



HM Treasury

# **Whole of Government Accounts summary**

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Presentation to FRAB 24<sup>th</sup> June 2021

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# Structure of presentation

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- WGA 2018-19 timetable and matters of interest
- 2019-20 challenges and timetable
- Stakeholders and users
- Planned improvements for 2019-20
- Next year: WGA 2020-21
- Questions

# WGA and usual timetable

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## What is WGA?

- A uniquely comprehensive view of the public sector's financial position and performance
- Audited by the NAO
- Consolidates the UK public sector in line with International Financial Reporting Standards
- WGA is made up of over 9,000 entities including central government departments, local authorities, devolved administrations, the NHS, academy schools and public corporations

# WGA 2018-19 timetable and matters of interest

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## Timetable for WGA 2018-19

June 2019	Central government accounts deadline
July / Sept 2019	Local authority accounts deadline
July 2019	Cycle 1 WGA data deadline (unaudited)
Sept 2019	Cycle 2 WGA data deadline (audited)
July 2020	WGA laid in Parliament

# WGA 2018-19 timetable and matters of interest

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## Matters of interest in WGA 2018-19

### Covid-19

- Summary of measures and potential financial implications within the Performance Report
- Further details of these measures included with the events after the reporting period note

### EU Exit

- Valuation of the financial settlement set out in the Performance Report
- Similar information included within the events after the reporting period note

# 2019-20 challenges and timetable

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## Challenges of WGA 2019-20

### Covid-19

- Delays to publication of Central Government accounts
- Exacerbated Local Authority accounts delays and audit issues

### OSCAR II

- Contributors learning new system
- Some teething problems identified as data submitted

# 2019-20 challenges and timetable

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## Timetable for WGA 2019-20

Sept 2020*	Central government accounts deadline
Nov 2020	Local authority accounts deadline
Sept 2020	Cycle 1 WGA data deadline (unaudited)
Dec 2020*	Cycle 2 WGA data deadline (audited)

**NB:** \* Last central government accounts published Jan 2021

\* Some Cycle 2 data for central government remains outstanding

# Stakeholders and users

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## Key stakeholders

### Public Accounts Committee

- Annual hearing on WGA
- Produce report making recommendations
- Private hearing to discuss improvements

### HMT Audit Committee

- Review WGA accounts before publication



# Stakeholders and users

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## Utilisation of WGA

- Balance Sheet Analysis
- Office for Budget Responsibility (OBR)
- NAO publications
- CIPFA publication
- Office of National Statistics (ONS)
- UK Government Investments (UKGI)
- Cabinet Office (esp re: public bodies)

# Planned improvements for 2019-20

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## Update Performance Report to reflect best practice

- Carry out a full review against the principles set out in the Financial Reporting Review
- Emphasise these principles to contributors to ensure the document is cohesive in tone and content

# Planned improvements for 2019-20

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## Update Performance Report to reflect best practice

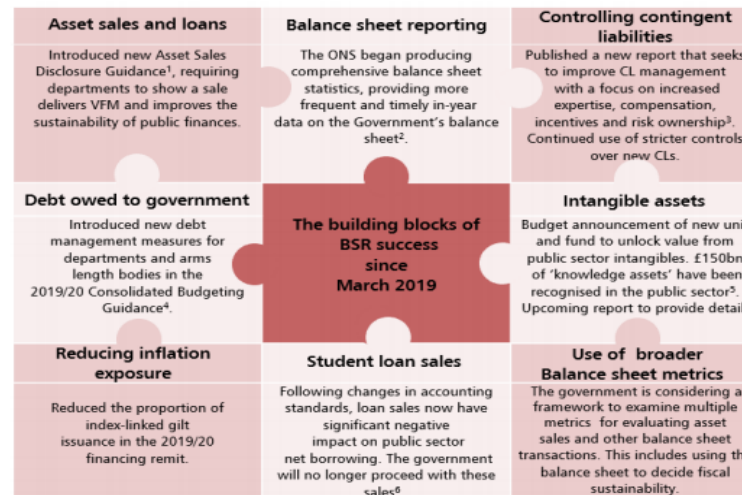
- Using clear language, design choices and graphics
  - Standing text will be reviewed to ensure it uses clear and simple language
  - Use of headings and subsections to allow users to easily find the specific information they require

# Planned improvements for 2019-20

## Update Performance Report to reflect best practice

- Visual presentation of data
  - Visual summaries of each key area to provide an effective overview
  - Infographics, rather than text, will be the primary way to present information

Chart 1.GG: Successes of the Balance Sheet Review in 2018-19 and 2019-20<sup>a</sup>



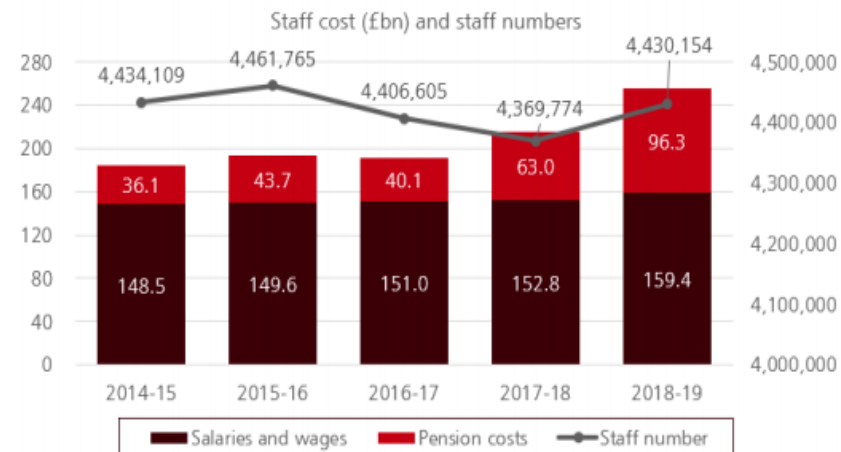
*Best practice example from WGA 2018-19*

# Planned improvements for 2019-20

## Update Performance Report to reflect best practice

- Presentation of context and trends, including use of 5 year trend data
  - Trend data will be included for all key figures, to place the movement from 2018-19 in context

Chart 1.CC: Staff cost and staff numbers over time



Best practice example from WGA 2018-19

# Planned improvements for 2019-20

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## Public Accounts Committee recommendations

- Include estimated expenditures on EU Exit and Covid-19
- Set out HMT's approach to managing fiscal risk, including in the Local Government sector
- Draw on OBR projections to bring a forward-looking element into the Performance Report, and give additional context to key liabilities
- Present a snapshot of the work of the Government Finance Function

# Planned improvements for 2019-20

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## HMT Audit Committee areas of interest

- Maturity of debt
- Maturity of provisions
- Effect of future interest rate movements
- Climate change

# Next year: WGA 2020-21

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## Plan for WGA 2020-21

- Timetable will again be impacted by:
  - Central government departments laying accounts later than usual
  - Ongoing issues with timely production of local authority accounts
- Planned improvements:
  - Improve the experience for users, including by updating and improving the Data Collection Tool
  - Consolidation and audit timetable will be brought forward with the hope of publishing earlier than 2019-20 (subject to timely data)



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**Any Questions?**