Treasury Minutes Progress Report

Update of the Government responses to the Committee of Public Accounts on Sessions 2010-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-19, 2019, 2019-21, 2021-2022 and 2022-23

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Updates of the Government responses to the Committee of Public Accounts on Sessions 2010-12 to 2022-23

This publication reports on progress towards implementing recommendations from the Committee of Public Accounts that have been accepted by Government.

This is the 18th edition in the series of progress reports since Session 2010-12. Further details of earlier responses to the Committee's recommendations can be found within the reports listed under the relevant reports heading for each report.

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2010-12

Reports completed

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1	Support to incapacity benefits claimants through pathways to work
2	Delivering multi-role tanker aircraft capability
3	Tackling equalities in life expectancy in areas with the worst health and deprivation
4	Progress with value for money savings and lessons for cost reduction programmes
5	Increasing passenger rail capacity
6	Cafcass's response to increased demand for its services
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8	Customer First Programme: delivery of student finance
9	Financing PFI projects in the credit crisis and the Treasury's response
10	Managing the defence budget and estate
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12	Central Governments use of consultants and interims
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16	Ministry of Justice Financial Management
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23	Major Projects Report 2010
24	Delivering the cancer reform strategy
25	Reducing errors in the benefits system

26	Management of NHS hospital productivity
27	Managing civil tax investigations
28	Accountability for public money
29	BBC's management of its digital media initiative
30	Management of the Typhoon Project
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33	NHS Landscape Review
34	Immigration: the points-based system – work routes
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36	Regulating financial sustainability in higher education
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38	Impact of the 2007-08 changes to public service pensions
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41	Regulating Network Rails efficiency
42	Getting value for money from the education of 16-18 year olds
43	Use of information to manage the defence logistics supply chain
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46	Transforming the NHS ambulance services
47	Reducing the costs in the Department for Work and Pensions
48	Spending reduction in the Foreign and Commonwealth Office
49	Efficiency and Reform Group's role in improving public sector value for money
50	Failure of the FiRe Control Project
51	Independent Parliamentary Standards Authority
52	Department for International Development Financial Management
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54	Protecting consumers: the system for enforcing consumer law
55	Formula funding of local public services

56	Providing the UK's carrier strike capability
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60	Achievement of Foundation Trust status by NHS hospital trusts
61	HM Revenue and Customs 2010-11 Accounts: tax disputes
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63	Preparations for the roll-out of smart meters
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68	Major Projects Report 2011
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70	Oversight of special education for young people aged 16-25
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72	Services for people with neurological conditions
73	BBC's Efficiency Programme
74	Preparations for the 2012 London Olympic and Paralympic Games
75	Ministry of Justice Financial Management
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83	Child Maintenance and Enforcement Commission: structured cost reduction
84	Adult Apprenticeships

85	Department for Work and Pensions: introduction of the Work Programme
86	Free entitlement to education for 3 and 4 year olds
87	HM Revenue and Customs Compliance and Enforcement Programme
88	Managing the change in the defence workforce

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2012-13

Reports completed

#	Report Title
1	Government Procurement Card
2	Mobile technology in policing
3	Efficiency & reform in Government corporate functions through shared service centre
4	Completion and sale of High-Speed 1
5	Regional Growth Fund
6	Renewed alcohol strategy
7	Immigration: the points-based system – student route
8	Managing early departures in central Government
9	Preparations for the London 2012 Olympic and Paralympic Games
10	Implementing the transparency agenda
11	Improving the efficiency of central government office property
12	Off payroll arrangements in the public sector
13	Financial viability of the housing sector: introducing Affordable Home Programme
14	Assurance for major projects
15	Preventing fraud in contracted employment programmes
16	Securing the future financial sustainability of the NHS
17	Management of diabetes in the NHS
18	Creation and sale of Northern Rock
19	HMRC Annual Report and Accounts 2011-12
20	Offshore electricity transmission: a new model for delivery infrastructure
21	Ministry of Justice language service contract

22	BBC: Off payroll contracting and severance package for the Director General
23	Contract management of medical services
24	Nuclear Decommissioning Authority: managing risk at Sellafield
25	Funding for local transport: an overview
26	Multilateral Aid Review
27	HM Treasury Annual Report and Accounts 2011-12
28	Franchising Hinchingbrooke Health Care Trust / Peterborough & Stamford Hospitals
29	Tax avoidance: tackling marketed avoidance schemes
30	Excess Votes 2011-12
31	Lessons from cancelling the Intercity West Coast franchise competition
32	Managing the defence inventory
33	Work Programme outcome statistics
34	Managing budgeting in Government
35	Restructuring the National Offender Management Service
36	HM Revenue and Customs customer service
37	Whole of Government Accounts 2010-11
38	Managing the impact of housing benefit reform
39	Progress in making NHS efficiency savings
40	London 2012 Olympic and Paralympic Games: post games review
41	Managing the expansion of the Academies Programme
42	Planning economic infrastructure
43	Report number not used by the Committee
44	Tax avoidance: the role of large accountancy firms

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2013-14

Updates on reports with outstanding recommendations

Reports completed

#	Report Title
1	Equipment Plan 2012-2022 and Major Projects Report 2012
2	Early Action Landscape Review
3	Financial Sustainability of Local Authorities
4	Tax Credits error and fraud
5	Responding to change in Jobcentres
6	Improving Government procurement and the impact of Governments ICT savings initiatives
7	Cup Trust and tax avoidance
8	Regulating consumer credit
9	Tax avoidance – Google
10	Redundancy and severance payments
12	Capital funding for new school places
13	Civil Service Reform
14	Integration across Government / Whole Place Community Budgets
15	Provision of the out of hours GP service in Cornwall
16	FiReControl – update report
17	Administering the Equitable Life Payment Scheme
18	Carrier Strike: the 2012 reversion decision
19	Dismantled National Programme for IT in the NHS
20	BBC’s move to Salford
21	Police procurement
22	High Speed 2 – a review of early programme preparation
23	Progress in tackling tobacco smuggling
24	Rural Broadband Programme

25	Duchy of Cornwall
26	Progress in delivering the Thameslink Programme
27	Charges for Customer telephone lines
28	Fight against Malaria
29	New Homes Bonus
30	Universal Credit – early progress
31	Border Force – securing the future
32	Whole of Government Accounts 2011-12
33	BBC severance packages
34	HMRC Tax Collection: Annual Report and Accounts 2012-13
35	Access to clinical trial information and the stockpiling of Tamiflu
36	Confidentiality clauses and special severance
37	Supporting UK exporters overseas
38	Improving access to finance for small and medium sized enterprises
39	Sovereign Grant
40	Maternity services in England
41	Gift Aid and other tax reliefs on charitable donations
42	Regulatory effectiveness of the Charity Commission
43	Progress at Sellafield
44	Student Loan repayments
45	Excess Votes 2012-13
46	Emergency admissions – managing the demand
47	Contracting out public services to the private sector
48	Local Council Tax support
49	Confiscation Orders
50	Rural Broadband Programme
51	Programmes to help families facing multiple challenges
52	BBC Digital Media Initiative
53	Managing the prison estate
54	COMPASS – provision of asylum accommodation

55	NHS waiting times for elective care in England
56	Establishing free schools
57	Ministry of Defence Equipment Plan 2013-2023 and major Projects Report 2013
58	Probation Landscape Review
59	Criminal Justice System
60	Promoting economic growth locally
61	Education Funding Agency and the Department for Education 2012-13 Financial Statements

Eleventh Report of Session 2013-14

Department of Health and Social Care

Managing NHS hospital consultants

Introduction from the Committee

NHS consultants, the majority of which work in hospitals, treat patients, manage clinical work in hospitals and undertake work that benefits the NHS (for example, training future doctors). At September 2012, the NHS employed 40,394 consultants (38,196 on a full time equivalent basis) across a range of speciality areas, making up 4% of the NHS workforce. In 2011-12, the total employment cost of consultants was £5.6 billion, some 13% of NHS employment costs.

In October 2003, the Department introduced a new consultant contract with an explicit objective of increasing consultants' pay. In return the contract was intended to provide: a new career structure and remuneration package for consultants; a stronger contract framework to allow managers to better plan consultants' work; and better arrangements for consultants' professional development. By 2012, an estimated 97% of consultants were on the contract.

Relevant reports

- NAO report: Managing NHS hospital consultants – Session 2012-13 (HC 885)
- PAC report: Managing NHS hospital consultants - Session 2013-14 (HC 358) (incorporating HC 1030 of Session 2012-13)
- Treasury Minutes: September 2013 (Cm 8697)
- Treasury Minutes Progress Report: March 2015 (Cm 9034)
- Treasury Minutes Progress Report: July 2016 (Cm 9320)
- Treasury Minutes Progress Report: October 2017 (Cm 9506)
- Treasury Minutes Progress Report: January 2018 (Cm 9566)
- Treasury Minutes Progress Report: July 2018 (Cm 9668)
- Treasury Minutes Progress Report: March 2019 (CP 70)
- Treasury Minutes Progress Report: February 2020 (CP 221)
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: Correspondence published 30 June 2021
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the recommendations below remained work in progress.

1: PAC conclusion: The significant increase in consultant pay did not improve productivity.

1: PAC recommendation: In its business case supporting any future renegotiation of the contract, the Department should set ambitious targets that deliver significant productivity growth.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 Revisions to the consultant contract are not possible without collective agreement with trade unions. The government has met this objective insofar that it has, and continues to, retain an ambition to introduce contractual amendments that increase productivity throughout all conversations with trade unions.

1.3 As part of this, the Department of Health and Social Care (DHSC) has done some work to identify potential productivity improvements and efficiency savings from a renegotiated contract that would underpin any future business case should formal negotiations recommence at any point. This work looked at the impact of improved management practices; the removal of time served pay progression and the increasing of direct clinical care, as well as further measures.

1.4 In the absence of a multi-year deal within the near term, the government will remain open to considering opportunities to progress some elements of reform with a view to improving value for money and enhancing productivity.

2: PAC conclusion: The contract does not facilitate the provision of around-the-clock care and trusts continue to pay too much to secure work above contracted levels.

2: PAC recommendation: In order to improve services for patients, the department must ensure that any future contract is flexible enough to allow seven day working and should set a maximum limit on payments for additional work.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 Revisions to the consultant contract are not possible without collective agreement with trade unions. The government has met this objective insofar that it has, and continues to, consider contractual changes to support the delivery of a seven-day service for patients who have urgent and emergency care hospital requirements in discussions with trade unions. This includes looking at making the contract more amenable for relevant specialities as well as individuals with the most challenging working patterns.

2.3 It remains a DHSC ambition that consultants should be remunerated at nationally agreed rates, including for work conducted during hours that may currently be considered extra-contractual. The British Medical Association (BMA) has published a 'rate card', advocating very high extra-contractual rates of pay. While deciding upon remuneration levels that fall outside of the contract remains a judgement for employers, the rate card highlights the benefits of contractually limiting payments.

4: PAC conclusion: Consultants' performance is not managed effectively.

4: PAC recommendation: All trusts should improve the value for money of consultants by linking the achievement of job plan objectives and good clinical outcomes with the appraisal process and pay progression.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 Follow-on arrangements set out within the consultant contract came into effect in April 2022. These arrangements allow employers a significant degree of local flexibility in running their Local clinical excellence awards (LCEA) schemes to suit their own priorities. DHSC would expect this to include linking awards to the achievement of objective and good clinical outcomes. This is set to bring about improvements that will increase over time as employers further develop new award schemes. The first year of the new scheme is now completed and employers have therefore had the opportunity to develop their plans and start embedding new processes.

