



HM Treasury

# Treasury Minutes

**Government response to the Committee of Public Accounts on the Ninety-Third to the Ninety-Fourth and Ninety-Sixth to the Ninety-Eighth reports from Session 2017-19**





# Treasury Minutes

Government response to the Committee of Public Accounts on the Ninety-Third to the Ninety-Fourth and Ninety-Sixth to the Ninety-Eighth reports from Session 2017-19

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by the Exchequer to the Treasury  
by Command of Her Majesty

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TREASURY MINUTES DATED 22 JULY 2019 TO THE COMMITTEE OF PUBLIC ACCOUNTS ON THE NINETY-THIRD TO THE NINETY-FOURTH AND THE NINETY-SIXTH TO THE NINETY-EIGHTH REPORTS FROM SESSION 2017-19



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## Government responses to the Committee of Public Accounts Session 2017-19

#	Report Title	Page
93	Disclosure and Barring Service: progress review <a href="#">Home Office</a>	1
94	Transforming rehabilitation: progress review <a href="#">Ministry of Justice/ Cabinet Office/ HM Treasury</a>	4
96	Adult Health screening <a href="#">Department of Health and Social Care/ NHS England/ Public Health England</a>	8
97	Local Government Governance and Accountability <a href="#">Ministry of Housing, Communities and Local Government</a>	12
98	The Apprenticeships programme: progress review <a href="#">The Department for Education</a>	16

# Ninety-Third Report of Session 2017–19

## The Home Office

### Disclosure and Barring Service: progress review

#### Introduction from the Committee

The Home Office helps safeguard children and vulnerable adults by providing employers with a service that lets them see safeguarding information, such as details of criminal records, about people who want to work with children or vulnerable adults. Employers use this service to help them decide who to employ. The safeguarding service is run by the Disclosure and Barring Service (DBS), an arm's length body set up by the Home Office in 2012, which brought together the previous Criminal Records Bureau (CRB) and the Vetting and Barring Scheme (VBS).

When the DBS was created, the Home Office wanted to modernise what was previously a paper-based service and launch a new product ("the Update Service") that it assumed people would choose to use in large numbers. The Update Service would enable users to use one DBS certificate across a number of organisations with the same disclosure level, rather than apply separately for each one. This was intended to make DBS cheaper to run for both government and DBS's customers and to provide a better service for employers and the individuals. We reported in May 2018 on the failure of the DBS and the Home Office to modernise these services. Since then, the modernisation programme has not been completed.

In March 2019, we recalled the Home Office and the DBS to set out when modernisation would be completed and explain the delays. In April 2019, we also questioned Sir Mark Sedwill, now Head of the UK Civil Service, about the decisions he made on DBS during his time as Permanent Secretary at the Home Office between 2013 and 2015.

The Committee took evidence from the Home Office and the Disclosure and Barring Service (DBS) on Monday 11 March 2019 to assess the progress made since its report in May 2018 on modernising the services provided by the DBS. The Committee published its report on 1 May 2019. This is the Government response to the Committee's report.

#### Relevant reports

- [NAO report: \*Investigation into the Disclosure and Barring Service - Session 2017–19\*](#) (HC 715)
- [PAC report: \*Modernising the Disclosure and Barring Service - Session 2017–19\*](#) (HC 695)

#### Government responses to the Committee

**1: PAC conclusion: *Efforts to modernise the DBS are a further example of contracting failure within the Home Office.***

**1: PAC recommendation: *The Home Office should write to us before Parliament's summer recess with an update on progress in transitioning between suppliers, the details of the new supplier and contract arrangements, expectations of deliverables and costs, the TCS exit strategy at the end of the transition period, and the outcomes of the negotiations with TCS over commercial disputes with the DBS.***

1.1 The Government agrees with the Committee's recommendation.

#### Target implementation date: July 2019

1.2 Following a successful procurement exercise, two preferred suppliers have been selected to replace DBS technology services and related contact centre both operated currently by Tata Consultancy Service (TCS). Approvals to award contracts and the value of those contracts is progressing through the Home Office, Cabinet Office and HM Treasury and are due to be complete by end July 2019. The procurement process has indicated the new suppliers' costs are within the business case range and are affordable within current, and proposed future, fee income.

1.3 Incremental transition of TCS services to the new suppliers will commence once contract award approvals are complete. It is expected this will commence in August 2019. The TCS contract will be closed once all existing services have been transferred.

1.4 Charges for the extension period have been agreed by the parties. There is no change in the TCS or DBS position regarding the commercial disputes and no further communication from TCS regarding its notice of intention to litigate served in September 2018.

**1a: PAC recommendation: *In the same letter, the Home Office should also assess the strength of the DBS's confidence expressed at the evidence session that the new supplier will be able to pick up TCS's role quickly and effectively.***

1.5 The Government agrees with the Committee's recommendation.

**Target implementation date: July 2019**

1.6 DBS, working with the Department, has selected new suppliers using the Crown Commercial Services (CCS) procurement frameworks. This framework only includes suppliers who have been evaluated as being capable of delivering services within the scope of the framework as well as delivering services effectively within the public sector.

1.7 The Department concurs with the DBS assessment that the selected suppliers have demonstrated experience and capability to take on services within challenging environments and have demonstrated they have built contingency into their transition plans to address the associated risks.

**2: PAC Conclusion: *DBS is not yet in a position to set out a convincing longer-term vision for its services and is no further forward with modernisation than it was at the beginning of the process in 2012.***

**2: PAC Recommendation: *By the end of 2019, DBS should write to us with details of its achievements against benefits promised in the 2012 business case, the strategy it will have in place for further service improvements, and actions it will take to achieve them.***

2.1 The Government agrees with the Committee's recommendation.

**Target implementation date: December 2019**

2.2 The next DBS Strategic Plan is under consideration. Following its development and agreement by the DBS Board, DBS will be able to provide a full response to this recommendation and within the Committee's timescale.

**3: PAC conclusion: *We are concerned about the extent to which the Home Office will take responsibility for turning around the DBS modernisation programme.***

3.1 The Government notes the Committee's comments.

**4: PAC conclusion: *As a result of our May 2018 evidence session and report, the Home Office has now taken action to review the fees charged to the public and employers by the DBS given the surpluses the DBS had amassed over a number of years.***

**4: PAC recommendation: *The Department should write to us before Parliament's summer recess setting out what it has done to oversee, monitor and challenge the ongoing work at DBS to improve services and transition to the new contractor.***

4.1 The Government agrees with the Committee's recommendation.

**Target implementation date: July 2019**

4.2 The DBS Service Transition Programme is in place to manage the operational exit from the TCS contract and to transition the services that were outsourced to TCS to replacement service providers. This is overseen by a sub-group of the Home Office Portfolio and Investment Committee (PIC): Membership consists of senior representatives from the Department's project delivery, commercial, digital data, technology, and economist functions, and from the Infrastructure and Projects Authority (IPA). The sub-group meets on a fortnightly basis to review progress, challenge plans, unblock issues and, as necessary, broker wider support. The programme is also subject to the IPA's Gateway Review process; and its business cases are subject to approval by PIC and by the Cabinet Office and HM Treasury under their spending controls.

