



HM Treasury

## Financial Reporting Advisory Board

### User and Preparer Advisory Group update

Issue:	To provide the Board with a summary of the seventh meeting of the User and Preparer Advisory Group held on 8th March 2023.
Impact on guidance:	N/A
IAS/IFRS adaptation?	N/A
Impact on WGA?	N/A
IPSAS compliant?	N/A
Interpretation for the public sector context?	N/A
Impact on budgetary and Estimates regimes?	N/A
Alignment with National Accounts	N/A
Recommendation:	The Board is invited to note the discussion points from the seventh meeting of the User and Preparer Advisory Group.
Timing:	Ongoing.

#### DETAIL

#### **Background**

1. The User and Preparer Advisory Group is a forum for users and preparers of government financial reporting to discuss developments within the financial reporting landscape.
2. This meeting was the first meeting in 2023 and held on 8th March.
3. FRAB agreed there would be no direct governance relationship between FRAB and the Group, but that FRAB would receive sight of the discussion points from each meeting and the forward plan.

4. Discussion at the Board effectiveness review meeting on 6<sup>th</sup> November 2020, noted the importance of access to feedback from users and the User Preparer Advisory Group is one route of access.

### ***Summary and recommendation***

5. The Group received updates from HM Treasury on the progress of the performance report thematic review, the WGA and sustainability reporting. Members presented updates on the local government position and a paper on the usefulness of the WGA.
6. This was the new Chair - Maggie McGhee's - first meeting.
7. The Group shared feedback on the performance report thematic review, highlighting that the low engagement of reporting on future plans is unsurprising, additional guidance is needed on strategic enablers, low engagement on best practice recommendations may be a result of the pandemic, there is a drive to streamline performance sections and use signposting instead and that the burden of new sustainability reporting requirements needs to be considered.
8. The Group was informed of the local government position, covering areas such as the 2023-24 Code, IFRS 16 implementation, the CIPFA/LASAAC Strategic plan, infrastructure assets and the NAO report on local audit timeliness. The Group expressed concerns about the timeliness issues faced by local government.
9. The Group learnt that the 2020-21 WGA is on track to meet the pre-summer recess deadline, and also the number of DCT returns received for the 2021-22 WGA.
10. The Group received a presentation on the 'Usefulness of the WGA' from the academic member, David Heald. David explained to the Group that the purpose of his report is to show that the WGA is a useful document, whilst highlighting that there are areas of concern that need to be addressed.
11. HM Treasury discussed new sustainability reporting requirement proposals, covering TCFD reporting in central government and the wider public sector, including the scope, timetable and planned implementation.
12. The draft minutes from the meeting are shared with the Board below (Appendix 1) however, please note whilst these have been shared with the Group's members, they are still to be formally agreed by the User Preparer Advisory Group and are being shared in confidence. Once formally agreed by UPAG at the next meeting, they will be published on gov.uk.
13. The Board is invited to note the contents of this paper but is also invited to make any comments on the discussion points from the seventh meeting of the User and Preparer Advisory Group.