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2014-15

Reports completed

#	Report Title
1	Personal Independence Payment
2	Help to Buy equity loans
3	Tax reliefs
4	Monitor: regulating NHS Foundation Trusts
5	Infrastructure Investment: the impact on consumer bills
6	Adult social care in England
7	Managing debt owed to central Government
8	Crossrail
9	Whistleblowing
10	Major Projects Authority
11	Army 2020
12	Update on preparations on smart metering
13	Local government funding – assurance to Parliament
14	DEFRA: oversight of three PFI waste projects
15	Maintaining strategic infrastructure: roads
16	Early contracts for renewable electricity
17	Child Maintenance 2012 Scheme: early progress
18	HMRC progress in improving tax compliance and preventing tax avoidance
19	Centre of Government
20	Reforming the UK border and immigration system
21	Work Programmes
22	Out of hours GP services in England
23	Transforming contract management
24	Procuring new trains
25	Funding healthcare – making allocations to local areas
26	Whole of Government Accounts
27	Housing benefit fraud and error

28	Lessons from major rail infrastructure programmes
29	Foreign National Offenders
30	Managing and replacing the Aspire contract
31	16-18-year-old participation in education and training
32	School oversight and intervention
33	Oversight of the Private Infrastructure Development Group
34	Financial sustainability of local authorities
35	Financial sustainability of NHS bodies
36	Implementing reforms to civil legal accountancy firms
37	Planning for the Better Care Fund
38	Tax avoidance: the role of large accountancy firms (follow up)
39	UK's response to the outbreak of Ebola virus disease in West Africa
40	Excess Votes 2013-14
41	Financial support for students at alternative higher education providers
42	Universal Credit
43	Public Health England's grant to local authorities
44	Children in care
45	Progress in improving cancer services and outcomes in England
46	Update on Hinchingbrooke Health Care NHS Trust
47	Major projects Report 2014 and the Equipment Plan 2014 to 2024 and reforming defence acquisition
48	Strategic flood risk management
49	Effective management of tax reliefs
50	Improving tax collection
51	Care services for people with learning disabilities and challenging behaviour
52	Work of the Committee of Public Accounts
53	Inspection in home affairs and justice

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2015-16

Reports completed

#	Report Title
1	Financial sustainability of police forces in England and Wales
2	Disposal of public land for new homes
3	Funding for disadvantaged pupils
4	Fraud and error stocktake
5	Care leavers transition to adulthood
6	HM Revenue and Customs performance in 2014-15
7	Devolving responsibilities to cities in England: Wave 1 City Deals
8	Government's funding of Kids Company
9	Network Rail 2014-2019 rail investment
10	Care Act – first phase reforms and local government burdens
11	Strategic financial management in defence and military flying training
12	Care Quality Commission
13	Overseeing the financial sustainability in the further education sector
14	General Practice Extraction Service
15	Economic regulation of the water sector
16	Sale of Eurostar
17	Management of adult diabetes services in the NHS: progress review
18	Automatic enrolment to workplace pensions
19	Universal Credit – progress review
20	Cancer Drugs Fund
21	Reform of the Rail Franchising Programme
22	Excess Votes 2014-15
23	Financial sustainability of fire and rescue services
24	Services to people with neurological conditions: progress review
25	Corporation Tax Settlements
26	Common Agricultural Policy Delivery Programme
27	e-borders and successor programmes

28	Access to general practice
29	Making whistleblowing policy work
30	Sustainability and financial performance of acute hospital trusts
31	Delivering major projects in Government
32	Transforming contract management: progress review
33	Contracted out health and disability assessments
34	Tackling tax fraud
35	Department for International Development – responding to crisis
36	Use of consultants and temporary staff
37	Financial management of the European Union budget in 2014
38	Extending the Right to Buy to Housing Association tenants
39	Accountability to Parliament for taxpayers' money
40	Managing the supply of NHS clinical staff in England
41	Financial services mis-selling regulation and redress
42	Government spending with small and medium sized enterprises

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2016-17

Reports completed

#	Report Title
1	Efficiency in the criminal justice system
2	Personal budgets in social care
3	Training new teachers
4	Entitlement to free early years education and childcare
5	Capital investment in science projects
6	Cities and local growth
7	Confiscation Orders – progress review
8	BBC critical projects
9	Service family accommodation
11	Household energy efficiency measures
12	Discharging older people from acute hospitals
13	Quality of service to personal taxpayers and replacing the Aspire contract
14	Progress with preparations for High Speed 2
15	BBC World Service
16	Improving access to mental health services
17	Transforming rehabilitation
18	Better regulation
19	Analysis of the government's balance sheet
20	Shared service centres
21	Oversight of arm's length bodies
22	Progress with the disposal of public land for new homes
23	Universal Credit / Fraud and Error – progress review
24	Sale of former Northern Rock assets
25	Uniting Care Partnership contract
26	Financial sustainability of local authorities
27	Managing government spending and performance
28	Apprenticeship Programme

29	HM Revenue and Customs performance in 2015-16
30	St Helena Airport
31	Child protection
32	Devolution in England: governance, financial accountability and following the taxpayer pound
33	Troubled families – progress review
34	Syrian Vulnerable Persons Resettlement Programme
35	Upgrading emergency service communication
36	Collecting tax from high-net-worth individuals
37	NHS treatment of overseas patients – progress update
38	Protecting information across government
39	Consumer funded energy prices
40	Progress on the Common Agricultural Policy Development Programme
41	Excess Votes 2015-16
42	Benefit sanctions
43	Financial sustainability of the NHS
44	Modernising the Great Western Railway
45	Delivering restoration and renewal
46	National Citizen Service
47	Delivering the Defence Estate
48	Crown Commercial Service
49	Financial sustainability of schools
50	UKTI and the contract with PA Consulting
51	HMRC’s contract with Concentrix
52	Upgrading emergency services communications - recall
53	HMRC estate
54	DFID: investing through CDC
55	Tackling overseas expenditure
56	Defence Equipment Plan
57	Capital funding for schools
58	Local support for people with a learning disability

59	BBC licence fee
60	Integration of health and social care
61	Access to general practice – progress review
62	NHS ambulance services
63	Housing – state of the nation
64	Carbon capture and storage

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2017-19

Updates on reports with outstanding recommendations

Reports completed

	Report Title
1	Tackling online fraud and error
2	Brexit and the future of customs
3	Hinkley Point C
4	Clinical correspondence handling at NHS Shared Business Services
6	Growing threat of online fraud
7	Brexit and the UK border
8	Mental health in prisons
9	Sheffield to Rotherham tram-trains
10	High Speed 2: Annual Report and Accounts
11	Homeless households
12	HMRC Performance in 2016/17
13	NHS continuing healthcare funding
14	Delivering Carrier Strike

16	Government borrowing and the Whole of Government Accounts
17	Retaining and developing the teaching workforce
18	Exiting the European Union
19	Excess Votes 2016-17
20	Update on the Thameslink Programme
21	Nuclear Decommissioning Authority’s Magnox contract
23	Alternative higher education providers
24	Care Quality Commission: regulating health and social care
25	Sale of the Green Investment Bank
26	Governance and departmental oversight of the Greater Cambridge Greater Peterborough Local Enterprise Partnership
27	Government contracts for community rehabilitation companies
28	Ministry of Defence: acquisition and support of defence equipment
29	Sustainability and transformation in the NHS
30	Academy schools’ finances
31	Future of the National Lottery
32	Cyber-attack on the NHS
33	Research and development funding across Government
34	Exiting the European Union: Department for Business, Energy and Industrial Strategy
35	Rail franchising in the UK
37	Exiting the European Union: Department for Environment, Food and Rural Affairs and Department for International Trade
38	Adult Social Care Workforce in England
39	Defence Equipment Plan 2017-2027
40	Renewable Heat Incentive in Great Britain
41	Government risk assessments relating to Carillion
42	Modernising the Disclosure Barring Service
43	Clinical correspondence handling in the NHS
44	Reducing emergency admissions
45	Higher education market
46	Private Finance Initiative

47	Delivering STEM skills for the economy
48	Exiting the EU: the financial settlement
49	Progress in tackling online VAT fraud
50	Financial sustainability of local authorities
51	BBC commercial activities
52	Converting schools to academies
55	Employment and Support Allowance
56	Transforming courts and tribunals
57	Supporting Primary Care Services: NHS England's contract with Capita
59	Skills Shortages in the Armed Forces
60	Ofsted inspection of schools
61	MOD Nuclear Programme
62	Spending on generic medicines in primary care
63	Interface between health and adult social care
64	Universal Credit
65	Nuclear Decommissioning Authority: risk reduction at Sellafield
66	HMRC's performance in 2017-18
68	DEFRA's progress towards Brexit
69	Sale of Student Loans
70	Department for Transport's Implementation of Brexit
71	Department for Health and Social Care accounts
72	Mental Health Services for children and young people
73	Academy Accounts & Performance for year end 31 August 2017
75	Pre-appointment hearing – preferred candidate for Comptroller and Auditor General – No recommendations to answer
76	Local Government Spending
77	Defence Equipment Plan 2018-28
78	Improving Government planning and spending
79	Excess Votes 2017-18
80	Capita's contract with the Ministry of Defence
81	Rail Management and timetabling

83	Clinical Commissioning Groups
84	Bank of England’s central services – recommendations for BoE
86	Brexit and UK Border: further progress review
87	Renewing the East Enders set – recommendations for BBC
88	Transforming children’s services
89	Public cost of decommissioning oil and gas infrastructure
90	BBC Engagement with Personal Services – recommendations for BBC
91	NHS Financial sustainability: progress review
93	Disclosure Barring service progress review
94	Transformation rehabilitation progress review
95	Assessing Public Services through The Government Verify Digital System
97	Local government governance and accountability
98	The apprenticeships programme: progress review
99	Cyber Security in the UK
100	NHS waiting times for elective and cancer treatment
102	Military Homes
103	Planning and the broken housing market
104	Transport infrastructure in the south west
106	Eurotunnel and the UK border: out of court settlement with Eurotunnel
107	Consumer Protection
108	Emergency Services Network: further progress review
110	Sale of public land
111	Funding for Scotland, Wales and Northern Ireland
112	Brexit consultancy costs
113	Network Rail’s sale of railway arches
115	Penalty charge notices
116	English language tests for overseas students
117	The effectiveness of Official Development Assistance expenditure
118	Challenges in using data across Government

Fifth Report of Session 2017-19

Department of Health and Social Care / Ministry of Justice HM Treasury

Managing the costs of clinical negligence in hospital trusts

Introduction from the Committee

The NHS, including NHS trusts and foundation trusts are legally liable for any clinical negligence by their employees. Since 1995, NHS Resolution (the operating name of NHS Litigation Authority from April 2017) has provided indemnity cover for clinical negligence claims against trusts in England, through its Clinical Negligence Scheme for Trusts. The Department of Health oversees NHS Resolution and develops policy to manage the costs of clinical negligence. NHS Resolution is responsible for dealing with claims, including funding defence costs, and any legal costs or damages that become payable.

From 2006–07 to 2016–17, the number of clinical negligence claims registered with NHS Resolution each year doubled, from 5,300 to 10,600. Annual cash spending on the Scheme quadrupled over this period, from £0.4 billion to £1.6 billion. The estimated cost of settling future claims has risen from £51 billion in 2015–16 to £60 billion in 2016–17. There are two main factors contributing to the rising costs. First, increasing damages for a small but stable number of high-value, mostly maternity-related claims. These accounted for 8% of all claims in 2016–17, but 83% of all damages awarded. Second, increasing legal costs resulting from an increase in the number and average cost of low-value claims. Over 60% of successful claims resolved in 2016–17 had a value of less than £25,000.

Relevant reports

- NAO report: Managing the costs of clinical negligence in trusts - Session 2017-19 (HC 305)
- PAC report: Managing the costs of clinical negligence in hospital trusts – Session 2017-19 (HC 397)
- Treasury Minutes: March 2018 (Cm 9575)
- Treasury Minutes Progress Report: July 2018 (Cm 9668)
- Treasury Minutes Progress Report: March 2019 (CP 70)
- Treasury Minutes Progress Report: February 2020 (CP 221)
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minute Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)
- Correspondence to the PAC dated 11 May 2023

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation is updated below.

2: PAC conclusion: The Government has been slow and complacent in its response to the rising costs of clinical negligence.

2: PAC recommendation: The Department, the Ministry of Justice, and NHS Resolution must take urgent and coordinated action to address the rising costs of clinical negligence. This includes:

- ***Reviewing whether current legislation remains adequate, and reporting back to the Committee by April 2018;***
- ***Continuing to focus on actions to reduce patient harm, in particular, harm to maternity patients; and***
- ***Appraising further measures to reduce the legal costs of claims, for example whether mediation should be mandated for certain types of claims.***

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Autumn 2023
Original target implementation date: September 2018

2.2 In 2021-22 the total cost of clinical negligence claims managed by NHS Resolution was £2.4 billion. These rising costs are an important issue that government needs to tackle, and Ministers are considering next steps.

2.3 The government and the NHS have taken significant steps forward. In January 2022, the department published a consultation on the introduction of fixed recoverable costs for lower value clinical negligence claims to address high legal costs and streamline the claims-handling process. Responses are being considered and the department plans to publish its response to the consultation shortly.

2.4. Patient Safety remains a priority. In September 2022 the first Patient Safety Commissioner began her role. The Health Services Safety Investigations Body (HSSIB) will be established in October 2023 to investigate patient safety incidents in the NHS and independent sector. The delay in establishing HSSIB, originally planned for April 2023, will enable the smooth transition of the Healthcare Safety Investigations Branch (HSIB) to the new independent body. HSIB's maternity investigations programme will be hosted by the CQC from October 2023 instead of forming a Special Health Authority as announced in a Written Ministerial Statement on 30 March. For maternity services, £127 million invested in 2022 continues to focus on increasing the maternity workforce and improving neonatal care.