**4a: PAC recommendation: *The Home Office should provide the Committee with its lessons learned review as soon as possible after the transition between contractors has been completed. Although it was the Department's intention after our last inquiry to provide a review once the DBS modernisation project has been delivered, given the length of time it is taking the Department should review and update the Committee sooner. This exercise should be clear as to how lessons will be applied to other projects managed by the Home Office – particularly given our concerns over the Emergency Services Network programme.***

4.3 The Government agrees with the Committee's recommendation.

**Target implementation date: Summer 2019**

4.4 The Department is sponsoring an independent review of lessons learnt from the DBS Programme. Terms of reference for the review have been agreed between the Home Office, DBS and the IPA. The IPA is currently sourcing an independent review lead and it is planned that it will be conducted and concluded over the summer of 2019.

4.5 While the review will be conducted before the transition between contractors has been completed, the timing reduces the risk that lessons will be lost with the passage of time.

4.6 The review's findings will be shared with the Committee and with the Home Office Portfolio and Project Delivery Directorate and the Department's Project Delivery leadership community and will be used by PIC in its scrutiny of new change investment proposals.

**4b: PAC recommendation: *In the same letter, the Home Office should also provide the Committee with an update on the progress it is making to reduce the fees to the users of the DBS's services.***

4.7 The Government agrees with the Committee's recommendation.

**Target implementation date: July 2019**

4.8 15 July 2019 has been confirmed as the laying date for the statutory instrument for the planned fee reductions due to commence on 1 October 2019



# Ninety-Fourth Report of Session 2017-19

## Ministry of Justice

### Transforming rehabilitation: progress review

#### Introduction from the Committee

Probation services are designed to protect the public and reduce reoffending by supervising offenders in the community, overseeing their rehabilitation and ensuring that they understand the impact of their crimes on victims. The Ministry of Justice (the Ministry), through HM Prison & Probation Service (HMPPS), is responsible for probation services in England and Wales. As at September 2018, 257,000 offenders were supervised by probation services. In 2013, the Ministry embarked on a major reform of probation services to deliver a ‘rehabilitation revolution’. It created 21 privately owned Community Rehabilitation Companies (CRCs) to manage low- and medium-risk offenders and the public sector National Probation Service (NPS) to manage those posing higher risks. CRC owners took over in 2015, but as early as 2017 the Ministry had to amend its contracts with CRCs to increase their income and stabilise failing services. In July 2018 the Ministry announced it would terminate its contracts with CRCs 14 months early, in December 2020. In February 2019, Working Links, the owner of three CRCs, went into administration followed by Interserve, the owner of five CRCs, which went into administration in March 2019. The Ministry has consulted on its future model for probation, but it has not yet made decisions about what will replace the current failing system. This project has been beset by major difficulties from its outset and whilst we appreciate the Ministry’s acknowledgement that it was wrong to set its original timescale, it remains to be seen how it will manage to minimise additional costs while at the same time delivering a radically redesigned reform programme. We are also very concerned about the impact of the failures of the Through the Gate (TTG) services on both offenders and victims. TTG services were intended to provide support and minimise the risk of reoffending by helping offenders to find employment and stable accommodation as well as helping with financial and emotional support. However, TTG services have consistently failed to deliver or meet required quality standards. Offenders have been let down by a lack of understanding in how to offer tailored support, poor staff training, a focus on meeting targets rather than specific needs and an unacceptable failure in providing stable and suitable accommodation.

Based on a report by the National Audit Office, the Committee took evidence on 13 March 2019 from the Ministry of Justice (the Ministry) and HM Prison and Probation Service (HMPPS) on progress with the Ministry’s Transforming Rehabilitation reforms. The Committee published its report on 3 May 2019. This is the Government response to the Committee’s report.

#### Relevant reports

- NAO report: [Transforming rehabilitation: progress review](#) – Session 2017-19 (HC 1986)
- PAC report: [Transforming rehabilitation: progress review](#) – Session 2017-19 (HC 1747)

#### Government responses to the Committee

**1: PAC conclusion: *The breakneck speed with which the Ministry introduced the Transforming Rehabilitation reforms created an unacceptable level of risk that was not sufficiently challenged by the safeguards intended to protect the taxpayer.***

**1: PAC recommendation: *The Ministry, Cabinet Office and HM Treasury, should write to us by the end of June 2019 to set out what has been done to strengthen the approval and challenge processes both within the Ministry and at the centre of government in response to failed programmes such as this.***

1.1 The Government agrees with the Committee’s recommendation.

#### Recommendation implemented

1.2 Since June 2016, the Ministry of Justice (the Department) has had an Investment Committee that makes all investment decisions on behalf of the Executive Committee. Programmes must demonstrate that they support the strategic objectives of the Department, are affordable and deliverable, and will deliver value for money. The Investment Committee is informed by a keyholder review of the business case by the functional leads in the Department. All change programmes are required to complete a risk potential assessment. Independent assurance reviews are completed for all the Department's significant programmes. These are co-ordinated by the Infrastructure and Projects Authority (IPA) for high risk projects. This involves an independent assessment of all estimates, including optimism bias, and is considered by the Department's Investment Committee before making decisions. Programmes which exceed the Department's delegated limit are subject to HM Treasury approval.

1.3 HM Treasury works across Government, including with Government Commercial Function and the IPA, to ensure that projects and programmes maximise effectiveness, efficiency and economy in the use of public funds. Cabinet Office is leading work to ensure that Government procurement is fit for the future, including using 'make versus buy' analysis, cost modelling and piloting new services where appropriate.

1.4 Improvements have been made to the IPA on an incremental basis, including increased use of data acquired through our quarterly reporting process to develop reference class forecasts to compare project performance and enable advice on best practices. It has also increased the use of data provided by projects quarterly to enhance trend analysis for specific projects.

1.5 Further detail on changes to HMT and Cabinet Office planning and spending processes are set out in the [Treasury Minute 78 from Session 2017-19](#).

**2: PAC conclusion: *The Ministry has created an underfunded and fragile probation market and we are not confident in its ability to cope with further provider failure.***

**2: PAC recommendation: *The Ministry should write to the Committee, by the end of June 2019, providing details of its contingency arrangements in the event of further provider failure, and explaining what it is doing to manage this risk as its contracts proceed to termination in December 2020. The Ministry should also provide the Committee with an outline of how it managed the impact of both Working Links and Interserve collapsing into administration.***

2.1 The Government agrees with the Committee's recommendation.

#### **Recommendation implemented**

2.2 The Department works closely with all providers to manage any risks to the delivery of services. Each Community Rehabilitation Company (CRC) has had a contingency plan in place since early 2017, which is reviewed on an annual basis. All the plans include disaster recovery in the event of data loss, estate contingencies in the event of building loss, and contingency plans for administration or liquidation of a CRC. The contracts include a clause that requires CRCs to work with the Department to ensure the smooth transition of services in the event of administration or liquidation. Since *Working Links'* administration, the Department has taken further steps to review contingency planning, including receiving support from external contractors.

