.

3.8 The government agrees with the Committee's recommendation.

Target implementation date: July 2023

3.9 During the annual business planning process, agencies work with the department to develop an ambitious set of Key Performance Indicators (KPIs) through which the department can hold them to account for the delivery of their plans and business-as-usual performance. Last year, DVLA's business plan included a KPI to exceed their total digital and automatic interactions, with a (met) target of 90%, as well as metrics on the fast turnaround on online applications and dates for delivering new online services. Alongside operational measures sit cross government themes, which include digital services.

3.10 The department has quarterly reviews with the DVLA to monitor the agency's performance against their business plan and key metrics. The department will hold the DVLA to account for take-up of online services through this governance process. In addition, a review of the department's governance of the DVLA's digital and online transition programme is underway, with any resulting new arrangements to be agreed by July.

4. PAC conclusion: The DVLA gave insufficient attention to those driving licence service areas, such as medical notifications and its call centre, where staffing challenges led to the most detrimental consequences for customers

4a. PAC recommendation: The DVLA should write to us within six months to share an improved contingency plan.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: September 2023

4.2 The DVLA will write to the Committee within six months of the publication of the Committee's report.

4b. PAC recommendation: The DVLA and the Department should also jointly write to us, at the same time or earlier, to set out lessons learned from the driving licence backlogs saga and how they are responding to the lessons

4.3 The government agrees with the Committee's recommendation.

Target implementation date: September 2023

4.4 The DVLA and the department will write a joint letter to the Committee within six months of the publication of the Committee's report.

4c. PAC recommendation: The Department should ensure it understands the impact of the DVLA taking on work for other government departments and ensure there are mitigations in place to address any negative consequences for the DVLA's core purpose.

4.5 The government agrees with the Committee's recommendation

Recommendation implemented

4.6 The DVLA prioritises its core functions while using its systems and equipment to help other government departments deliver their targets where feasible. This remains a sensible and practical approach which provides value for money for government and the taxpayer.

4.7 The department is mindful of the impact taking on work for other government departments might have on the DVLA, outside of its core functions as detailed above, and works closely with the DVLA to ensure there are no negative consequences on its core purpose.

5. PAC conclusion: The DVLA's system to process applications from customers who have notified it of relevant medical conditions is slow, inefficient and in need of major improvement.

5a. PAC recommendation: The DVLA should in its Treasury Minute confirm that it has resolved the backlog in applications from drivers with notifiable medical conditions as expected, and if not, why it has not and when it will do so.

5.1 The government agrees with the Committee's recommendation

Recommendation implemented

5.2 The number of cases where a medical condition must be investigated before a licence can be issued have returned to normal levels. The DVLA made 240,000 medical licensing decisions within 20 working days in 2022-23, with more than 84,000 of those being made within one day of receipt.

5.3 The cases which take longest continue to be those where the DVLA is awaiting information from third parties, including the NHS. As of 12 April 2023, the DVLA was awaiting further information from the driver or NHS doctors/professionals in 57% of cases. The DVLA can take no further action on these cases until the information is received.

5b. PAC recommendation: By the end of 2024 at the latest, the Department should complete a strategic review of the system to process applications from driving licence customers who have notified it of relevant medical conditions, encompassing both the legislative framework and process management. It should set out its timetable for the review in the Treasury Minute. It should work with the Department of Health and Social Care, the NHS and medical professional bodies to radically improve how the DVLA and medical professionals exchange information.

5.4 The government disagrees with the Committee's recommendation.

5.5 The department is currently unable to agree to this recommendation as Ministers will need to decide whether and how any strategic review or alternative action is undertaken. Ministers will shortly be considering proposals for action and the department will update the Committee in its subsequent letter, setting out those actions together with a more complete timeline.

6. PAC conclusion: The Department and the DVLA have not taken a strategic approach to maintaining and improving the infrastructure, estate and processes that the DVLA's performance depends on.

6. PAC recommendation: The Department and the DVLA should work together to set out, by the end of 2023, a strategy for how the DVLA will re-engineer and modernise the driving licence process, over the next 3 to 5 years. Its strategy should address the extent to which its long-term digital transformation plan will make its IT infrastructure adequately resilient and if there is more it could do to enable secure remote working should another crisis occur.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The DVLA has been an overwhelmingly digital organisation for many years, with more than 83% of transactions completed online. Motorists have been able to pay their vehicle excise duty online since 2004 and apply for a driving licence digitally since 2006.

6.3 The DVLA's online services worked very well throughout the pandemic, with 98% of driving licences issued within three days when the application was made online. The challenge was with paper driving licence applications and drivers' medical applications, which required staff to physically be on site (a significant challenge during the height of the pandemic, with restrictions sometimes more stringent in Wales) and turnaround of information from medical professionals who had understandably been instructed to deprioritise DVLA work.