2.5 On 28 April 2022, the Health and Social Care Select Committee published its report from its inquiry into NHS litigation reform. The government welcomed this report and is assessing its findings and will respond in due course. The department's response will plan to address the residual points from this recommendation and in doing so conclude its implementation.

Thirty-Sixth Report of Session 2017-19

Home Office

Reducing modern slavery

Introduction from the Committee

Modern slavery encompasses slavery, servitude and compulsory labour and human trafficking. In 2014 the Home Office estimated that there were between 10,000 and 13,000 potential victims of modern slavery in the UK in 2013, and in 2013 it estimated that the overall social and economic cost to the UK of human trafficking for sexual exploitation alone was £890 million. The Department introduced the Modern Slavery Strategy in 2014 with the aim of significantly reducing the prevalence of modern slavery. This was followed by the Modern Slavery Act in 2015. While the Department is the policy lead for managing the UK's response to modern slavery, a range of public sector organisations are involved in delivering the strategy, alongside businesses and non-governmental organisations (NGOs). The Department funds and manages the process for identifying victims, known as the National Referral Mechanism. It also manages a contract for support services for potential victims of modern slavery in England and Wales, currently run by the Salvation Army.

Relevant reports

- NAO report Reducing Modern Slavery: Session 2017-19 (HC 630)
- PAC report Reducing Modern Slavery: Session 2017-19 (HC 866)
- Treasury Minutes: June 2018: (Cm 9643)
- Treasury Minutes: Progress Report: March 2019: (CP 70)
- Treasury Minutes: Progress Report: February 2020: (CP 221)
- Treasury Minutes Progress Report: November 2020 (CP 313
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation is updated below.

1: PAC conclusion: The Home Office has no means of monitoring progress or knowing if its Modern Slavery Strategy is working and achieving value for money

1: PAC recommendation: In order to effectively track whether its Modern Slavery Strategy is working and prioritise funding and activities, the Department should set targets, actions, a means of tracking resources, and clear roles and responsibilities within the programme and report back to the Committee by December 2018.

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: December 2018

1.2 The Home Office (the department) has continued to take steps to address this recommendation in a number of ways since its last update in December 2022, in order to allocate and track resources better and ensure value for money.

1.3 The department continues to track and publish key metrics on the threat of modern slavery, data from which is used to inform its response. For example, on 1 February, the government published data on migrants detected crossing the English Channel in small boats and published further analysis on 4 May showing how referrals may also come from asylum claims, small boat arrivals and those detained for return. On the key modern slavery measures in the Nationality and Borders Act 2022 that commenced on 30 January 2023, the department will monitor how these policies progress.

1.4 The Independent Child Trafficking Guardianship (ICTG) service is delivered by Barnardo's through a grant agreement with the Home Office. The purpose of an ICTG is to advocate on behalf of the child to ensure their best interests are reflected in the decision-making processes undertaken by the public authorities who are involved in the child's care. The ICTG service is formally monitored on a quarterly basis, with ongoing engagement with the service provider, to ensure it is delivering the outcomes for children and critical success factors in the grant agreement and providing value for money to the department. In addition, to date the department has commissioned three independent evaluations of the service.

1.5 The Home Office continues to invest in the Modern Slavery and Organised Immigration Crime Programme (formerly the Modern Slavery Police Transformation Programme) to support the police to improve the national response and drive forward work to increase modern slavery prosecutions. An additional £1.4 million was provided to the Programme in the 2022-23 financial year through grant funding arrangements and is subject to standard Home Office quarterly monitoring procedures.

Fifty-Third Report of Session 2017-19

Ministry of Defence

Ministry of Defence's contract with Annington Property Limited

Introduction from the Committee

The Ministry of Defence offers subsidised housing for its service personnel and their families as part of the overall remuneration package. In 1996, the Ministry of Defence sold 999-year head leases on 55,000 houses to Annington Property Limited (Annington) and then rented them back on 200-year underleases. The main purpose of the deal was to transfer ownership of the bulk of the married quarters estate to the private sector; secure funds for upgrading work and improve the management of the estate. Initially, the Department has received a 58% adjustment to open market rents for the first 25 years of the contract, which reflected among other things that it continued to have responsibility for maintaining the properties. However, the Department is between £2.2 billion and £4.2 billion worse off over the first 21 years of the contract than if it had retained ownership. This is largely because it has missed out on house price rises, which have been substantially higher than it predicted.

Relevant reports

- NAO report: Ministry of Defence's arrangement with Annington Property Limited Session 2017-19 (HC 762)
- PAC report: Ministry of Defence's contract with Annington Property Limited Session 2017-19 (HC 974)
- Treasury Minutes: October 2018 (Cm 9702)
- Treasury Minutes Progress Report: March 2019 (CP 70)
- Treasury Minutes Progress Report: February 2020 (CP 221)
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendations are updated below.

1: PAC conclusion: The Department's 1996 deal with Annington Property Limited provided little protection for taxpayers, who have lost billions of pounds, while enabling Annington to make excessive returns.

1: PAC recommendation: In its response to this report, the Government should confirm that all its future deals will contain effective protections for the taxpayer that were noticeably absent in this sale. In respect of the Annington deal, the Department must make the most of a bad situation. As well as securing the best possible outcome from the rent negotiations, it should work with Annington to extract the maximum value from the estate, including via estate development opportunities, options to release sites, and agreements around the use of utilities

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: November 2018

1.2 As previously reported, the Ministry of Defence (the department) closed the site rent review (SRR) and completed negotiations with Annington in December 2021. A Written Ministerial Statement was laid out in Parliament in January 2022, providing a full explanation of the outcome of the SRR and subsequent steps taken.

1.3 The test cases referenced in that Statement, plus test cases in relation to six further houses, are being pursued to explore the exercise of statutory leasehold enfranchisement rights by the department and establish the relevant legal principles. These test cases are the subject of wide-ranging legal challenges by Annington in multiple legal proceedings.

1.4 Annington Property Limited (APL) (and other group companies) have challenged the department's right to enfranchise in both the Chancery Division (with a property law challenge to the validity of the notices served) and in the Administrative Court (by way of a Judicial Review of the decision to serve the notices). Some of the grounds overlap in both sets of proceedings. The department is defending both sets of proceedings. The trial was held 13-17 February 2023 with Judgement being handed down on 15 May 2023 which saw the department succeeding on all grounds meaning that the department acted lawfully in seeking, successfully, to establish its right to enfranchisement.

1.5 No formal decision has yet been taken on further enfranchisement cases. The department will continue to review its estate to ensure value for money and will consider the High Court's decision, any further appeals and the potential implications for securing better value for money for the taxpayer. Defence continues to work closely with Annington and the department is focused on providing good quality, desirable homes for Service Personnel and their families

5: PAC conclusion: It is scandalous that the Department still holds so many empty properties at a time of a national housing shortage and has made almost no progress in 20 years in reducing the number.

5: PAC recommendation: The Department should develop a plan and timetable for reducing the number of empty properties to a more acceptable level, with a target of getting down to, at most, 10% voids in three years' time. It should write to the Committee with details of its plan by 30 November 2018.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: November 2026
Original target implementation date: March 2022

5.2 The 10% void target by March 2022 was agreed with the Committee in response to the PAC report: Ministry of Defence's contract with Annington Property Limited. The April 2023 Service Family Accommodation (SFA) void rate was 19.0%, or 9,084 of the 47,942 SFA properties within the department's UK portfolio.

5.3 The revised target date required the rate of disposals to increase to 1,000 in Financial Year 2022-23, and 2,200 in Financial Year 2023-24. This is based on an understanding that Private Rental Sector (PRS) housing would enable the release of significant numbers of SFA and would be used to absorb any increase in demand following the introduction of Tri-Service Accommodation Regulations-23 in October 2023 and associated widening of entitlement. However, in late 2022, the Future Accommodation Model (FAM) Sponsor Group agreed that

SFA should be used in the first instance to meet increased demand, with PRS housing only used where insufficient SFA exists.

5.4 The decision was therefore made to reduce disposal plans, otherwise significant numbers of SFA required under FAM, albeit not all until FOC in October 2026, would have been released. As a result, only 352 homes were disposed of in Financial Year 2022-23. Disposal targets for Financial Years 2023/24 and beyond will be built around meeting the minimum contractual hand-back requirement of 375 units to Annington Homes each year, and only at those sites where there is confidence that post-FAM demand will exceed current supply. Service Personnel behaviours under FAM will inform disposal plans, in terms of numbers and locations, going forward.

5.5 The department expects that FAM will significantly increase eligibility and demand for SFA from 31 October 2023, much of which will be satisfied by currently void SFA. The 10% void rate remains a valid target, but it is recommended that a revised achievement date of 1 November 2026 be adopted to allow SFA use to be increased incrementally following the introduction of FAM from 31 October 2023. The department will be writing to the Committee to confirm this revised target date.

Fifty-Eighth Report of Session 2017-19

Cabinet Office

Strategic Suppliers

Introduction from the Committee

Carillion, a major supplier to the public sector, collapsed on 15 January 2018. Nine days later, the House of Commons debated and agreed a Resolution that required the Government to release confidential risk assessments of its main suppliers to this Committee. The risk assessments relate to companies with contracts across several Government Departments worth more than £100 million per year or deemed significant to a sector - designated as Strategic Suppliers by Government. There are currently 27 Strategic Suppliers providing services across the public sector. The risk assessments, compiled every six weeks by Crown Representatives in the Cabinet Office, highlight significant concerns about performance against contracts; summarise financial and market information; and assign a Red-Amber-Green (RAG) risk rating.

The risk assessments provided to this Committee offer an assessment of each company's financial status and performance against contracts, which are encapsulated in a Red-Amber-Green (RAG) rating, augmented by a Black 'High Risk' or exemplary Platinum rating. The documents are compiled by each company's Crown Representative. The Cabinet Office considers publication of the documents could affect market confidence and harm companies. The Committee published a report on the Government risk assessments relating to Carillion on 23 May 2018.

Relevant reports

- PAC report: Government risk assessments relating to Carillion – Session 2017-19 (HC 1045)
- PAC report: Strategic Suppliers – Session 2017-19 (HC 1031)
- Treasury Minutes: October 2018 (CM 9702)
- Treasury Minutes Progress Report: March 2019 (CP 70)
- Treasury Minutes Progress Report: February 2020 (CP 221)
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation is updated below:

8: PAC conclusion: The introduction of a standard contract is welcome and appropriate for the majority of typical procurements. When the Government procurements are more complex, a more flexible and intelligent approach to contracting is required.

8c: PAC recommendation: Government should look at the lifetime cost and value of a contract, not just the bottom line at the point the contract is commissioned. Government needs to get better at managing contracts through their life. To do this it needs to facilitate significant uplift in skills.

8.1 The government agrees with the Committee's recommendation.

Recommendation implemented

8.2 Training was reintroduced virtually in December 2020 for silver and gold contract managers. There are now 208 accredited contract managers looking after silver and gold contracts in central government, 1,152 in training and 626 who have completed the training programme. 80% of the Silver and Gold contract managers are either in, or have completed their training. Eight departments still have some individuals to start their training and plans are in place to complete this in 2023-24.

8.3 The final department - Ministry of Defence (MOD) - has nominated 42% of its contract managers and is on track to nominate all contract managers by March 2024 (as agreed with the Civil Service Board in November 2021).

8.4 The financial year 2023-24 will be used to complete training for central government and wider public sector learners (we now have 610 people participating from the wider public sector). The programme will also look to redevelop the courses to include new policy and more efficient delivery models. The programme will then look to expand further into the wider public sector in 2024 and beyond, in line with government priorities, funding and capacity.

8.5 Although it is a constantly evolving group, the number of foundation accredited contract managers in central government is now 12,476 compared to a target of 8,535 bronze contract managers. Across the whole public sector there are now 20,504 contract managers accredited at foundation level and 12,512 more in training.

Sixty-Seventh Report of Session 2017-19

The Home Office

Financial sustainability of police forces in England and Wales

Introduction from the Committee

There are 43 territorial police forces in England and Wales. Each force is headed by a Chief Constable, with authority over all operational policing decisions and staff. Chief Constables report to an elected Police and Crime Commissioner. In consultation with their Chief Constables, Commissioners set objectives for forces in an annual police and crime plan, and allocate the funds needed to achieve these objectives.