2.3 When the Notification of Administration of *Working Links* was received on 15 February 2019, the Department agreed the transfer of staff and services to Kent, Surrey and Sussex CRC, operated by *Seetec*, following a rigorous internal assessment exercise in compliance with relevant procurement legislation. Service delivery was maintained, and negative impact was minimised by enacting well-rehearsed contingency plans. Probation services in the South West and Wales remained fully operational throughout the administration of *Working Links*. This demonstrates the robustness of our contingency plans.

2.4 *Interserve Plc* went into a pre-pack administration on 15 March 2019. Its operating companies, which hold contracts and deliver services – including *Purple Futures* CRCs – did not enter administration; these companies remain intact and continue to deliver services. *Purple Futures* is committed to ensuring that services will continue to be delivered and that any disruption to the CRCs and staff is minimised. We continue to monitor their performance carefully.

**3: PAC conclusion: *The Ministry will not make sustained progress with reducing reoffending until it can provide the support offenders desperately need on leaving prison, including securing stable accommodation.***

**3: PAC recommendation: *The Ministry, working with the Reducing Reoffending Board should report back to this Committee, by the end of June 2019, setting out a cross-government strategy to reduce reoffending, and how it will measure whether this is working.***

3.1 The Government agrees with the Committee's recommendation.

**Target implementation date: Summer 2020**

3.2 We agree that an overarching strategy focused on reducing reoffending is required. The levers to address reoffending are dispersed across the Department and Government more widely. The Cabinet Office-led Reducing Reoffending Board plays an integral role in ensuring a joined-up approach to delivering policies that reduce reoffending. The Department will continue to work across Government using an evidence based approach to tackling the causes of reoffending.

3.3 The Department has made good progress on rehabilitation programmes to address the key drivers of reoffending. The Department's Single Departmental Plan 2018 (SDP) set the objective of creating a safe and decent prison environment, that enables rehabilitation and ultimately reduces reoffending. The 2019 SDP was published on 27 June 2019 and reaffirms the importance of this commitment.

3.4 The Department is implementing a coherent plan to ensure prisoners receive the right interventions to meet their needs. This includes giving Governors more control over their budgets to strengthen their education provision, £7 million investment for in-cell telephones to allow prisoners to maintain important family ties, and tackling health issues such as drug addiction.

3.5 As prisoners' approach release, the Department's strategy turns to securing accommodation and employment. The New Futures Network brokers partnerships between prisons and employers from prison industries inside the walls, through to employment on Release on Temporary Licence and then jobs on release. Through the Government Rough Sleeping Strategy, the Department will invest up to £6.4 million in a pilot scheme to support individuals released from three prisons.

**4: PAC conclusion: *The Ministry failed to involve voluntary sector organisations in delivering probation services on the scale it promised.***

**4: PAC recommendation: *When it announces its new approach, the Ministry should write to the Committee to clearly explain what role it expects voluntary sector organisations (VSOs) to play in the probation system, and what it will do to ensure this role is being fulfilled successfully. The Ministry should also outline how it intends to improve its provision of specialist services and how it will tailor these services to the specific requirements of those in***

4.1 The Government agrees with the Committee's recommendation.

**Recommendation implemented**

4.2 As the Department's response to the consultation makes clear, it is fully committed to a greater role for the voluntary sector in probation services and aware of the need to address potential barriers to voluntary sector involvement, including the issues around smaller organisations highlighted by the Committee in its report. Voluntary organisations play an indispensable role in working with offenders, particularly those with complex needs and those from vulnerable groups, to turn their lives around. This is a role the Department is determined to strengthen, and market engagement has generated positive feedback on the Department's approach from the voluntary sector.

4.3 The Department's intention for future contracting arrangements is to introduce a dynamic commercial framework through which HM Prison and Probation Service (HMPPS), working together with local partners, will commission rehabilitation and resettlement services directly at both a regional and a local level. This more flexible approach to commissioning is intended to facilitate the inclusion of smaller, more specialist and voluntary organisations. We currently assess the value of the potential spend on these services at £280m.

4.4 Commissioning of rehabilitation and resettlement interventions for each probation area will be driven by an NPS Regional Probation Director, who will have a special responsibility to make use of locally available services in adapting provision to match local needs.

4.5 A more detailed version of this response was provided in the [Justice Secretary's letter](#) of 13 June to the Chair of the Committee.

**5: PAC conclusion: *The Ministry's decision to split the probation service has let down offenders and those working in the justice system.***

**5: PAC recommendation: *If it persists with this flawed structure, the Ministry should urgently spell out how such a separation of probation service can work effectively and what it will do to address the failings with the current system.***

5.1 The Government agrees with the Committee's recommendation.

### **Recommendation implemented**

5.2 The Department is not retaining the current split in responsibility for offender management. In future, the National Probation Service will have responsibility for managing all offenders on a community order or licence following release from prison. The Department will continue to bring in the expertise and innovation of the voluntary and private sector, through the delivery of interventions – such as Unpaid Work, Accredited Programmes and wider resettlement and rehabilitative interventions.

5.3 This clearer set of responsibilities will reduce duplication and improve clarity and accountability whilst ensuring that the Department make the best use of wider provision.

**6: PAC conclusion: *If the Ministry does not put into practice the lessons from its failed reform programme it is in danger of repeating the same mistakes again.***

**6: PAC recommendation: *When it announces its new plans, the Ministry should write to this Committee spelling out exactly how its plans to address the failings set out by this Committee and the NAO, and how it will avoid the same mistakes happening again.***

6.1 The Government agrees with the Committee's recommendation.

### **Recommendation implemented**

6.2 The Department was conscious throughout the development of the new model of the need to learn from Transforming Rehabilitation. The Department's commitment to listening to probation providers, staff, service users, sentencers and other stakeholders – not only during the consultation period but also subsequently, as the Department tested and evaluated its plans – reflects the determination to adopt a more consultative approach to policy development. The model the Department has adopted received widespread support in the consultation. It is now undertaking further engagement with stakeholders to ensure their views are taken into account as it develops more detailed plans for the transition to the new model and the future commercial framework.

6.3 The Department also recognises the importance of ensuring it has sufficient time to execute a smooth transition to the new model, with minimal disruption for staff and services.

6.4 In the design of the future model, the Department has adopted as a central principle the need to deliver operational stability. The model takes account of the Committee's conclusion that CRCs took on excessive volume risk under Transforming Rehabilitation, leading to unsustainable losses when activity volumes were lower than expected. The integration of core offender management functions under the National Probation Service in future will promote a more sustainable commercial model for providers, as well as minimising the risk of disruption to offender supervision and public protection tasks.

6.5 A more detailed version of this response was provided in the [Justice Secretary's letter](#) of 13 June to the Chair of the Committee.