6.4 The DVLA already has a strategy in place to further develop its digital driver licensing services for driver licensing and has invested in new online services and communications to encourage their use. This includes a strategic customer and technology programme which aims to transform how customers transact with the DVLA. This development and promotion of online services prior to and throughout the pandemic has been hugely beneficial as the backlog position would have been much worse without these efforts. Indeed, the delivery of some new digital services was accelerated over the COVID-19 pandemic as part of efforts to reduce backlogs.

Treasury Minutes Archive²

Treasury Minutes are the government's response to reports from the Committee of Public Accounts. Treasury Minutes are Command Papers laid in Parliament.

Session 2022-23

Committee Recommendations: 279
Recommendations agreed: 249 (89%)
Recommendations disagreed: 30

Publication Date	PAC Reports	Ref Number
July 2022	Government response to PAC reports 1, 3 & 10	CP 722
August 2022	Government response to PAC reports 2, 4-8	CP 708
September 2022	Government response to PAC reports 9, 13-16	CP 745
November 2022	Government response to PAC reports 11, 12, 17	CP 755
December 2022	Government response to PAC reports 18-22	CP 774
January 2023	Government response to PAC reports 23-26	CP 781
February 2023	Government response to PAC reports 27-31	CP 802
March 2023	Government response to PAC reports 32-36	CP 828
May 2023	Government response to PAC reports 37-41	CP 845

Session 2021-22

Committee Recommendations: 362
Recommendations agreed: 333 (92%)
Recommendations disagreed: 29

Publication Date	PAC Reports	Ref Number
August 2021	Government response to PAC reports 1-6	CP 510
September 2021	Government response to PAC reports 8-11	CP 520
November 2021	Government response to PAC reports 7, 13-16 (and TM2 BBC)	CP 550
December 2021	Government response to PAC reports 12, 17-21	CP 583
January 2022	Government response to PAC reports 22-26	CP 603
February 2022	Government response to PAC reports 27-31	CP 631
April 2022	Government response to PAC reports 32-35	CP 649
April 2022	Government response to PAC reports 36-42	CP 667
July 2022	Government response to PAC reports 49-52	CP 722

Session 2019-21

Committee Recommendations: 233
Recommendations agreed: 208 (89%)
Recommendations disagreed: 25

Publication Date	PAC Reports	Ref Number
July 2020	Government responses to PAC reports 1-6	CP 270
September 2020	Government responses to PAC reports 7-13	CP 291
November 2020	Government responses to PAC reports 14-17 and 19	CP 316
January 2021	Government responses to PAC reports 18, 20-24	CP 363
February 2021	Government responses to PAC reports 25-29	CP 376

² List of Treasury Minutes responses for Sessions 2010-15 are annexed in the government's response to PAC Report 52

Publication Date	PAC Reports	Ref Number
February 2021	Government responses to PAC reports 30-34	CP 389
March 2021	Government responses to PAC reports 35-39	CP 409
April 2021	Government responses to PAC reports 40- 44	CP 420
May 2021	Government responses to PAC reports 45-51	CP 434
June 2021	Government responses to PAC reports 52-56	CP 456

Session 2019

Committee Recommendations: 11
Recommendations agreed: 11 (100%)
Recommendations disagreed: 0

Publication Date	PAC Reports	Ref Number
January 2020	Government response to PAC report [112-119] 1 and 2	CP 210

Session 2017-19

Committee Recommendations: 747
Recommendations agreed: 675 (90%)
Recommendations disagreed: 72 (10%)

Publication Date	PAC Reports	Ref Number
December 2017	Government response to PAC report 1	Cm 9549
January 2018	Government responses to PAC reports 2 and 3	Cm 9565
March 2018	Government responses to PAC reports 4-11	Cm 9575
March 2018	Government responses to PAC reports 12-19	Cm 9596
May 2018	Government responses to PAC reports 20-30	Cm 9618
June 2018	Government responses to PAC reports 31-37	Cm 9643
July 2018	Government responses to PAC reports 38-42	Cm 9667
October 2018	Government responses to PAC reports 43-58	Cm 9702
December 2018	Government responses to PAC reports 59-63	Cm 9740
January 2019	Government responses to PAC reports 64-68	CP 18
March 2019	Government responses to PAC reports 69-71	CP 56
April 2019	Government responses to PAC reports 72-77	CP 79
May 2019	Government responses to PAC reports 78-81 and 83-85	CP 97
June 2019	Government responses to PAC reports 82, 86-92	CP 113
July 2019	Government responses to PAC reports 93-94 and 96-98	CP 151
October 2019	Government responses to PAC reports 95, 99-111	CP 176
January 2020	Government response to PAC reports 112-119 [1 and 2]	CP 210

Session 2016-17

Committee Recommendations: 393
Recommendations agreed: 356 (91%)
Recommendations disagreed: 37 (9%)