The Department is responsible for assessing how much funding forces need; deciding how much the policing system receives as a whole; allocating grants to Police and Crime Commissioners (who decide how much goes to police forces and how much to other initiatives to reduce crime); and maintaining a system of local accountability that assures Parliament that forces spend their resources with regularity, propriety and achieve value for money.

The Department estimates that total police funding in 2018–19 will be £12.3 billion, of which central government is funding £8.6 billion and local government (through the police precept collected alongside council tax) £3.6 billion. Total funding to police forces has fallen by 19% in real terms since 2010–11, with central government funding dropping by 30%. While most spending decisions are made locally, the Department must have enough information to make good decisions about the level and nature of funding it provides and be in a position where it can get assurance that forces are not at risk of becoming financially unsustainable.

Relevant reports

- NAO report: Financial sustainability of police forces in England and Wales 2018 - Session 2017–19 (HC 1501)
- PAC report: Financial sustainability of police forces in England and Wales - Session 2015–16 (HC 288)
- PAC report: Financial Sustainability of police forces – Session 2017-19 (HC 1513)
- Treasury Minute: Sixty-Seventh Report of Session 2017-19 (CP 79)
- Treasury Minutes Progress report: February 2020 (CP 221)
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), the remaining recommendation is updated below.

3: PAC conclusion: Even though the department's approach to allocating funding to Commissioners has been out-of-date and ineffective for several years, the department still has no firm plan to change it.

3: PAC recommendation: The department must urgently commit to reviewing the funding formula, and after consultation, deploy a new funding formula as soon as practicable.

3.1 The government agrees with the Committee’s recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: March 2022

3.2 The government continues to recognise that the current police funding formula is out of date and no longer accurately reflects demand on policing. Timelines for consultation and implementation are subject to confirmation by Ministers, taking account of the wider context and the availability of Census 2021 data to inform a new formula.

3.3 Since the last update to the Committee in December 2022, the Police Funding Formula Review has continued to make progress and the government has been able to confirm that it is working towards the publication of a first phase public consultation. Both a Senior Sector Group (SSG) and a Technical Reference Group (TRG) have continued to meet on a regular basis to advise on developing specific components of the new formula, considering the demands facing each force and the impact of local factors (such as estates costs) on the resource required to meet demand. This is essential to give forces equal opportunity to deliver good policing services to their communities.

3.4 The Review is rightly considering all aspects of the funding formula. It will include an evidence-based assessment of policing demand and the relative impact of local factors on forces. The government has given assurances that any changes to funding arrangements will be well planned, with effective transition arrangements to allow sound financial management by Police and Crime Commissioners, or their equivalents, and Chief Constables.

3.5 In December 2022, the government reaffirmed their commitment to the Police Funding Formula Review and confirmed that it is working towards the publication of a first phase public consultation. While there have been delays to the publication of the first phase public consultation due to wider government pressures, officials continue to work towards publication in 2023 and the completion of this recommendation.

3.6 The priority is to deliver a robust, future-proofed funding formula that allocates funding in a fair and transparent manner. Although the department is working to introduce new funding arrangements as soon as possible, it continues to focus on the quality and longevity of the new formula in partnership with the sector and representatives within the SSG and TRG.

Eighty-Second Report of Session 2017–19

The Home Office

Windrush generation and the Home Office

Introduction from the Committee

The Home Office (The Department) and its agencies (UK Visas and Immigration, Immigration Enforcement and Border Force) manage the UK immigration system: setting immigration policy; deciding who has the right to stay; and encouraging and enforcing the removal of illegal migrants. Between 1948 and 1973, nearly 600,000 Commonwealth citizens came to live and work in the UK with the right to remain indefinitely. But many were not given any documentation to confirm their immigration status, and the Home Office kept no records. In the last ten years, successive governments have introduced the "compliant environment" where the right to live, work and access services including benefits and bank accounts in the UK is only available to people who can demonstrate their eligibility to do so. Towards the end of 2017 the media began to report stories of members of the Windrush generation being denied access to public services, being detained in the UK or at the border, or being removed from, or refused re-entry to, the UK. This has been referred to as the Windrush scandal.

Relevant reports

- [NAO report: Handling of the Windrush situation, Session 2017–19 (HC 1622)
- PAC report: Windrush generation and the Home Office, - Session 2017–19 (HC 518)
- Treasury Minute Session 2017-19 (CP113)
- Treasury Minute Progress Report**:** February 2020 (CP 221)
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), the remaining recommendation is updated below.

2: PAC conclusion: The Department is making life-changing decisions on people's rights, based on incorrect data from systems that are not fit for purpose.

2: PAC recommendation: In its design and roll-out of Atlas, the Department should prioritise improving the quality of its data. Alongside its Treasury Minute response, the Department should write to us setting out specific plans for data cleansing, migration of the existing case files and controls around the input of new data.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: September 2023
Original target implementation date: March 2020

2.2 Operational delivery of new Atlas products and functionality into live service has continued.

2.3 The Home Office (the department) has revised the target implementation date to align with the date for decommissioning the legacy Case Information Database (CID). This is set for the end of September 2023, in line with the department's contractual commitments, linked to hosting of the CID platform.

2.4 The need to enter data into both the legacy Case Information Database (CID) and the new Atlas case working system ceased for all users in April 2023. This will result in higher quality data in Atlas. The department applied additional checking to data entry in Atlas, to prevent invalid data being entered and to stop invalid records being created.

2.5 The department has completed detailed plans and initial testing for the migration of Work in Progress cases from CID to Atlas.

Eighty-Fifth Report of Session 2017-19

The Department of Health and Social Care

Auditing Local Government

Introduction from the Committee

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. In 2017–18, 495 local authorities, local police and local fire bodies were responsible for approximately £54 billion of net revenue spending, and 442 local NHS bodies received funding from the Department of Health & Social Care of approximately £100 billion. These local bodies should account properly for their use of resources and manage themselves well. In 2017–18 local public bodies spent about £64 million on external audit, which provides independent assurance on how public money is used and accounted for.

Taxpayers expect that the auditor will be able to confirm that accounts have been properly prepared and that local bodies have arrangements to manage their business and finances. When they cannot, auditors can qualify their opinion on the accounts or their conclusion on the arrangements to secure value for money. Local auditors also have a range of additional reporting powers and duties to provide information or to prompt action in certain circumstances and are expected to use their public reporting powers to highlight failings. These are important tools for the auditor to bring attention to issues that need to be addressed as they require the body to consider and respond to the issue(s) in public.

Relevant reports

- NAO report: Local auditor reporting in England 2018 – Session 2017-19 (HC 1864)
- PAC report: Auditing local government – Session 2017-19 (HC 1738)
- Treasury Minutes: May 2019 (CP 97)
- Treasury Minutes Progress Report: February 2020 (CP 221)
- Sir Tony Redmond's independent review: Local authority financial reporting and external audit: September 2020
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Correspondence to the Committee: 18 June 2021 (unpublished by the Committee)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: correspondence dated January 2022
- Treasury Minutes Progress Report: June 2022 (CP691)
- Treasury Minutes Progress Report: correspondence dated June 2022
- Treasury Minutes Progress Report: December 2022 (CP 765)
- Correspondence to the Committee: 15 May 2023

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765) and correspondence above, the remaining recommendation is updated below.

5: PAC conclusion: The Committee is concerned that, as partnership working becomes more complex, accountability arrangements will be weakened, and the performance of individual local bodies will become less transparent. Local public bodies are increasingly working in partnership to provide public services and these arrangements are becoming more complex. These are often non-statutory arrangements and can involve NHS bodies (commissioners and providers), local authorities and other public or private organisations.

Over the last three years, concerns over partnership working arrangements have increasingly been a reason for local auditors qualifying their value for money conclusions. But local auditors can only report on the arrangements in place within the individual bodies they audit, so only provide a partial view of how a partnership is performing. Central departments currently say little in their Accountability Systems Statements about how they use information reported by local auditors. It is crucial, that central departments explain in overall terms what assurance they take from local audit findings and ensure that partnership funding arrangements and lines of accountability are absolutely clear and transparent.

5: PAC recommendation: Departments should, in their next accounting officer systems statements, expand on:

- ***the use of the assurance provided by local auditors; and***
- ***how they will get assurance in areas not covered by local audit, such as how partnerships are held to account for joint decisions and responsibilities.***

5.1 The government agrees with the Committee's recommendation.

Revised target Implementation date: Summer 2023
Original target Implementation date: September 2019

5.2 The Department of Health and Social Care's accounting officer system statement is being redrafted to incorporate the points recommended by the Committee. This includes greater detail on how the department monitors and reviews the outputs from local audit and on the guidance in place for how group bodies should respond to local auditors' findings.

5.3 The statement also requires further revision to ensure it satisfies all relevant HM Treasury requirements and reflects changes to the structure of the department since the last update. Completion of the updated statement was delayed while the department continued to focus on the pandemic response, but work is now underway to update the statement with the required changes. The department expects to publish an updated statement by Summer 2023.

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.

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 – December 2018 (HC 1799)
- Independent Review of National Cancer Screening Programmes in England: Interim report by Professor Sir Mike Richards – May 2019
- Treasury Minutes: July 2019 (CP 151)
- Treasury Minutes Progress Report: February 2020 (CP 221)
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: correspondence dated December 2021
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Correspondence to the PAC dated 17 June 2022
- Correspondence to the PAC dated 10 November 2022
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), the remaining recommendation is updated below.

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.

Recommendation implemented

5.2 Following a review of the Cervical Screening Management System (CSMS) Project, in light of the impact of the pandemic, an updated plan for delivering the new system was shared with the Department of Health and Social Care for approvals on 31 March 2022. The plan and the CSMS will be implemented in November 2023.

5.3 Since the government's last update to the Committee, the key delivery partners to the project, NHS Digital and NHS England have become one single organisation. The directors responsible for the delivery of this project have remained in post and have worked closely to ensure work to deliver the project has remained on track. The core releases scheduled for October 2022 and March 2023 that were set out in the last update to the Committee were delivered on schedule and work to deliver remaining milestones remains on track. Each milestone in the table below represents a step towards the final, go-live date and progress is continuously and independently assured by subject matter and technical experts outside of the Digital Transformation of Screening Programme:

Milestone	***Target Date***	***Progress to date***
Core Release	*18 October 2022*	*Target date met*
Non Exceptions Processing (NEP) Release	*24 March 2023*	*Target date met*
NHAIS Release	*27 July 2023*	*On track*
Minimum Viable Product (MVP) Release	*7 September 2023*	*On track*
Go Live	*20 November 2023*	*On track*

5.4 NHS England has been undertaking critical preparation activities, including user testing, training, provider communications and clinical safety assurance. These activities will continue to run until the final, operational product is released in November 2023 and as users transition to the new service, to ensure the safe implementation for those using the CSMS.

One Hundred and Fifth Report of Session 2017-19

Ministry of Housing, Communities and Local Government

Local Enterprise Partnerships: progress review

Introduction from the Committee

Local Enterprise Partnerships (LEPs) are private sector-led partnerships between businesses and local public sector bodies. There are 38 LEPs in England, each supporting the delivery of government policies to support local economic growth. The government has committed £12 billion in local growth funding to local areas in England between 2015–16 and 2020–21, and of this £9.1 billion has been allocated through Growth Deals negotiated between central government and individual LEPs. The Department is accountable overall for the Local Growth Fund and the delivery systems within which LEPs operate and invest public funds. The Department considers LEPs are key to developing local industrial strategies which will be used as a gateway for accessing future funding after the UK exits the European Union, through the proposed UK Shared Prosperity Fund.

Relevant reports

- NAO report: Investigation into the governance of Greater Cambridge Greater Peterborough Local Enterprise Partnership – Session 2017-2019 (HC410)
- PAC report: Local Enterprise Partnerships: progress review – Session 2017-2019 (HC1754)
- Treasury Minute October 2019: (CP 176)
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

The Ministry of Housing, Communities and Local Government is now known as the Department for Levelling Up, Housing and Communities. Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation is updated below.

3: PAC conclusion: There are entrenched difficulties with LEPs' overlapping geographical boundaries which are supposed to be resolved by April 2020.

3: PAC recommendation: The Department should set out a clear timetable showing how it will meet the April 2020 deadline and what action it will take if local authorities fail to agree on overlapping boundaries.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: October 2019

3.2 In 2018 the government announced in its publication Strengthened Local Enterprise Partnerships that each Local Enterprise Partnership (LEP) must remove its boundary overlaps by April 2020 and submit a proposal to government on its geography by the end of September 2018.

3.3 This was actioned in all LEP areas, apart from the West Midlands which is the only area of the country where overlapping geographies remain (Stoke-on-Trent and Staffordshire, Worcestershire, Greater Birmingham and Solihull LEPs). This was caused by the creation of Greater Birmingham and Solihull LEP (GBSLEP) which encompassed seven Staffordshire and Worcestershire districts which were also in their respective county LEPs.