# Ninety-Sixth Report of Session 2017-19

## Department of Health and Social Care

### Adult Health Screening

#### Introduction from the Committee

Health screening is an important way of identifying potentially life-threatening illnesses at an early stage. Health screening programmes in England currently cover a range of conditions including different types of cancer, foetal and new-born screening, diabetes and abdominal aortic aneurism. This report focuses on four of the 11 screening programmes operating in England: screening for bowel, breast and cervical cancers and abdominal aortic aneurism. In 2017–18, almost 8 million people were screened for these conditions at a cost of £423 million. The Department is ultimately responsible for the delivery of health screening in England. It has delegated responsibility for health screening to NHS England, via an annual public health functions agreement. NHS England commissions and manages local screening providers; it also manages some of the IT that supports delivery of the programmes. Public Health England supports the Department and NHS England with expert advice, analysing and producing data; managing some of the IT that supports delivery of the programmes; and undertaking quality assurance work on the screening programmes to make sure that certain standards are met.

In May 2018 the then Secretary of State for Health and Social Care announced there had been a failure in the system that invites women for screening, affecting some 450,000 women. This number turned out to be closer to 122,000 but nonetheless raised concerns about health screening programmes. In October 2018, NHS England became aware of a similar issue on the cervical screening programme, with 43,220 women not receiving letters inviting them for a cervical cancer screening and a further 4,508 not being sent their results letters.

Based on a report by the National Audit Office, the Committee took evidence, on 20<sup>th</sup> March 2019 from the Department of Health and Social Care, Ministry of Housing, Communities and Local Government, Skills for Care, and the Association for the Directors of Adult Social Services. The Committee published its report on 10<sup>th</sup> May 2019. This is the Government response to the Committee's report.

#### Relevant reports

- NAO report: [Investigation into the management of health screening](#), Session 2017–19, (HC 1871),
- PAC report: [Adult health screening](#) – Session 2017-19 (HC 1746)
- [Independent Breast Screening review](#) – (HC 1799) December 2018
- [Independent Review of National Cancer Screening Programmes in England](#) Interim report by Professor Sir Mike Richards – May 2019

#### Government responses to the Committee

**1: PAC conclusion: *The Department, NHS England and Public Health England are consistently failing to meet their targets for the number of people who should be screened and have no clear plan on how to reduce the alarming health inequalities that exist.***

**1: PAC recommendation: *By the summer recess, the Department of Health and Social Care, NHS England and Public Health England needs to set out the specific steps they are going to take to understand why performance is so poor in some areas and then publish a plan, with timeframes for action, that explains how they intend to address these inequalities.***

1.1 The Government agrees with the recommendation.

#### Target implementation date: Summer 2019

1.2 The Government agrees that there is a need to improve access and uptake to adult screening and to address health inequalities. Building on considerable work already in place, the Department of Health and Social Care, NHS England and NHS Improvement, (which came together to act as a single organisation



in April 2019) and Public Health England (PHE) will write to the Committee by the summer recess of 2019 setting out the steps being undertaken to further the understanding of performance variation in adult screening.

1.3 Professor Sir Mike Richards' Review of screening, published on 24 May 2019, also recommended taking action to address the decline in uptake and to tackle inequalities. The response to Sir Mike's recommendations, in the Autumn, will include the plan to respond to these issues, alongside timeframes for action.

**2: PAC conclusion: *It is unacceptable that NHS England has continually failed to hold local screening providers to account for their poor performance.***

**2: PAC recommendation: *By the summer recess, the NHS England must write to the Committee to set out how it is going to hold local screening providers to account against their agreed targets and standards. It should also set out its targets for improving the performance of local providers over the next 12 months.***

***NHS England has a duty to make the public aware that the 14-day target is not based on clinical need. In the same letter, it should outline to the Committee how it intends to raise awareness.***

2.1 The Government agrees with the Committee's recommendation.

**Target implementation date: Autumn 2019**

2.2 NHS England and Improvement will write to the Committee by Autumn 2019 and provide an action plan on holding providers to account. Work is already underway in NHS England and Improvement to strengthen internal governance, contracting and performance management, and the commissioning infrastructure. The new NHS England and Improvement joint operating model is now in place across every region, providing clear accountability through Directors of Primary Care and Public Health Commissioning, and Directors of Commissioning.

2.3 As part of this strengthened governance, NHS England and Improvement, together with PHE, is implementing specific screening programme boards, which will report into the Public Health Oversight Group. This new structure will provide:

- A clear and defined mechanism to assure delivery by regions and for raising concerns to regions
- Clear routes of escalation through regional teams to the central team
- Sharing of contract negotiation and contract performance management best practice, to help address regional variation.

2.4 With reference to the 14-day target, NHS England and Improvement and PHE will review programme materials and re-issue communications to women and sample takers to ensure that women are made aware that the 14-day turnaround is not based on clinical need and does not pose a clinical risk in terms of cancer progression. NHS England and Improvement and PHE will also request that sample takers keep women informed about expected waiting times for their results and will work with local commissioners and providers to ensure that the importance of being verbally informed at the appointment is emphasised in the robust training programmes.

2.5 The rollout of Human Papillomavirus (HPV) Primary Screening by the end of December 2019 should also lead to a significant improvement in sample turnaround times.

**3: PAC conclusion: *It is unacceptable that the national oversight of screening programmes has failed, with the Department, NHS England and Public Health England all being too slow to recognise and respond to the problems this has caused.***

**3: PAC recommendation: *Professor Sir Mike Richards' review into screening programmes should scrutinise oversight arrangements, the division of roles and responsibilities and the quality assurance arrangements. It should also include evidence that the conclusions are informed not just by central government bodies, but also by people who actually undergo screening and local authorities.***

3.1 The Government agrees with the Committee's recommendation.

**Target implementation date: Autumn 2019**

3.2 The Professor Sir Mike Richards' Review of screening, interim report, was published on 24 May 2019. The final report, due by Autumn 2019, will include the Committee's areas of concern.

3.3 To date, the review has engaged with over 100 stakeholders, plus undertaken a review of available literature and a call for evidence. The next phase will have a strong focus on engaging locally with services and their users to test findings and consider solutions to make screening services as effective as possible, as the interim report concludes:

*"As well as continuing engagement with national stakeholders, the review team will focus on further engagement with local services going forwards. Visits are ongoing, which are expected to provide further ideas on solutions to the problems identified so far."*

**4: PAC conclusion: *The woeful inadequacy of the IT supporting breast screening has played a fundamental role in the failure of the screening programme.***

**4: PAC recommendation: *Public Health England and NHS England should develop a more integrated approach to its IT systems to make sure that the multiple systems that need to be in place are able to connect and talk to each other to give screening patients the best possible service. This integration should also include a single owner who is responsible for making sure the IT works as intended.***

4.1 The Government agrees with the Committee's recommendation.

**Target implementation date: Summer 2019**

4.2 The recently published interim Richards' Review findings acknowledge that the current IT landscape is complex due to the variety of organisations responsible for different parts of the system, and the age, complexity and number of IT systems in use. As part of the Government's response to the Independent Breast Screening Review, the Government has already committed to a strategic review of the IT requirements for screening programmes, undertaken within the Digital Transformation Portfolio under NHSX, the new joint unit between NHS England and Improvement and the Department for Health and Social Care. This is being undertaken in parallel to the Richards' Review and will include identifying a single senior responsible owner with responsibility for overseeing the screening IT landscape and ensuring that the IT works as intended.

