



HM Treasury

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Dear Accounting Officer

MANAGING PUBLIC SECTOR KNOWLEDGE ASSETS

Contact

Please address enquiries to KAguidance@beis.gov.uk

Action

All Accounting Officers should be aware of the guidance referenced below and take appropriate action.

Context

HM Treasury and the Department for Business, Energy and Industrial Strategy (BEIS) are today soft launching draft guidance¹ to support the management of public sector intangible assets - also known as knowledge assets. Knowledge assets include intellectual property, data, software, expertise and know-how. This new guidance focuses on how to identify, protect and exploit these assets in order to maximise the social, economic and financial value they generate. Knowledge assets can have considerable value and impact beyond their original purpose, and so exploiting these assets is a part of good asset management (see Annex 4.15 of *Managing Public Money* (MPM) for guidance on Asset Management).

The new draft guidance recommends that organisations undertake the following.

- **Develop a strategy for managing their knowledge assets.** *Managing Public Money* sets expectations for organisations to have an appropriate asset management strategy in

¹ ['Draft guidance on knowledge assets in government'](#), HM Treasury, 2021

place, and any kind of public sector asset such as physical and intangibles can and should be considered. Therefore, a knowledge asset management strategy could integrate into the organisation's asset management strategy. This is important for the efficient and effective use of resources, and such a strategy could be tailored to each organisation's core activities.

- **Appoint a Senior Responsible Officer (SRO) for knowledge assets** who has clear responsibility for the organisation's knowledge asset management strategy. For organisations with a large stock of knowledge assets, the SRO should be a senior official. In the first instance, the role of the SRO may fall to the person responsible for the organisation's overarching asset management strategy. But in some cases, it may be more appropriate for another person to be designated as SRO, such as a senior person in the area of business which is the most knowledge asset intensive in the organisation.

Further detail and advice on the delivery of these actions is provided in the draft guidance. The draft guidance has been structured to support a range of audiences, from senior officials to practitioners working through the detail. The soft launch phase is expected to last six months, and the draft guidance is published alongside a HM Treasury report "Getting smarter: a strategy for knowledge & innovation assets in the public sector".²

During 2021, organisations will be invited to test the guidance and provide feedback. Engagement events on the document will be organised in due course as well as teach-in sessions to provide potential SROs and subject leads (such as commercial, finance, policy, and technology) with improved understanding of intellectual property and knowledge assets. The Knowledge Assets team plan to refine the document in response to feedback, before hard launching the document later in 2021. After this point, organisations should begin to appoint SROs and develop a knowledge asset management strategy in line with the guidance. However, organisations may also do this before then on the basis of the draft guidance.



David Fairbrother
Treasury Officer of Accounts

² ['Getting smarter: a strategy for knowledge & innovation assets in the public sector'](#), HM Treasury, 2021