3.4 Following the government's announcement on LEP integration on 31 March 2022, steps have now been taken to integrate LEP functions into the West Midlands Combined Authority. As part of this process, the Greater Birmingham and Solihull LEP is going through the necessary governance changes for any remaining overlapping boundaries – namely those with Staffordshire and Worcestershire – to be removed. The department would expect this process to conclude in the near future.

3.5 At Spring Budget 2023 the Chancellor announced that he is minded to cease LEP core funding beyond 2023-24. The Department for Levelling Up, Housing and Communities and Department for Business and Trade are undertaking a consultation exercise to better understand the impact of the proposal. The government will publish an updated policy position to confirm next steps by summer 2023.

One Hundred and Fourteenth Report of Session 2017-19

Ministry of Housing, Communities and Local Government and Homes England

Help to Buy: Equity Loan scheme

Introduction from the Committee

The Ministry of Housing, Communities and Local Government (the Department) introduced the Help to Buy: Equity Loan scheme in April 2013 to address a fall in property sales following the financial crash of 2008 and the consequent tightening of regulations over the availability of high loan-to-value and high loan-to-income mortgages. Originally intended to last three years, in 2015 the Department announced the extension of the scheme to 2021. The scheme has two principal aims: to help prospective homeowners obtain mortgages and buy new-build properties; and, through the increased demand for new-build properties, to increase the rate of house building in England.

Homes England administers the scheme on behalf of the Department. Home buyers receive an equity loan of up to 20% (40% in London since February 2016) of the market value of an eligible new-build property, interest free for five years. The loan must be paid back in full on sale of the property, within 25 years, or in line with the buyer's main mortgage if this is extended beyond 25 years. The scheme enables buyers to purchase a new-build property with a mortgage of 75% (55% in London) of the value of the property. The current scheme, which will run to March 2021, is not means-tested and is open to both first-time buyers and those who have owned a property previously. Buyers can purchase properties valued up to £600,000. A new scheme, to follow on immediately from the current scheme for two years to March 2023, will be restricted to first-time buyers and will introduce lower regional caps on the maximum property value, while remaining at £600,000 in London.

Relevant reports

- NAO report: Help to Buy: Equity loan scheme – progress review. Session 2017-19 (HC 2216)
- PAC report: Help to Buy: Equity loan scheme: Session 2017-19 (HC 2046)
- Government independent review: Evaluation of the Help to Buy Equity Loan Scheme 2017 published in October 2018
- Treasury Minute: January 2020 (CP 210)
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendations are updated below.

3. PAC conclusion: The Department has allowed the scheme to become a semi-permanent feature of the housing market and has not yet thought through the changes needed to improve the value to be achieved from the new scheme.

3a: PAC recommendation: The Department should undertake a further evaluation of the scheme to understand its value and necessity from 2017.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: December 2023
Original target implementation date: Autumn 2021

3.2 The original target implementation date for this evaluation was Autumn 2021. However, it was agreed between the Department for Levelling up Housing and Communities (formerly known as the Ministry of Housing, Communities and Local Government) and the Committee that, as a previous evaluation had already been used to inform the design of the current scheme, the next meaningful evaluation opportunity would be the end of that scheme. The scheme was due to end 31st March 2023. Due to a small number of the remaining cases still experiencing building delays, both the practical and legal completion deadline dates have been extended. The scheme will now end on 31st May 2023.

3.3 The department has begun preparatory work on this evaluation, with a target publication date of December 2023.

3.4 In the interim, officials committed to reviewing the end of the 2013-21 scheme and the early performance of the new scheme. This interim evaluation was submitted to the Committee in September 2022.

5. PAC conclusion: The Department's decision to keep equity loans as unregulated products means there is insufficient protection for buyers.

5b: PAC recommendation: As part of its next evaluation, the Department should examine the new-build premium, and the impact Help to Buy has had in relation to this.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: December 2023
Original target implementation date: Autumn 2021

5.2 The department remains committed to undertaking a further evaluation (see response to Recommendation 3a above). This work will examine the new-build premium and the impact of Help to Buy.

One Hundred and Nineteenth Report of Session 2017-19

The Home Office

Serious and Organised Crime

Introduction from the Committee

The Home Office (the Department) has overall responsibility for serious and organised crime policy, strategy and funding. The National Crime Agency (NCA) leads and coordinates UK law enforcement's response to serious and organised crime. It has identified eleven major serious and organised crime threats: child sexual exploitation and abuse; modern slavery and human trafficking; organised immigration crime; illegal drugs; illegal firearms; organised acquisitive crime; money laundering; fraud and other economic crime; international bribery, corruption and sanctions contravention; and cyber-crime. Serious and organised crime is planned, coordinated and committed by people working individually, in groups, or as part of transnational networks. The Home Office works with over 100 organisations to tackle serious and organised crime, including elected Police and Crime Commissioners (PCCs), police forces, Regional Organised Crime Units (ROCUs), the NCA and a range of international, national and local organisations.

Serious and organised crime is estimated to cost the UK economy at least £37 billion a year, and more people are thought to be killed as a result of serious and organised crime every year than all other national security threats combined. There are at least 4,500 organised criminal groups active in the United Kingdom. In 2013 the Home Office launched a strategy for dealing with serious and organised crime based on the '4Ps' model used in counter-terrorism. This model focuses on 4 elements:

- **prevent** people getting involved in crime;
- **pursue** and disrupt illegal activities once they have happened;
- **protect** society against crime; and
- **prepare** for when crime occurs so the impact can be mitigated.

In 2018 the Home Office produced a new strategy retaining the same '4P' model. This aimed to address shortcomings in the 2013 strategy by doing more work to prevent people committing serious and organised crime, developing data exploitation capabilities, and improving the way funding is allocated.

Relevant reports

- NAO report: Tackling serious and organised crime Session 2017–19 (HC 2219)
- PAC report: Serious and Organised Crime Session 2017-19 (HC 2049)
- Treasury Minute Report Session 2017–19 (CP210)
- Letter from Home Office Permanent Secretary to PAC Chair 16 January 2020
- Letter from Home Office Permanent Secretary to PAC Chair 9 April 2020
- Letter from Home Office Permanent Secretary to PAC Chair 16 July 2020
- Treasury Minutes Progress Report: November 2020 (CP 313)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765), the remaining recommendation is updated below.

5: PAC conclusion: The PAC are concerned that a lack of clarity about the roles and responsibilities of the organisations involved in tackling serious and organised crime hinders the effectiveness of their activities.

5: PAC recommendation: The Home Office should develop a clear statement of roles and responsibilities at a local, regional and national level and provide an update to the Committee within three months. This should be underpinned by guidance for PCCs on their role.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: Summer 2020

5.2 Work is ongoing to clarify roles and responsibilities at local, regional, and national levels for policing.

5.3 Following the extensive engagement throughout part one of the two-part Police and Crime Commissioner Review, in March 2021 the Home Secretary announced the intention to consult on potential changes to the Policing Protocol Order 2011 to provide a 'brighter line' on the boundaries of operational independence and reflect changes in the relationship between the parties to the Protocol which have taken place over time. Following the conclusion of the second part of the two-part Review, on 7 March 2022, the Home Secretary launched an eight-week targeted stakeholder consultation with the representative bodies to the parties to the Protocol and other key policing partners. The consultation closed on 2 May 2022. The department has carefully considered the responses to the consultation with a view to laying a revised Protocol in due course. The government will publish a paper summarising the responses to this consultation in due course.

5.4 The department is currently developing a refreshed set of guidance which focuses on the core role of Police and Crime Commissioners. The guidance will be published on GOV.UK in due course.

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2019

Reports completed

#	Report Title
1	NHS Property Services
2	Transforming courts and tribunals: progress review

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2019-21

Updates on reports with outstanding recommendations

Reports completed

#	Report Title
1	Support for children with special educational needs and disabilities
2	Defence Nuclear Infrastructure
3	High Speed 2: Spring 2020 Update
4	EU Exit: Get ready for Brexit Campaign
5	University Technical Colleges
6	Excess Vote 2018-19
9	Water supply and demand management
10	Defence capability and Equipment Plan
11	Local Authority Investment in Commercial Property
12	Management of Tax Reliefs
13	Whole of Government Response toCOVID-19
14	Readying the NHS and social care for the COVID-19 peak
15	Improving the Prison Estate
16	Progress in remediating dangerous cladding
17	Immigration enforcement
18	NHS Working Workforce
19	Restoration and renewal of the Palace of Westminster – reported direct to PAC
20	Tackling the tax gap
21	Government Support for UK Exporters

22	Digital Transformation in the NHS
23	Delivering Carrier Strike
24	Selecting Towns for the Towns Fund
25	Asylum accommodation and support transformation programme
27	COVID-19: Supply of Ventilators
28	The Nuclear Decommissioning Authority's Management of the Magnox contract
29	Whitehall preparations for EU Exit
30	Production and distribution of cash
31	Starter Homes
32	Specialist skills in the civil service
33	COVID-19 Bounce Back loan
34	COVID-19 Support for jobs
35	Improving broadband
36	HMRC performance 2019-20
37	Whole of Government accounts 2018-19
38	Managing colleges financial sustainability
39	Lessons learned from major projects and programmes
41	COVID-19: the free school meals voucher scheme
42	COVID-19 procurement and supply of PPE
43	COVID-19: planning for a vaccine – Part 1
44	Excess Votes 2019-20
46	Achieving net zero
47	COVID-19: test and trace – Part 1
48	Digital services at the border
49	COVID-19: housing people sleeping rough
50	Defence equipment plan 2020-30
51	Managing the expiry of PFI contracts
52	Key challenges facing the Ministry of Justice
53	COVID-19: supporting the vulnerable during lockdown
54	Improving the singling living accommodation for service personnel

Seventh Report of Session 2019-21

Department for Digital, Culture, Media & Sport

Gambling regulation: problem gambling and protecting vulnerable people

Introduction from the Committee

Around half of adults in Britain gamble through, for example, betting on sports, going to casinos, and playing arcade or bingo games. In 2018–19, this resulted in commercial gambling companies in Great Britain yielding £11.3bn (that is, bets placed less winnings paid out), raising around £3bn in gambling duties. A significant and growing proportion of this revenue comes from online gambling. For some people, gambling can lead to serious harm, including mental health and relationship problems, debts that cannot be repaid, crime or suicide. There are an estimated 395,000 problem gamblers in Great Britain, with 1.8 million more gamblers 'at risk' who may also be experiencing harm.

The Gambling Commission (the Commission) regulates commercial gambling. It aims to ensure gambling is fair and safe and has a duty to protect children and vulnerable people from harm. The Commission is a non-departmental public body and is funded by licence fees from gambling operators, which totalled £19 million in 2018–19, or less than 0.2% of the £11.3 billion gambling yield that year. The Department for Digital, Culture, Media & Sport (the Department) is responsible for gambling policy and the overall regulatory framework. It can introduce legislative changes where necessary, sets licence fees and has an objective to ensure commercial gambling is socially responsible.

Relevant reports

- NAO report: Gambling regulation: problem gambling and protecting vulnerable people – Session 2019-21 (HC 101)
- PAC report: Gambling regulation: problem gambling and protecting vulnerable people – Session 2019-21 (HC 134)
- Treasury Minutes: September 2020 (CP 291)
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 765 above), one recommendation remained outstanding. This recommendation has now been implemented by the re-focused Department for Culture, Media and Sport (the department) and is updated below.

4: PAC conclusion: Where gambling operators fail to act in a socially responsible way, consumers do not have the same rights of redress as other sectors.

4: PAC recommendation: The Department and Commission should work together to assess the impact on consumers of gaps in redress arrangements and examine options for increasing statutory protections with an individual right of redress for breaches of the Social Responsibility Code of Practice. In their response to this Committee, they should explain how they intend to resolve these gaps and report back on a plan for more effective consumer protection and redress within 6 months.

4.1 The government agreed with the Committee’s recommendation.

Recommendation implemented

4.2 Questions on this subject were included in the Call for Evidence on the Review of the Gambling Act 2005. The Department for Culture, Media and Sport (the department), has considered all evidence submitted on the issue and conclusions and proposals for reform were set out in a white paper published on 27 April 2023.

4.3 The white paper sets out a proposal for industry to establish a non-statutory ombudsman to provide a mechanism for redress where operators do not satisfactorily resolve customers’ social responsibility complaints and to introduce further protections for customers quickly. The department will work with the industry, Gambling Commission and key stakeholders in the sector to establish the ombudsman. The government expects the ombudsman to be established within a year, with the process for appointing it to begin in summer 2023.