4.3 In the Government's response to the Independent Breast Screening Review, the Government also confirmed that any new IT systems introduced to support screening programmes would follow the principles set out in the Secretary of State for Health and Social Care's vision for digital, data and technology. These principles include interoperability between different systems.

**5: PAC conclusion: *We are extremely doubtful that NHS England will be able to successfully bring the failing IT system that supports the cervical programme back in-house, remove the backlog of samples that are waiting to be tested, and roll-out a new testing regime in just 6 months' time.***

**5: PAC recommendation: *NHS England should set out a clear plan for how it intends to deliver this inherently risky project on time without making the service provided to women undergoing screening even worse.***

5.1 The Government agrees with the Committee's recommendation.

**Target implementation date: December 2020**

5.2 NHS England and Improvement is working with the North of England Commissioning Support Unit (CSU) and the Midlands and Lancashire CSU to transfer the call and recall service from Primary Care Support England (Capita) back into NHS England and Improvement, with staff integrated into NHS England by the end of July 2019.

5.3 A dedicated Cervical Screening Call and Recall Transition Assurance Board has been established to oversee the transfer, reporting to the NHS England and Improvement Cervical Screening Programme Board, which also has oversight of the implementation of HPV primary screening across England by end of December 2019.

5.4 The 360 IT systems referenced by the Committee includes individual Trust run systems used for the next stage of testing and are not part of the national screening IT system. The 83 NHAIS (National Health Application and Infrastructure Services) instances used for the national programme will be consolidated into one.

5.5 In its annual report, published on 11 July, NHS England has noted an incident related to the national cervical screening programme.



# Ninety-Seventh Report of Session 2017-19

## Ministry of Housing, Communities and Local Government

### Local Government Governance and Accountability

#### Introduction from the Committee

Local politicians and council officers operate within a governance framework of checks and balances to ensure that local authorities' decision-making is lawful, informed by objective advice, transparent and consultative. Some parts of local governance are locally defined, but core components of the statutory framework of legal duties and financial controls are overseen by the Ministry of Housing, Communities & Local Government (the Department). The Department is responsible for: ensuring that this framework contains the right checks and balances, and changing the system if necessary. The Secretary of State also has powers to intervene in cases of perceived governance failure. The framework includes: officers with statutory powers and responsibilities; internal checks and balances such as audit committees and internal audit; and external checks and balances such as external audit and sector-led improvement overseen by the Local Government Association. These arrangements represent a significant reduction in the level of central oversight in recent years following the government's decision to abolish the Audit Commission and the Standards Board for England as part of a broader reform of local audit, inspection and reporting. The new, more localised framework has had to function effectively at a time when the process of governance itself is more challenging and complex because of new arrangements such as shared services, outsourcing and commercial activities. Reduced resources mean that delivery of change programmes and dealing with financial pressures can be crucial to the financial viability of an authority. This makes the implications of governance failure more significant.

Based on a report by the National Audit Office, the Committee took evidence from the Ministry of Housing, Communities and Local Government, Centre for Public Scrutiny, Local Government Association, Chartered Institute of Public Finance and Accountancy, and Stevenage Borough Council on 27 March 2019. The Committee published its report on 15 May 2019. This is the Government response to the Committee's report.

#### Relevant reports

- NAO report: [Local Authority Governance – Session 2017-19 \(HC 1865\)](#)
- PAC report: [Local Government Governance and Accountability – Session 2017-19 \(HC 2077\)](#)

#### Government responses to the Committee

**1: PAC conclusion: *The Department is not yet providing effective leadership of the local governance system.***

**1a: PAC recommendation: *The Department should write us within the next six months, setting out its overall plan for improving its oversight.***

1.1 The Government agrees with the Committee's recommendation.

#### Target implementation date: November 2019

1.2 As set out in evidence to the Committee and in the [letter of 25 March 2019](#) from the Secretary of State to the Housing, Communities and Local Government Committee, the Department intends to enhance its role in oversight and leadership of the local authority governance system. This includes convening partners in an accountability framework panel (please refer to paragraph 1.6), and closer working with other Government departments to build a richer picture of individual local authorities, built on a more transparent data set. These activities will support the Department to review the accountability and governance frameworks with system partners and inform how we work with the sector on individual local authority issues and common governance challenges. The Department will write to the Committee by November 2019 to set out further detail on its overall plan for improving its oversight.

**1b: PAC recommendation: *The Department should write us within the next six months, setting out its progress in working more effectively with other government departments to understand overall pressures on service sustainability.***

1.3 The Government agrees with the Committee's recommendation.

**Target implementation date: November 2019**

1.4 In response to the Committee's inquiry into the financial sustainability of local authorities, [the Department wrote to the Committee on 19 December 2018](#) setting out how the Department intends to engage with other departments to understand pressures on the sector as a part of the spending review, and on an ongoing basis. The Department will write to the Committee in November 2019 to provide an update on progress.

**1c: PAC recommendation: *The Department should write us within the next six months, setting out:***

- its objectives for the promised local governance panel and the means by which the panel's effectiveness will be assessed;***
- progress in setting up the new panel, including its work programme, the concrete actions the panel will take; the timetable and intended outcomes the panel will be working towards.***

1.5 The Government agrees with the Committee's recommendation.

**Target implementation date: November 2019**

1.6 The prime objective of the local governance panel (the *Local Authority Governance and Accountability Framework Review Panel*) is to review the local government accountability framework as a whole and ensure it remains fit for purpose. In doing so, it will apply sector knowledge and expertise to local government governance issues and provide the Department with advice and recommendations for improvement. The Panel will agree a workplan, drawing on, and considering the strength of, the available evidence base on governance. The workplan will set out in detail the subject areas the Panel will consider. The workplan will contain key milestones, what is to be delivered and an end date. The workplan will be reviewed on a regular basis and the Department will keep the Panel's effectiveness under review. The Department will write to the Committee to update on progress in setting up the Panel, reflecting the Committee's recommendations, in November 2019, and will publish the workplan and the minutes of the Panel's meetings.

**2: PAC conclusion: *The Department does not know why some local authorities are raising concerns that external audit is not meeting their needs.***

**2: PAC recommendation: *The Department's proposed review of the work of independent auditors should be conducted independently and should ensure that concerns from some local authorities over current fee levels and the contribution of external audit are examined fully and rigorously. The review should make an assessment of whether external audit is providing an effective service and meeting the needs of local authorities.***

**PAC Recommendation: *If the review identifies an 'expectation gap' as a factor underlying local authorities' concerns with external audit, then the Department should identify how these unmet expectations can be met.***

2.1 The Government agrees with the Committee's recommendation.

**Target implementation date: April 2020**

2.2 The Department agrees that the review should be carried out independently and on 10 July announced that Sir Tony Redmond will lead this review. As detailed in the Department's response set out in [Treasury Minute 85 from Session 2017-19](#) the Department's review of the localised audit regime in the Local Audit and Accountability Act 2014 is due to begin in the Autumn of 2019 and to report by April 2020. The scope of the review will cover the effectiveness of the local audit regime, considering audit fees

and the effectiveness and value of external audit, alongside internal governance elements encompass the effectiveness of the local audit regime, and therefore consider audit fees and the effectiveness and value of external audit as well as internal governance elements. The [Brydon Review](#), the [Competition and Markets Authority's report on statutory audit services](#), the National Audit Office (NAO) [Review of the Code of Audit Practice](#) and [Sir John Kingman Independent Review of the Financial Report Council's recommendations](#) will provide important context for that review.