Publication Date	PAC Reports	Ref Number
November 2016	Government responses to PAC reports 1-13	Cm 9351
December 2016	Government responses to PAC reports 14-21	Cm 9389
February 2017	Government responses to PAC reports 22-25 and 28	Cm 9413
March 2017	Government responses to PAC reports 26-27 and 29-34	Cm 9429
March 2017	Government responses to PAC reports 35-41	Cm 9433
October 2017	Government responses to PAC reports 42-44 and 46-64	Cm 9505

Session 2015-16

Committee Recommendations: 262
Recommendations agreed: 225 (86%)
Recommendations disagreed: 37 (14%)

Publication Date	PAC Reports	Ref Number
December 2015	Government responses to PAC reports 1 to 3	Cm 9170
January 2016	Government responses to PAC reports 4 to 8	Cm 9190
March 2016	Government responses to PAC reports 9 to 14	Cm 9220
March 2016	Government responses to PAC reports 15-20	Cm 9237
April 2016	Government responses to PAC reports 21-26	Cm 9260
May 2016	Government responses to PAC reports 27-33	Cm 9270
July 2016	Government responses to PAC reports 34-36; 38; and 40-42	Cm 9323
November 2016	Government responses to PAC reports 37 and 39 (part 1)	Cm 9351
December 2016	Government response to PAC report 39 (part 2)	Cm 9389

Treasury Minutes Progress Reports Archive

Treasury Minutes Progress Reports provide updates on the implementation of recommendations from the Committee of Public Accounts. These reports are Command Papers laid in Parliament.

Publication Date	PAC Reports	Ref Number
December 2022	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 16 PAC reports Session 2019-21: updates on 14 PAC reports Session 2021-22: updates on 38 PAC reports Session 2022-23: updates on 8 PAC reports	CP 765
June 2022	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 27 PAC reports Session 2019-21: updates on 34 PAC reports Session 2021-22: updates on 30 PAC reports	CP 691
November 2021	Session 2013-14: updates on 1 PAC report Session 2016-17: updates on 3 PAC reports Session 2017-19: updates on 33 PAC reports Session 2019: updates on 2 PAC reports Session 2019-21: updates on 47 PAC reports Session 2021-22: updates on 5 PAC reports	CP 549
May 2021	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 1 PAC report Session 2015-16: updates on 0 PAC reports Session 2016-17: updates on 4 PAC reports Session 2017-19: updates on 47 PAC reports Session 2019: updates on 2 PAC reports Session 2019-21: updates on 28 PAC reports	CP 424
November 2020	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 1 PAC report Session 2015-16: updates on 0 PAC reports Session 2016-17: updates on 7 PAC reports Session 2017-19: updates on 73 PAC reports Session 2019: updates on 2 reports	CP 313
February 2020	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 1 PAC report Session 2015-16: updates on 3 PAC reports Session 2016-17: updates on 14 PAC reports Session 2017-19: updates on 71 PAC reports	CP 221
March 2019	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 4 PAC reports Session 2014-15: updates on 2 PAC reports Session 2015-16: updates on 7 PAC reports Session 2016-17: updates on 22 PAC reports Session 2017-19: updates on 46 PAC reports	CP 70
July 2018	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 4 PAC reports Session 2014-15: updates on 2 PAC reports Session 2015-16: updates on 9 PAC reports Session 2016-17: updates on 38 PAC reports Session 2017-19: updates on 17 PAC reports	Cm 9668

Publication Date	PAC Reports	Ref Number
January 2018	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 5 PAC reports Session 2014-15: updates on 4 PAC reports Session 2015-16: updates on 14 PAC reports Session 2016-17: updates on 52 PAC reports	Cm 9566
October 2017	Session 2010-12: updates on 3 PAC reports Session 2013-14: updates on 7 PAC reports Session 2014-15: updates on 12 PAC reports Session 2015-16: updates on 26 PAC reports Session 2016-17: updates on 39 PAC reports	Cm 9506
January 2017	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 5 PAC reports Session 2014-15: updates on 7 PAC reports Session 2015-16: updates on 18 PAC reports	Cm 9407
July 2016	Session 2010-12: updates on 6 PAC reports Session 2012-13: updates on 2 PAC reports Session 2013-14: updates on 15 PAC reports Session 2014-15: updates on 22 PAC reports Session 2015-16: updates on 6 PAC reports	Cm 9320
February 2016	Session 2010-12: updates on 8 PAC reports Session 2012-13: updates on 7 PAC reports Session 2013-14: updates on 22 PAC reports Session 2014-15: updates on 27 PAC reports	Cm 9202
March 2015	Session 2010-12: updates on 26 PAC reports Session 2012-13: updates on 17 PAC reports Session 2013-14: updates on 43 PAC reports	Cm 9034
July 2014	Session 2010-12: updates on 60 PAC reports Session 2012-13: updates on 37 PAC reports	Cm 8899
February 2013	Session 2010-12: updates on 31 PAC reports	Cm 8539