4.4 The government will work with key stakeholders to ensure the independence of the ombudsman in line with Ombudsman Association standards and provisions set out in its Services Standard Framework regarding accessibility, communication, professionalism, fairness and transparency. The department will explore how to require all licensees to ensure their customers have effective access to the ombudsman, through licence conditions introduced by the Commission or Secretary of State.

4.5 The department expects this approach to quickly deliver an effective dispute resolution system with strengthened protections for the public. However, if this industry-led approach does not deliver the expected standards, independence or protections, the government will legislate to create a statutory ombudsman.

Eighth Report of Session 2019–21

Department of Health and Social Care

NHS Capital Expenditure and Financial Management

Introduction from the Committee

The Department of Health & Social Care (the Department) has overall responsibility for healthcare services. It is accountable to Parliament for ensuring that its spending, as well as spending by NHS England and NHS Improvement (NHSE&I), other arm's-length bodies and local NHS bodies, is contained within the overall budget authorised by Parliament. The Department is also responsible for ensuring that those organisations perform effectively and have governance and controls in place to ensure they provide value for money. The Department also sets an annual NHS capital budget based on local spending trends and central initiatives and is responsible for ensuring that the capital limit is not exceeded. Most of the funding allocated to the Department is given to NHS England to plan and pay for NHS services. In 2018–19, this amounted to £113.6 billion, with most of this spent by 195 clinical commissioning groups (CCGs) which purchased services from 227 trusts.

In June 2018, the Prime Minister announced a long-term funding settlement for the NHS, which will see NHS England's budget rise by an extra £33.9 billion in cash terms by 2023–24. This equates to an average annual real-terms increase of 3.4%. In January 2019, NHSE&I published the NHS Long Term Plan (the Plan), setting out how it aims to achieve the range of priorities set by the government in return for the long-term funding settlement.

Relevant reports

- NAO report: Review of capital expenditure in the NHS– Session 2019-20 (HC 43)
- NAO report: NHS financial management and sustainability – Session 2019-20 (HC 44)
- PAC report: NHS capital expenditure and financial management– Session 2019-21 (HC 344)
- Treasury Minutes: September 2020 (CP 291)
- Correspondence from the Department of Health and Social Care to the Public Accounts Committee: January 2021
- Treasury Minutes Progress Report: May 2021 (CP 424)
- Correspondence to the PAC dated December 2021
- Treasury Minute Progress Report: June 2022 (CP 691)
- Correspondence to the PAC dated 1 June 2022
- Correspondence to the PAC dated 15 November 2022
- Treasury Minutes Progress Report: December 2022 (CP 765)
- Correspondence to the PAC dated 28 March 2023

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation is updated below.

5: PAC conclusion: The NHS has still not published a capital funding strategy to support the NHS Long Term Plan.

5: PAC recommendation: The Department and NHSE&I should identify a capital strategy and provide clear guidance to local partnerships, that supports the NHS Long Term Plan, including expectations on how backlog maintenance costs will be addressed alongside competing priorities for digital investment and the Health Infrastructure Programme.

5.1 The government agrees with the Committee's recommendation

Recommendation implemented

5.2 As noted in a letter to the Committee dated 28 March, the Capital Strategy remains under departmental and cross-government review and the government will set out its plans in due course.

5.3 Going forward, the department will keep the Committee updated through progress updates in response to the recommendations made in the Committee's Thirty-fifth report of Session 2022-23 Introducing Integrated Care Systems report, and so has noted this recommendation as implemented here in order not to duplicate.

Twenty-Sixth Report of Session 2019-21

Department for Work and Pensions

Department for Work and Pensions Accounts 2019-20

Introduction from the Committee

The Department for Work and Pensions (the Department) is responsible for the delivery of work, welfare, pensions and child maintenance policy. It serves over 20 million claimants and customers. In 2019–20, the Department spent £191.8 billion on benefit payments. Benefit payments are susceptible to both deliberate fraud by individuals, and unintended error by claimants and the Department. The Comptroller & Auditor General has qualified the Department's accounts every year since 1988–89 due to material levels of fraud and error in benefit expenditure. The 2019–20 accounts were qualified for fraud and error in all benefits except State Pension, because State Pension, having relatively simple conditions of entitlement, has very low fraud and error. The overpayment rate was 4.8% (£4.5 billion) and the underpayment rate was 2% (£1.9 billion) across all the other benefits.

As a consequence of the COVID-19 pandemic, the Department's benefit caseload increased significantly, for example, the number of people on Universal Credit increased from 2.9 million in February 2020 to 5.6 million in August 2020. It expects that this increase in caseload, alongside the fraud and error impact of relaxing some of its controls in response to the COVID-19 pandemic, will lead to a further increase in losses to the taxpayer from benefit fraud and error in 2020–21.

Relevant reports

- DWP report: DWP Annual Report and Accounts 2019-20 (HC 401)
- PAC report: DWP Accounts 2019-20 – Session 2019-21 (HC 681)
- Treasury Minutes – February 2021 (CP 376)
- Treasury Minutes Progress Report - May 2021 (CP 424)
- Treasury Minutes Progress Report - November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation 2 has now been superseded by recommendation 1 in the Committee's report: The Department for Work and Pensions' Accounts 2020–21 – Fraud and error in the benefits system (Twenty-Fifth Report of Session 2021-22, HC 633.)

The department will therefore no longer update this report and all updates will be provided in Treasury Minute 25 of Session 2021-22.

2: PAC conclusion: Even before COVID-19, fraud and error overpayments were at their highest ever rates, with around £1 in £10 of Universal Credit paid incorrectly.

2: PAC recommendation: The Department needs to show sustained progress in reducing fraud and error. It should set annual targets, by risk and benefit, against which its progress can be assessed, based on its expectation of the intended impact of its counter fraud and error initiatives over time. These should be set out and reported against in its Annual Report and Accounts for 2020–21

For Universal Credit, the Department should set out its plan for year-on-year reductions in fraud and error, assessing performance against short-term, achievable targets.

2.1 The government agrees with the Committee's recommendation.

2.2 As outlined above, the update to this recommendation is provided in Treasury Minute 25: The Department for Work and Pensions' Accounts 2020–21 – Fraud and error in the benefits system of Session 2021-22, Recommendation 1.

Fortieth Report of Session 2019-21

Department for Environment, Food and Rural Affairs

Achieving government's long-term environmental goals

Introduction from the Committee

In June 2011, government set the ambition for this to be the first generation to leave the natural environment of England in a better state than it inherited it, and to help protect and improve the global environment. In January 2018, government published its 25 Year Environment Plan, setting out its intent to improve the natural environment, both for the direct benefits this would bring, and also to support its influence overseas and position the UK as a global environmental leader. The decision to leave the EU added another angle to the case for a long-term environmental plan, as historically much of the UK's environmental policy has been shaped by participation in EU Directives. The Environment Plan included ten overarching goals covering issues such as clean air, clean and plentiful water, and thriving plants and wildlife. The Department for Environment, Food & Rural Affairs (the Department) has lead responsibility for all environmental policy areas apart from climate change mitigation, for which the Department for Business, Energy & Industrial Strategy has the policy lead. Other parts of government also have important roles to play in achieving government's environmental goals.

Relevant reports

- NAO report: Achieving government's long-term environmental goals - Session 2019-21 (HC 958)
- PAC report: Achieving government's long-term environmental goals - Session 2019-21 (HC 927)
- Treasury Minutes: April 2021 (CP 420)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), the remaining recommendations are updated below.

3: PAC conclusion: Government still does not have a good grip of the total costs required to deliver its environmental goals and funding so far has been piecemeal.

3: PAC recommendation: In parallel with developing clear objectives to meet environmental goals, the Department should work together with the Treasury to review and outline the total costs required to meet these goals, and how these will be paid for, akin to the Treasury's Net Zero review.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 Following consultation, 13 legally-binding Environment Act 2021 targets came into force from 31 January 2023, supported by updated Impact Assessments. These set out the costs and benefits of target delivery to relevant sectors and considered the distributional impacts of targets and impact on domestic priorities. The establishment of these new targets incorporates a robust framework for developing the economic case for action.

3.3 Developing the costs and milestones towards the long-term targets will need to be iterative, given the range of Environment Improvement Plan delivery and emerging policy requirements. The long term nature of the target delivery pathways alongside emerging novel data means there is significant uncertainty, however this will be reduced overtime as the government progress along the pathways.

3.4 The Department for Environment, Food and Rural Affairs has costed proposals and business cases for major EIP programmes, for example supporting air quality and cleaner transport, delivering waste reforms towards a more circular economy, supporting woodland creation and improving flood resilience. Use of the Natural Capital Approach helps to quantify benefits.

3.5 HM Treasury has published information on the methodology used to assess the environmental impacts of spending review 2021 decisions. Further work is ongoing to take account of the requirements of the Environment Act and new duties.

4: PAC conclusion: Skills gaps in departments and arm's length bodies jeopardise government's capacity to deliver on its environmental ambitions.

4b: PAC recommendation: The Department and the Treasury should work together to:

- ***assess the impact of targeted interventions such as the Green Recovery Challenge Fund on safeguarding 'green' jobs.***

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 The National Lottery Heritage Fund, as delivery body for the Green Recovery Challenge Fund (GRCF), is overseeing the evaluation of both Rounds of the Fund. The GRCF Round 1 evaluation report was published in May 2023 and the Department for Environment, Food and Rural Affairs wrote to the Committee setting out the impact of the fund in England, including the safeguarding of green jobs.

4.3 The evaluation of Round 2 will be completed by January 2024 and it is anticipated that the report will be published in Spring of that year. The department continues to be closely involved in steering this work.

Forty-Fifth Report of Session 2019-21

The Department for Environment, Food & Rural Affairs

Managing Flood Risk

Introduction from the Committee

The Agency estimates that 5.2 million properties in England are at risk of flooding. There are different types of flooding: river, coastal, surface water (when rainfall cannot drain away), sewer flooding and groundwater flooding (where the water table level rises above ground). Flood risks are managed in a number of ways ranging from early warning systems to building flood defences. The Department has the policy lead for flooding. The Agency is an executive non-departmental public body, sponsored by the Department. It has a strategic overview role and an operational role to manage the risk of flooding from main rivers, reservoirs, estuaries and the sea. Other bodies are responsible for managing local flood risks. The Agency is on track to achieve its target to better protect 300,000 homes through its £2.6 billion capital investment programme (2015–16 to 2020–21). Government has increased future capital investment to £5.6 billion between 2021–22 and 2026–27.

Relevant reports

- NAO report: Managing flood risk – Session 2019-21 (HC 962)
- PAC report: Managing flood risk – Session 2019-21 (HC 931)
- Treasury Minutes: May 2021
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendations are updated below.

2: PAC conclusion: Scarce local authority resources and low levels of private sector investment are barriers to the effective management of flood risks, especially given the impact of Covid-19.

2: PAC recommendation: The Department and the Agency should identify areas where there is likely to be a shortfall in local authority resources and private sector contributions to ensure the effective management of flood risk in local areas. They should report to us on their assessment by July 2021.

2.1 The government agrees with the Committee's recommendation.

Target Implementation date: Summer 2023

2.2 The Local Government Finance Settlement for 2023-24 makes available up to £59.7 billion for local government in England, an increase in Core Spending Power of up to £5.1 billion or 9.4% in cash terms on 2022-23. The majority of local government funding is un-ringfenced, recognising that local authorities are best placed to decide how to meet the major service pressures in their local areas, including on flood risk management.

2.3 The government recognises the important role local authorities have to manage local flood and coastal risks. The Department for Levelling Up, Housing and Communities has committed to work closely with local partners before consulting on any potential reform to local government funding. The Department for Environment, Food and Rural Affairs (the department) is conducting an assessment of local flood and coastal risk compared to local authority spend. This work continues to be on schedule and the department still expects to conclude the assessment by Summer 2023, allowing it to take into account the most up-to-date local authority revenue outturn data which was published in December 2022.

2.4 Following a Call for Evidence held in 2021 on local factors in managing flood and coastal erosion risk, the government identified that frequently flooded communities can face particular challenges. The government therefore announced in July 2022 a new ring-fenced £100 million Frequently Flooded Allowance from the floods capital programme to better support these areas. In April 2023, the government announced the first 53 communities to receive funding from the Allowance. The government will announce further rounds in subsequent years of the floods investment programme to support additional communities.

5: PAC conclusion: The current indicators used to monitor national flood risk do not cover important elements such as risks to agricultural land, business premises, and infrastructure.