2.3 The independent review will consider any perceived 'expectation gap' between what the public expects an audit to look at, and the current statutory remit for an audit. It will also consider whether, and how, audit should be used to meet those expectations. The scope of public audit is set in the NAO's Code of Audit Practice and supporting documents. The core elements of external audit have remained largely unchanged since implementation of the 2014 Act. The Code will be renewed in 2020, and the Department has already discussed the key areas of possible focus with the NAO.

**3: PAC conclusion: *The Department lacks reliable information on key governance risks, or relies on weak sources of information, meaning it has no way of pinpointing the at-risk councils.***

**3: PAC recommendation: *The Department should assess the governance evidence base available to it currently and write to us by November 2019 setting out how it will address gaps it has identified.***

3.1 The Government agrees with the Committee's recommendation.

**Target implementation date: November 2019**

3.2 As set out in evidence to the Committee, to form a picture of the governance issues at both individual and system level the Department currently draws upon: publicly available information such as Ofsted reports; sector intelligence from the Department's network of relationships; and focussed work on governance issues. For example, the Department has recently examined issues regarding the support for and influence of Monitoring Officers within their local authorities by hosting a roundtable. This evidence base will inform the workplan of the Local Authority Governance and Accountability Framework Review Panel, as part of the response to the Committee's recommendation 1c, (paragraph 1.6, above).

**4: PAC conclusion: *The Department's monitoring is not focused on long-term risks to council finances and therefore to services.***

**4: PAC recommendation: *The Department should assess and monitor the scale of long-term risk that authorities might have exposed themselves to through their commercial investments and ventures.***

4.1 The Government agrees with the Committee's recommendation.

**Target implementation date: Autumn 2019**

4.2 The Department has identified the revenue pressures arising from borrowing for capital investments as a risk to local authority finances and has therefore incorporated an estimate of these debt servicing costs into its assessment of financial sustainability. In addition, the Department is developing a comprehensive analysis of current commercial activity across the sector, including use of non-traditional operating models. This will inform an assessment of what long term financial risks currently exist. This will inform the Department's existing risk monitoring process and will provide additional evidence to inform future amendments to the existing capital framework.

4.3 The Department is responsible for the framework which sets out the norms of behaviours that the Government expects from local authorities with regards to their capital investment strategies. Recent changes to the framework included the requirement to enhance transparency of the decision-making process and to demonstrate that those signing off commercial decisions fully understand the risks attached. In addition, the guidance requires local authorities to assess the risks and opportunities of long-term investments over a longer timeframe that mirrors the payback period and/or over the repayment period of

any debt taken out to finance an investment. The Department is currently conducting a post implementation review of the updated guidance to understand how local authorities have received these changes and to evaluate the effectiveness of the framework. The findings from this review will support any future policy development in this area. The Chartered Institute of Public Finance and Accountancy ('CIPFA') also plays a key role in issuing statements, guidance and training to local authorities to ensure that the framework is appropriately understood and implemented across the sector.

**5: PAC conclusion: *There is a complete lack of transparency over both the Department's informal interventions in local authorities with financial or governance problems and the results of its formal interventions.***

**5a: PAC recommendation: *The Department should set out how it will improve transparency over its engagement on governance issues with individual local authorities, including a review of the information the LGA is required to publish under its sector-led improvement work funded by the Department.***

5.1 The Government agrees with the Committee's recommendation.

**Target implementation date: Spring 2020**

5.2 The LGA delivers the 'Corporate Peer Challenge' process, where elected members and senior council officers from different councils carry out a broad review of how a council is doing, as a core part of its sector-led improvement work. Part of the Corporate Peer Challenge offer is an expectation that councils will publish the findings of the process, and how they intend to use the feedback from peers. As stated in evidence given to the Committee, the Department will review the information that the LGA publishes under its sector-led improvement work as part of developing a more transparent data set on governance and accountability.

**5b: PAC recommendation: *The Department should set out how it will improve transparency over its engagement on governance issues with individual local authorities, including the steps the Department will take to publish information and learning following formal interventions***

5.3 The Government agrees with the Committee's recommendation.

**Target implementation date: November 2019**

5.4 Formal, or statutory, interventions are highly transparent. The powers are set out in sections 10 to 15 of the Local Government Act 1999. Best value inspections, which seek to establish the evidence base for a statutory intervention, are normally announced to Parliament and the resulting report is published. Any decision to intervene is subject to formal consultation and parliamentary debate. Commissioners' reports are published regularly during the intervention together with the Secretary of State's responses. The decision to end an intervention is subject to similar rigorous scrutiny, including a consultation process. The Department recently published the lessons learned review by Rotherham Commissioners. To increase information on interventions, the Department will publish a short guide for local authorities on intervention and will write with its plans for publishing further lessons learnt documents.

# Ninety-Eighth Report of Session 2017-19

## Department for Education

### The Apprenticeships Programme: progress review

#### Introduction from the Committee

Apprenticeships are jobs that combine work with training, and can play a vital role in helping people to develop the skills that the economy and society needs. The content of each apprenticeship is set out in either a 'framework' or a 'standard'. Frameworks are being phased out in favour of standards, which are designed by groups of employers from the relevant sector, and set out the knowledge, skills and behaviours that apprentices will need to acquire. By December 2018 around 360 of a potential 600 standards had been approved.

The Department is accountable for the apprenticeships programme in England. The Education and Skills Funding Agency (the ESFA) is responsible for apprenticeships policy and funding, and for overseeing delivery of the programme. The Institute for Apprenticeships & Technical Education, which was set up in April 2017, is responsible for ensuring the quality, consistency and credibility of apprenticeships, including helping employers to develop apprenticeship standards and approving the standards.

In 2017–18, the Department spent £1.6 billion on the apprenticeships programme, out of a budget of £2.0 billion. Since April 2017, employers with an annual pay bill of more than £3 million have been required to pay an apprenticeship levy of 0.5% of their pay bill. The total value of levy contributions for England in 2017-18 was just under £2 billion.

Based on a report by the National Audit Office, the Committee took evidence on 25 March 2019 from the Department for Education (the Department), the Education and Skills Funding Agency (the ESFA) and the Institute for Apprenticeships and Technical Education. The Committee also took evidence from three apprenticeship training providers (ACE Training, which is a construction training provider based in Oxfordshire, Derby College and Sunderland College) and an employer of apprentices (Utility Warehouse). The Committee published its report on 22 May 2019. This is the Government response to the Committee's report.

