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## DAO 04/19

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Dear Accounting Officer

### UPDATE TO MANAGING PUBLIC MONEY ANNEXES

This letter informs departments of updates to certain Managing Public Money (MPM) annexes.

#### Contact

Please address enquiries to [TOAEnquiries@hmtreasury.gov.uk](mailto:TOAEnquiries@hmtreasury.gov.uk)

#### Action

Each Accounting Officer should ensure that his or her staff are aware of the revised version of MPM, which applies to arms' length bodies as well as to their sponsor departments.

#### Context

Public sector organisations should note that the MPM annexes on the gov.uk website have now been updated. This is in line with normal practice of making periodic revisions to the MPM annexes. The main changes are noted in the annex attached to this letter. The revision also includes various corrections of grammar and cross-references, which does not affect the sense of the document, and correction of out of date weblinks.



David Fairbrother

Treasury Officer of Accounts

### **Annex 3.1: Governance Statement**

Localism section renamed and amended to reflect the introduction of Accounting Officer system statements (A3.1.12-A3.1.14)

### **Annex 4.10: Losses and write offs**

Clarification of the circumstances under which a loss should be reported in an entity's Annual Report (A4.10.2 and Box A4.10A)

### **Annex 4.12: Gifts**

Bullet point added to distinguish between true gifts and policy programmes delivered in part in kind (A4.12.2)

### **Annex 4.15: Asset management**

Section added to reflect HM Treasury's Asset Sales Guidance published earlier in 2019 (A4.15.11)

Paragraph added to clarify scope of the overage provisions for public sector transfers and deletion of requirement to split gains equally following recent policy changes to promote the development of housing (A4.15.15)

### **Annex 5.1 – Grants**

Paragraph added to reflect Cabinet Office Grant Standards (A5.1.7)

Paragraph added to state that responsibility for grants lies with the Accounting Officer whose budget it is being paid from (A5.1.11)

### **Annex 5.4 – Contingent liabilities**

Title of chapter amended to align with other references

Paragraph added to reflect the Contingent Liability Approval Framework guidance published by HM Treasury in 2017 (A5.4.15)

Paragraph added to reflect that the Parliamentary notification process is only usually required where a contingent liability is a result of an active policy decision that MPs may wish to object to, rather than purely external factors (A5.4.30)

### **Annex 5.6 – Banking and managing cash**

A number of changes have been made to reflect updated process and guidance on Government Banking