5: PAC recommendation: The Department's new set of national flood risk indicators should incorporate all types of flood risk to ensure they provide a full picture of what is happening to flood risk including for homes, non-residential property, agricultural land, and infrastructure across England and should facilitate the comparison of flood risk across previous years so progress can be clearly assessed.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: End of 2023
Original target implementation date: Spring 2023

5.2 The department has committed to develop an overall national set of indicators to monitor long-term trends over time in tackling flood and coastal erosion in England. This will enable a better understanding of the impacts of government's policies and will inform future action. A research project to inform the development of long-term indicators was published in November 2022. The Environment Agency (the agency) commissioned further work, which commenced in November 2022, to explore the potential to trial data collection to further baseline and develop the practical application of potential indicators through the £200 million flood and coastal resilience innovation programme. The department will provide an update on progress to develop a national set of indicators by the end of 2023.

6: PAC conclusion: The Department has not ensured that all regions, deprived areas in particular, get a fair share of the available funding.

6: PAC recommendation: The Department and the Agency should undertake and publish annual analysis of investment levels across regions and deprived areas. This should be followed up by appropriate action to reduce any funding inequality. Annual analysis and reporting should start at the end of the first year of the next investment period (March 2022).

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: Summer 2022

6.2 The agency's update to their Chief Scientist's Group report on social deprivation, and the likelihood of flooding, found that the government is investing more money per household in the most deprived areas. Deprived communities receive higher payment rates as they are less likely to be able to access sufficient partnership funding contributions and are more likely to be vulnerable when impacted by flooding.

6.3 The department have commissioned the agency to explore their findings in more detail, to understand in greater depth:

- how much government funding has been allocated to deprived communities over time; and
- how this allocation relates to their risk of flooding.

An analysis of this information will enable the department to understand whether any further action needs to be taken to address any inequalities in how funding is allocated to deprived communities. This analysis is due to be completed in summer 2023 and the findings will be communicated with the Committee through the next Treasury Minute response (December 2023).

6.4 In March 2023 the agency published its section 18 report on flood and coastal erosion risk management for 2021/22. The report contains data and analysis on investment and outcomes (properties better protected) in deprived areas and across regions for 2021-22.

8: PAC conclusion: Despite the known risks, there are still plans to build houses on flood plains.

8c: PAC recommendation: The Department should work with Department for Levelling Up, Housing and Communities (DLUHC) to:

- ***ensure mandatory reporting on planning decisions approved in flood risk areas – particularly when the Agency disagrees.***

8.1 The government agrees with the Committee's recommendation.

Target implementation date: end of 2023 – subject to the passage of the Levelling Up and Regeneration Bill.

8.2 The Town and Country Planning (Consultation) (England) Direction 2021 ('Consultation Direction') currently requires local planning authorities to consult the Secretary of State where they intend to grant planning permission on major development in a flood risk area to which the agency has made an objection that it has not been able to withdraw even after discussions with the local planning authority.

8.3 Local planning authorities are required to publish all their planning applications and decisions on their planning register. This includes where a government department has expressed the view that the permission should not be granted (either wholly or in part) or should be granted subject to conditions; the notice must give details of the direction or of the view expressed.

8.4 The Levelling Up and Regeneration Bill includes powers to enable a more data-driven planning system, which include the ability to set consistent data standards across the planning system, and to require local authorities to openly publish planning data. This will make it easier for planning proposals and decisions to be informed by the latest data available about flood-risk areas, and for any development which is allowed in areas of flood risk to be identified more easily.

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2021-22

Updates on reports with outstanding recommendations

50	Bounce back loans scheme – follow up	134
51	Improving outcomes for women in the Criminal Justice System	237
52	Ministry of Defence Equipment Plan 2021	140

Reports completed

#	Report Title
2	BBC strategic financial management (responded directly to the Committee)
3	COVID-19: Support for children's education
4	COVID-19: Local Government finance
5	COVID-19: Government support for charities
6	Public Sector pensions
10	Overview of the English Rail System
12	COVID-19 Cost tracker update
13	Initial lessons from government response to COVID-19 pandemic
14	Windrush compensation scheme
16	Principles of effective regulation
17	HS2 Summer 2021
18	Government delivery through arms-length bodies
19	Protecting consumers from unsafe products
20	Optimising the Defence estate
21	School funding
22	Improving the performance of major defence equipment contracts
23	Test and Trace update
24	Crossrail – progress update
28	Efficiency in government
33	Underpayments of the State Pension
35	The pharmacy earlier payment and salary advance schemes in the NHS
40	Excess Votes 2020-21 – Serious Fraud Office
47	Academies sector annual report and accounts 2019-20

First Report of Session 2021-22

Department for Transport and the Department for Business, Energy & Industrial Strategy

Low Emission Cars

Introduction from the Committee

Transport is the UK's largest source of carbon emissions, with road transport being a substantial contributor. The government is trying to increase the number of ultra-low emission and zero-emission cars on the road as a way of reducing carbon emissions. Up to March 2020, it had spent £1.1 billion on a range of consumer grant schemes and an awareness campaign to encourage people to make the switch. This aim is not new; previous governments have been promoting ultra-low emission cars since 2011, with the Departments for Transport and for Business, Energy & Industrial Strategy creating a team called the Office for Zero Emission Vehicles to support the transition. In November 2020, government announced its ambition to stop the sale of new cars that are powered solely by petrol or diesel by 2030. From 2035, only new zero-emission cars can be sold.

Relevant reports

- NAO report: Reducing Carbon Emissions from Cars – Session 2019-21 (HC 1204)
- PAC report: Low Emission Cars – Session 2021-22 (HC 186)
- Treasury Minute: August 2021 (CP 510)
- Treasury Minutes Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendations are updated below by the Department for Transport, The Department for Energy Security and Net Zero and the Department of Business and Trade.

2: PAC conclusion: There are a wide range of consumer-facing issues that still need to be addressed to increase the uptake of zero-emission cars.

2: PAC recommendation: The Departments for Transport and for Business, Energy & Industrial Strategy need to have a sufficient understanding of how changes to the vehicle market are impacting, and going to impact, different types of consumers in different parts of the country. Their plan for expanding the number of zero-emission cars on our roads needs to clearly set out how they propose to tackle emerging consumer issues.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 Since publishing the response to its consumer experience at public EV chargepoints consultation in March 2022, the Department for Transport (DfT) has undertaken further engagement with stakeholders and additional policy development, to reflect the delivery complexity of these changes and potential supply chain implications. On 30 March 2023 DfT announced that the government is regulating to introduce contactless payment at new chargepoints 8kW and above and existing rapids 50kW and above within one year of regulations being laid. The consumer experience legislation will reflect these changes and be introduced in Summer 2023.

2.3 The cyber security requirements of the Electric Vehicles (Smart Charge Points) Regulations 2021 came into force from 30 December 2022 and are enforced by the Office for Product Safety and Standards. These requirements will ensure that chargepoints are seamlessly integrated into the energy system and address the risks posed by smart charging.

2.4 The Department for Energy Security and Net Zero (previously BEIS) and DfT continue to work in collaboration with industry and consumer groups to ensure that drivers are able to easily make the transition to a zero emission vehicle.

4: PAC conclusion: The Departments have not yet demonstrated how they are going to encourage industry to maintain proper environmental and social standards throughout their supply and recycling chains as the zero-emission car market grows.

4: PAC recommendation: The Departments for Transport and for Business, Energy & Industrial Strategy should set out their approach to encouraging car manufacturers to maintain proper environmental and social standards throughout their supply and recycling chains as zero-emission cars volumes grow. This includes as examples:

- ***publishing information on lifecycle emissions;***
- ***details of relevant reporting standards for manufacturers on environmental and social stewardship; and,***
- ***future plans to develop the reporting standards.***

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Winter 2023
Original target implementation date: Winter 2022

4.2 The Department for Environment, Food & Rural Affairs committed to publishing a consultation on domestic batteries legislation to ensure there is an appropriate legal framework governing increasing numbers of EV batteries. This consultation is still on track to be published by the end of 2023 and will form the basis of future regulations, including standards producers must meet for the treatment of EV batteries that reach end-of-life.

4.3 The Faraday Battery Challenge (FBC) received an additional £211 million in new government funding in October 2022. The Faraday Institution, part of the FBC, continues to participate in the Global Battery Alliance (GBA). The Alliance reached another major milestone with the world's first Battery Passport Pilot being released in January 2023. The Faraday Institution anticipate continued and increased engagement with GBA from 2023 onwards.

5: PAC conclusion: There are other issues to be addressed in the transition to zero-emission cars, such as the need to train and retrain the workforce required to service the new car fleet, the impact on the demand for power, and the tax implications from phasing out new petrol and diesel cars.

5: PAC recommendation: The Departments for Transport and for Business, Energy & Industrial Strategy need to work with other departments to consider the practical implications of the transition to zero-emission cars. They should set out in their plan how they are going to manage the wider societal impacts of phasing out new diesel and petrol cars, for example, retraining the UK workforce, the impact on power generation and transmission, and implications for the UK tax take.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 The Department for Transport and The Department of Business and Trade (previously BEIS) are continuing to work with the Institute of the Motor Industry to ensure the UK's workforce of mechanics are well trained and have the skills they need to repair EVs safely. The automotive sector is participating in the government's Emerging Skills Project and continues to use modular learning products developed. In addition, through Green Jobs Delivery Group, the government has committed to publishing a joint government-industry Net Zero and Nature Workforce Action Plan in the first half of 2024, representing the culmination of several sectoral assessments in the coming 12 months. The upskilling of the workforce to meet the needs of a net zero economy is an ongoing focus for government.

5.3 In March 2023, the government published Powering Up Britain: Energy Security Plan, which set out the steps the government is taking to ensure the UK is more energy independent, secure and resilient. This includes managing the impacts of increased electricity demand, including from electric vehicles, as the government decarbonise the electricity system by 2025. The energy security plan reaffirms and builds on the commitments in the British Energy Security Strategy (April 2022) to accelerated the delivery of electricity networks, as a key enabler for a secure, net zero electricity system. The government will publish an action plan to accelerate electricity network connections in the summer and will respond this year to Networks Commissioner Nick Winser's recommendations, due in June, on how to accelerate the deployment of new transmission network infrastructure. In December 2022, Ofgem published their Accelerating Strategic Transmission Investment decision helping to accelerate approximately £20 billion of network projects.

5.4 The electricity distribution network price control RIIO-ED2 (Revenue = Incentives + Innovation + Outputs) commenced on 1 April 2023. This has put in place a robust process for bringing forward grid upgrades, ensuring the electricity network is ready for new demands placed upon it by low carbon technologies, like electric vehicles. The price control period has also enabled £22 billion of funding for Distribution Network Operators, including £3.1 billion for network reinforcement needed for low carbon technologies. With the new price control period having started, this Committee recommendation is now ongoing. Therefore, this recommendation has been implemented.

Seventh Report of Session 2021-22

Department of Health and Social Care and Department for Levelling Up, Housing and Communities

Adult Social Care Markets

Introduction from the Committee

Adult social care includes social work, personal care and practical support for adults with a physical disability, a learning disability, or physical or mental illness, as well as support for their carers. Family or friends provide most care unpaid. The Department of Health and Social Care (the Department) is responsible for setting national policy and the legal framework. The Ministry of Housing, Communities and Local Government (the Ministry [and now the Department for Levelling Up, Housing and Communities]) oversees the distribution of funding to local government and the financial framework within which local authorities operate. In 2019–20, local authorities commissioned care for 839,000 adults; spending a net £16.5 billion on care, 4% less in real terms than in 2010–11. They commission most care from independent providers. The Care Quality Commission (CQC) regulates providers for quality and also oversees the financial resilience of large providers. Many people arrange and pay for their care privately. If current (pre-COVID-19) patterns of care and current funding systems continue, the Department projects there will be a 29% increase in the number of adults aged 18 to 64 and a 57% increase in the number of adults aged 65 and over requiring care by 2038 compared with 2018.

Relevant reports

- NAO report: The Adult social care market in England – Session 2019-21 (HC 1244)
- PAC report: Adult Social Care Markets – Session 2021-22 (HC 252)
- Treasury Minute Progress Report: November 2021 (CP 549)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendations are updated below:

5: PAC conclusion: The Department of Health and Social Care has had poor oversight over local authorities' provision of care and appears complacent about the risks of local market failure.

5: PAC recommendation: Alongside the proposed Health and Care Bill, the Department of Health and Social Care should set out how it will support Care Quality Commission and local government to carry out their new duties; and ensure there is better readiness for local market failure.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2024

5.2 The Health and Care Act 2022 created a new duty for the Care Quality Commission (CQC) to assess local authorities' performance in delivering their adult social care duties under Part 1 of the Care Act 2014. This duty commenced on 1 April 2023. CQC is well placed to undertake this new role due to its experience as an independent regulator of health and social care.