#### Relevant reports

- NAO report: [The apprenticeships programme](#) – Session 2017-19 (HC 1987)
- PAC report: [The apprenticeships programme: progress review](#) – Session 2017-19 (HC 1749)

#### Government responses to the Committee

**1: PAC conclusion: The Department has not set out what productivity gains it is expecting from the programme.**

**1: PAC recommendation: The Department should publish the level of improvement in the skills index that it is aiming to achieve in the short and long term.**

1.1 The Government agrees with the Committee's recommendation.

#### Target implementation date: December 2021

1.2 Productivity gain is affected by a range of factors, delivered through a diverse range of policies across a range of departments. The Department measures the contribution of the apprenticeship programme to productivity through the 'Skills Index' and other secondary measures including the earnings outcomes for apprentices, and employer perspectives. This approach is well established in academia and public policy analysis and takes the increases in earnings attributable to different apprenticeships, aggregates these across the programme to estimate a total impact on productivity.



1.3 In future years, the Department will use the Index to determine trends in the value ascribed to apprenticeships compared to equivalent levels of learning across further education and in demonstrating the impact of Government's wide-reaching technical education reforms. The Department will expand its reporting accordingly in the annual benefits progress reports. After the spending review, the Department will set-out a new business case and review and update the programme benefits realisation plan. The Department will propose that Ministers set an ambition for skills index improvements.

1.4 The 2017 Strategy and Progress Reports can be accessed [here](#).

**2: PAC conclusion: *The way that the programme is evolving risks leaving behind people with lower skills and those from disadvantaged communities.***

**2: PAC recommendation: *The Department should assess whether there are enough level 2 standards to allow school leavers or those with fewer skills to easily access apprenticeships, and report back to us within six months on its assessment and any action it proposes to take to redress the balance.***

2.1 The Government agrees with the Committee's recommendation

**Target Implementation date: February 2020**

2.2 The Department's aim is for apprenticeships to effectively support the skills and career progression of individuals, while allowing employers to meet the current and future skills needs of their organisations. Apprenticeships are first and foremost jobs, and it is employers who lead the development of the standards and propose the level of skill that is required for full competence. This in turn means that individuals can be confident they are getting appropriate training needed for their long-term job and careers.

2.3 Led by the Institute for Apprenticeships and Technical Education (the Institute), employer 'Trailblazer' groups develop each new standard, with 'Route Panels' made up of employers from the broader sector approving, reviewing and ensuring that the right standards are available. The Education and Skills Funding Agency (ESFA) and the Institute keep the occupational landscape under review to understand the different routes available and help to ensure that employers are creating apprenticeships where they are needed.

2.4 The wider education and skills reforms are helping to ensure that school leavers, and those from disadvantaged areas, have the skills they need to enter training and employment: Traineeships are available for 16-24 year olds, which support them to develop the necessary skills to progress; The [Apprenticeship Support and Knowledge \(ASK\)](#) project gives schools the information and support to promote apprenticeships; and the '[Opportunities Through Apprenticeships](#)' project has commissioned research into the take up of level 2 and level 3 standards. We will update on this work in six months.

**3: PAC conclusion: *The Department's approach to widening participation among under-represented groups has been inadequate.***

**3a: PAC recommendation: *The Department should set more stretching diversity targets, covering BAME (black, Asian and minority ethnic) apprentices and those with a learning difficulty, disability or health problem, for 2020/21 and beyond.***

3.1 The Government agrees with the Committee's recommendation.

**Target implementation date: December 2021**

3.2 The Government has made it easier for people with a learning disability or health problems to start an apprenticeship, providing additional funding for apprentices, employers and providers, and is running projects to support employers, raise awareness and change attitudes. For example, through the [Five Cities](#) project the Department has intervened in areas with a high black, Asian and minority ethnic (BAME) population to increase apprenticeships starts amongst this group as well as taking action at a national level. As a result, the Department has made good progress towards achieving its targets. In the first half of 2018-

19 11.1% of starts (23,700) were by people of BAME backgrounds and 11.9% of starts (25,500) by those reporting a learning difficulty or disability.

3.3 The Department has high aspirations for widening participation in apprenticeships beyond 2020 as it moves into the next phase of the programme, embedding reforms to ensure that apprenticeships deliver high quality outcomes for employers and apprentices. After the spending review, the Department will set out a new business case and review and update its benefits realisation strategy, resetting the programme's ambitions and measures, including widening participation and improving social mobility. It will be for Ministers to decide these, reflecting that it is employers who make decisions about which apprentices they employ.

**3b: PAC recommendation: *In the absence of targets relating to gender, The Department should evaluate the impact of its efforts to attract more women into STEM apprenticeships and report to us within six months on how it plans to address under-representation.***

3.4 The Government agrees with the Committee's recommendation.

**Target implementation date: November 2019.**

3.5 As set out in the Treasury Minute response to the Committee's 47th report (of Session 2017–19) [Delivering STEM skills for the economy](#), apprenticeships reflect wider issues of female representation in STEM (science, technology, engineering and mathematics). Government is taking action to address gender imbalance concerns across all educational phases, including encouraging women towards a STEM career from an early age, careers advice in schools and working with industry to challenge traditional perceptions.

3.6 Because apprenticeships are jobs, employers make decisions about which apprenticeships to offer and who to employ. The Department is working to influence employer recruitment practices and use available incentives and mechanisms to improve gender representation in apprenticeships. These include:

- making changes to remove systemic barriers, for example making it possible to do part-time apprenticeships; improving childcare provision; and making a range of STEM apprenticeship opportunities available through new Standards.
- promoting better gender representation amongst employers in industries where improvement is needed through the [Apprenticeships Diversity Champions Network](#). Members are trialling new approaches to attract, recruit and retain female apprentices and share what works.
- prominently featuring women in STEM occupations such as building service design engineer, crime scene manager and food science in the [Fire It Up Apprenticeships](#) campaign. Women in STEM is a priority for Phase Two.
- engagement with employers and others, including New Scientist, BT and Network Rail, to extend learning around STEM subjects beyond the classroom and through the Young Apprentice Ambassadors programme.

3.7 The Department's evaluation will consider the impact of these activities and whether it is making full use of other government efforts to improve the number of women in STEM occupations.

**4: PAC conclusion: *The programme is not supporting smaller employers well enough.***

**4 PAC recommendation: *The Department should set out how it will ensure that smaller employers can benefit fully from the programme, including considering whether to protect funding for non-levy-paying employers and assessing the feasibility of deploying expired levy funds to support skills development in particular parts of the country.***

4.1 The Government agrees with the Committee's recommendation.

**Target implementation date: December 2021**

4.2 The Department agrees with the Committee that the apprenticeship programme must work for employers of all sizes.

4.3 The Department has committed to giving smaller employers more control over their apprenticeships. During 2020, all employers should be able to access training provision and funding for apprenticeships when they need it through the ESFA's digital apprenticeship service. This will see an end to funding for apprenticeships controlled through government contracts with providers.

4.4 Steps the Department has already taken to support small and medium-sized employers include:

- reducing the amount that non-levy paying employers contribute towards training and assessment costs from 10% to 5%;
- increasing the amount that levy-paying employers can transfer to other employers, including smaller employers, to 25%;
- continuing to work across regions, sectors and with employers of all sizes to consider how apprenticeships can support their needs; and
- providing support through [apprenticeships.gov.uk](https://www.apprenticeships.gov.uk), the ESFA YouTube channel and the National Apprenticeships Helpdesk.

4.5 It is not feasible to deploy employers' expired levy funds in the way the Committee suggests. The budget the Department receives pays for the entirety of the apprenticeships programme – this includes apprenticeships for levy-paying and smaller employers, apprenticeships started in previous years and apprentice, employer and provider support payments. This budget is distinct from the available funds which appear in levy-paying employers' accounts, so when funds expire it does not increase the department's budget or reduce its financial commitment for apprenticeships. HM Treasury is closely involved in decisions on the availability of apprenticeships funding for smaller employers.

**5: PAC conclusion: *Too many apprentices are being trained by sub-standard providers.***

**5: PAC recommendation: *The ESFA should evaluate the impact of its interventions with failing providers that fall short of contract termination and report its findings to us within six months.***

5.1 The Government agrees with the Committee's recommendations

**Target implementation date: November 2019**

5.2 Ensuring provider quality, compliance and effectiveness are core objectives for ESFA, working closely with Ofsted, which regulates the quality of apprenticeship training providers. The ESFA has new teams dedicated to management and oversight of providers and is focusing on early detection of problems and the prevention of failure. These teams are improving the systems and processes to detect and prevent non-compliance with Funding Rules and Contracts and taking swift action when detected.

5.3 The refreshed *Register of Apprenticeship Training Providers* (ROATP) requires providers to demonstrate 12 months' active trading, financial stability, being skilled in training, and ability to deliver quality apprenticeships. Current registered providers must re-apply and will be removed if unable to prove their competence and sustainability.

5.4 Good progress is being made to minimise apprenticeship provider failure and implement effective intervention when it happens, including:

- publishing details of policies that strengthen the Department's oversight of both [colleges](#) and [independent training providers](#) following an evaluation of the system since changes in 2013.
- implementing a new risk-based contract management framework for providers which monitors financial health, recruitment/growth trends and compliance, triggers action where issues arise, and manages all new market entrants to prevent unsustainable growth.
- reviewing the apprenticeship 'minimum standard' intervention measure and, from August 2020,



implementing a better accountability measure to give early sight of performance issues *during* the apprenticeship, rather than waiting for an annual publication before intervening.

- introducing real-time feedback from employers and apprentices through the apprenticeship service, enabling employers and apprentices to see the quality and experiences of others and providing ESFA with an early indicator of where to investigate.
- increased funding for Ofsted to visit new level 2-5 apprenticeship providers within 24 months of their funding start date and signalling what good provision looks like to other providers.

5.5 The Department will evaluate the impact of its interventions and report its findings.

**6: PAC conclusion: *We do not have confidence in the arrangements for assessing apprentices at the end of their apprenticeship.***

**6a: PAC recommendation: *The ESFA and the Institute for Apprenticeships and Technical Education should write to us within six months to:***

- ***provide more detail about the coverage and capacity of end-point assessment organisations; specifically, they should set out the coverage by region and how many apprenticeship standards have only one assessment organisation.***

6.1 The Government agrees with the Committee's recommendation.

**Target implementation date: November 2019**

6.2 At the Committee hearing Eileen Milner, ESFA Chief Executive, reiterated the Department's commitment to ensuring apprentices can access a quality independent end-point assessment (EPA). Independent EPA of good quality is a critical pillar of the apprenticeship reforms and gives confidence that a learner is competent in the occupation.

6.3 The Institute and ESFA are building better mechanisms to share information (including with End Point Assessment Organisations - EPAOs) to support the growing market. That includes improving transparency and connections between EPAOs, employers and training providers on the apprenticeships service. The Institute has committed to supporting trailblazer groups to work with potential EPAOs from the beginning of the standards development process to secure, where possible, an 'agreement in principle' from at least one EPAO to deliver for each standard. The ESFA and the Institute have agreed that the ESFA will not allow apprentices to begin learning on a new standard until it has a statement of intent to apply to deliver EPA for that standard from at least one EPAO. In June 2019, the Department gave notice of this change and will fully implement it by October 2019.

6.4 The Department will write to the Committee within six months to share analysis of EPAO coverage and capacity by region, including where only one EPAO is in the market for a given standard. It is worth noting that for some standards, there will only ever be one EPAO for regulatory reasons, or because learner volumes are insufficient to support competition in the market.

**6b: PAC recommendation: *The ESFA and the Institute for Apprenticeships and Technical Education should write to us within six months to:***

- ***set out what they will do to streamline and strengthen quality assurance arrangements in order to give greater confidence that end-point assessments are robust, fair and consistent.***

6.5 The Government agrees with the Committee's recommendation.

**Target implementation date: November 2019**

6.6 The [Institute for Apprenticeships and Technical Education](#) is the sole body with the statutory responsibility to ensure that end-point assessments are high quality through a process of external quality assurance (EQA).

6.7 Arrangements are already in place to ensure there is EQA over each end point assessment. The Institute will be launching a new EQA framework and digital service by 1 August 2019 for all EQA providers to follow. This will ensure that the current EQA process is able to give government, employers and apprentices confidence that end-point assessment is providing a robust and reliable assessment of occupational competence.

6.8 The Department agrees that the simplification of the current arrangements should be explored, as the number of apprentices increases, to ensure that there is adequate oversight of all apprenticeship standards and clear lines of accountability. The Institute is to work with Ofqual and the Office for Students over the coming months to develop plans to simplify further and optimise the current delivery arrangements.

6.9 The Institute and ESFA will write to the Committee as requested on progress in introducing the new strategic framework for EQA and the simplification of EQA delivery.

## Treasury Minutes Archive<sup>1</sup>

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

### Session 2017-19

Committee Recommendations: 598  
Recommendations agreed: 543 (91%)  
Recommendations disagreed: 55 (9%)

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

### 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 <sup>2</sup>	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

<sup>1</sup> List of Treasury Minutes responses for Sessions 2010-15 are annexed in the Government's response to PAC Report 52

<sup>2</sup> Report 32 contains 6 conclusions only.

## Session 2015-16

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

<b>Publication Date</b>	<b>PAC Reports</b>	<b>Ref Number</b>
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 are the Government's response on the implementation of recommendations from the Committee of Public Accounts. Treasury Minutes Progress Reports are Command Papers laid in Parliament.

Publication Date	PAC Reports	Ref Number
January 2012	Session 2010-12: updates on 13 PAC reports	Cm 8271
July 2012	Session 2010-12: updates on 28 PAC reports	Cm 8387
February 2013	Session 2010-12: updates on 31 PAC reports	Cm 8539
July 2014	Session 2010-12: updates on 60 PAC reports Session 2012-13: updates on 37 PAC reports	Cm 8899
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
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
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
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
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 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
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
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 <sup>3</sup>	CP70

<sup>3</sup> Contains updates on Treasury Minutes – Session 2017-19 – up to October 2018

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