5.3 CQC and the Department of Health and Social Care (the department) have been working closely with other government departments (including the Department for Levelling Up, Housing and Communities), the Local Government Association (LGA) and the Association of Directors of Adult Social Services (ADASS) to develop the new assessment framework. The new role for CQC forms part of a wider package of measures including improving the quality, timeliness and accessibility of adult social care data and a strengthened improvement offer for local authorities and their partners. CQC assessment will allow the government to understand how local areas are achieving the vision for reform, identify strong performance and help to spread best practice. It will also allow people to hold their local authority to account and, ultimately, have access to the consistent, high-quality care and support they deserve.

5.4 DHSC works in collaboration with sector partners to deliver an annual programme of support to local authorities to meet their care act duties. This includes networks and groups that help DASSs and their teams collaborate with peers in their region and nationally to self-assess their own performance, identify improvement priorities, find solutions and share great practice. DHSC also funds training, best practice resources and also fund tailored support to local authorities that need additional help. The programme includes specific help on commissioning, market-shaping and scenario planning for provider failure or market exit. A new package of support to strengthen local authority capabilities to carry out their market shaping duties is also in development for rollout between 2024-25.

5.5 In addition to CQC's Market Oversight Scheme, which monitors the financial health of the largest and most difficult-to-replace adult social care providers, the department continues to pursue additional means of improving contingency planning to cover a wide range of eventualities, including local market failure.

6: PAC conclusion: Neither local authorities nor people paying for care have access to clear information on what they get for their money.

6a: PAC recommendation: From April 2022, all providers should give clear and comparable information over fee levels.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: October 2023

6.2 Although the government agreed with the Committee's recommendation, it disagreed with the proposed implementation date. The department is committed to improving transparency of information and is currently considering options for doing so. Options under consideration would take longer than April 2022 to deliver.

6.3 In response to the Competition and Markets Authority's 'Care homes Market study, final report', the government agreed that there is a need to support those entering care to make informed decisions, ensure that those in care are sufficiently empowered, and to protect care home residents and families from unfair practices.

6.4 The government is considering a new requirement for CQC registered adult social care providers to be more transparent about their fees to help people make informed decisions. Any new requirement on fee transparency would be a legislative change and would need the appropriate legislative vehicle to be identified.

6.5 Whilst the government had previously identified an appropriate legislative vehicle to take this work forward via a wider review of the CQC regulations, associated work has meant this process has taken longer than anticipated.

6.6 Officials have undertaken a Post Implementation Review (PIR) of three sets of regulations within which the CQC operate. The results of the PIR are currently going through required clearance processes. Once the PIR report is published, the department will assess whether any further amendments are required to regulations relating to the CQC.

Eighth Report of Session 2021-22

Department for Digital, Culture, Media and Sport

COVID 19: Culture Recovery Fund

Introduction from the Committee

The COVID-19 pandemic hit the arts, culture and heritage sectors hard. Museums, galleries, cinemas, music venues, nightclubs, theatres, arts centres and heritage sites closed their doors to visitors on 23 March 2020 when the UK entered the first national lockdown. Many organisations in the sector remained entirely or mostly closed for a year. Without targeted support, the Department for Digital, Culture, Media and Sport (the Department) expected large-scale financial failures arising from the pandemic during 2020–21, with many organisations likely to close permanently if support was not available by September 2020. In July 2020 the Culture Secretary announced a £1.57 billion package, the Culture Recovery Fund, to help the UK's cultural, arts and heritage institutions survive the pandemic, supporting their long-term sustainability. The fund's primary objective is to rescue cultural and heritage organisations at risk of financial failure in the financial year 2020–21 due to COVID-19. The Department is accountable for this fund.

Relevant reports

- NAO report: Investigation into the Culture Recovery Fund – Session 2019-21 (HC 1241)
- PAC report: COVID 19: Culture Recovery Fund – Session 2021-22 (HC 340)
- Treasury Minutes: September 2021 (CP 520)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), one recommendation remained outstanding. This recommendation has now been implemented by the re-focused Department for Culture, Media and Sport (the department) and is updated below.

5: PAC conclusion: It remains to be seen whether the Department has achieved its objectives for the Culture Recovery Fund and secured longer-term value for money.

5b: PAC recommendation: The Department should set out:

- ***once its evaluation is complete what it will do to apply lessons to achieve value for money from its Culture Recovery Fund spending for the whole sector including subsectors that may have been missed.***

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 The evaluation of the Culture Recovery Fund was published on 21 April 2023. The findings show that the Fund met its overall objectives, was efficiently implemented and demonstrated value for money.

5.3 A letter was sent to the Committee in parallel, detailing what the Department for Culture, Media and Sport will do to apply lessons to achieve value for money from the Fund.

5.4 In summary, the department is committed to ensuring value for money from its investment for the whole sector through: supporting the sector through the key challenges to recovery, sector advocacy, and realising the future cultural and economic impacts from its investment.

5.5 In particular, the department is implementing several recommendations from the evaluation to ensure value for money:

- Arts Council England is exploring how it might use its current mechanisms to make alternative and innovative financial investments. It is also continuing to explore and research what support the sector needs for touring.
- The department is working closely with leading organisations within these sectors, as well as industry representative organisations, in order to build and maintain its understanding of the sectors it supports.
- The department has, and continues to, maintain close working relationships with experts from across industry and academia. The department is confident that it is able rapidly to convene the right skill sets by drawing from the expertise and networks of arm's length bodies and the department, while being mindful of its duties under the Public Sector Equality Duty.

5.6 The Culture Recovery Fund provided a unique opportunity for increased joint working between several of the department's arm's length bodies. The department recognises the value of this collaboration, and this is being maintained in current and future work.

Ninth Report of Session 2021-22

Cabinet Office and HM Treasury and Department for Work and Pensions

Fraud and Error

Introduction from the Committee

Fraud is estimated to account for 40% of all crime committed across the UK. Fraud and error in public spending are estimated to cost the taxpayer up to £51.8 billion every year, around £25 billion of which is outside the tax and benefits system. Each Department is responsible for managing its own risks of fraud and error leading to varying approaches depending on their understanding of the risks and the importance given to them. In 2018 Cabinet Office established a Government Counter Fraud Function which works to increase the understanding of fraud risks and threats to government by instilling professional standards and bringing together the 16,000 counter fraud professionals across the public sector. HM Treasury is responsible for setting out the counter fraud requirements for government departments and approving policy spend.

Government introduced many vital support schemes in response to the COVID-19 pandemic, with BEIS, DWP and HMRC responsible for some of the schemes identified as having the highest risk of fraud or error. Between April 2020 and March 2021, fraud within Universal Credit rose to an all-time high of 14.5% and BEIS estimates between 35% and 60% of loans issued through the Bounce Back Loan Scheme may not be repaid.

Relevant reports

- NAO report: Good practice guidance: Fraud and error – Session 2021-22 (HC 253)
- PAC report: Fraud and Error – Session 2021-22 (HC 253) Cabinet Office
- Treasury Minute – September 2021 (CP 520)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation has been superseded by recommendation 1of the Committee's report: The Department for Work and Pensions' Accounts 2020–21 – Fraud and error in the benefits system (Twenty-Fifth Report of Session 2021-22. HC 633).

3: PAC conclusion: Departments' lack of urgency to robustly measure fraud and error hinders their ability to direct their counter fraud and error efforts.

3d: PAC recommendation: DWP should write to the Committee with its targets for reducing fraud and error.

3.1 The government agrees with this recommendation.

3.2 As outlined above, the update to this recommendation is provided in Treasury Minute 25: The Department for Work and Pensions' Accounts 2020–21 – Fraud and error in the benefits system of Session 2021-22, Recommendation 1.

Eleventh Report of Session 2021-22

Ministry of Housing, Communities and Local Government

Local auditor reporting on local government in England

Introduction from the Committee

In 2019-20, the 487 local authorities, local police and local fire bodies in England were responsible for approximately £100 billion of net revenue spending. Local authorities are responsible for delivering many of the public services which local taxpayers rely on every day. The Local Audit and Accountability Act 2014 (the 2014 Act) set out the local audit arrangements from 1 April 2015 that apply to local authorities. Multiple organisations play a part in the local audit system, including: the Ministry of Housing, Communities & Local Government (the Department); the National Audit Office (NAO); Public Sector Audit Appointments Ltd (PSAA); the accountancy institutes: the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Institute for Chartered Accountants of England and Wales (ICAEW); the Financial Reporting Council (FRC); and audit firms. The Department has oversight of local authorities and is responsible for maintaining a set of statutory codes and rules for local authorities. The NAO maintains a code of audit practice for audits of local authorities and issues guidance to auditors. PSAA is responsible for securing arrangements for the independent appointment of auditors on behalf of local authorities which opt into its services and for setting audit fees. The external auditors audit the financial statements of local authorities and conclude on whether an authority has made proper arrangements for securing value for money. The FRC monitors and reports on the quality of these audits. The Department for Business, Energy and Industrial Strategy (BEIS) will become the sponsor department for the new Auditing, Reporting and Governance Authority (ARGA), once it is established, but the Department will hold Accounting Officer responsibility for the local government role of ARGA.

Relevant reports

- NAO report: Timeliness of local auditor reporting on local government in England 2020 – Session 2019-21 (HC 1243)
- PAC report: Local auditor reporting on local government in England – Session 2021-22 (HC 171)
- Treasury minute: September 2021: (CP 520)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation is updated below. The Ministry of Housing, Communities and Local Government was renamed the Department for Levelling Up, Housing and Communities.

4: PAC conclusion: The rapidly diminishing pool of suitably qualified and experienced staff increases the risks to the timely completion of quality audits.

4: PAC recommendation: The Department should work with the FRC and the accountancy institutions to implement accelerated training and accreditation to increase the supply of qualified auditors quickly, and to build attractive career paths in local audit.

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Autumn 2023
Original target implementation date: end of 2021

4.2 The department's vision of a strong, resilient local audit sector is dependent on an attractive, sustainable market of suitably qualified and experienced auditors.

4.3 Recent market testing has indicated that the Department for Levelling Up, Housing and Communities needs to work with the new market entrants to understand their needs for technical support further. This is therefore being reviewed as part of the Local Audit workforce strategy led by the Financial Reporting Council (FRC). There has been strong support for the development of a local audit qualification and the department has been progressing its work to develop a new Local Audit Qualification to facilitate experienced auditors moving across to local audit. Procurement is expected to launch in the coming weeks. Delays have previously arisen as a consequence of the need to refine the case for the qualification following a market testing exercise. Subject to a successful procurement, it is anticipated the qualification will be rolled out later this year.

Fifteenth Report of Session 2021-22

Department for Work and Pensions

DWP Employment Support

Introduction from the Committee

The Department for Work and Pensions (the Department) has an important role supporting people to prepare for work, move into work, and earn more in work. The main way it does this is through its jobcentres, where work coaches assess individuals' needs and may refer them to a range of specialised employment support programmes.

The Department responded to the anticipated rise in unemployment from the COVID-19 pandemic by increasing support available through Universal Credit with a £20 a week uplift, recruiting an extra 13,500 work coaches, and expanding its range of employment support programmes. The Department plans to increase its spending on employment support programmes from £300 million in 2020–21 to £2.5 billion in 2021–22, and to spend around £5 billion on new or expanded schemes by 2025–26.

Two employment support schemes make up the vast majority of this funding. One is the £1.9 billion Kickstart scheme, which aims to create jobs and provide employability support for young people on Universal Credit who may be at risk of long-term unemployment. Kickstart is due to close for new job placements in December this year. The other is the three-year, £2.9 billion Restart scheme, which aims to help people who are already long-term unemployed into sustained employment.

Relevant reports

- NAO report: Employment Support – Session 2021-22 (HC 291)
- PAC report: DWP Employment Support - Session 2021-22 (HC 177)
- Treasury Minute: November 2021 (CP550)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 765 above), the remaining recommendations are updated below.

4: PAC conclusion: The Department's focus on getting people into any form of employment risks neglecting its wider ambitions around supporting disabled people to work and supporting people on low pay to progress.

4b: PAC recommendation: The Department must also respond to the recommendations made by the in-work progression Commission to support people in low-pay employment to progress. In doing this, the Department needs to set out how it will tackle the long-term effects of the pandemic on the jobs market, disabled people, and in particular those who suffer from long Covid.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 The Department for Work and Pensions (the department) carefully considered the Committee's recommendation.

4.3 The department published its response: Helping people secure, stay and succeed in higher quality, higher paying jobs to the In-Work Progression Commission's report, on 13 December 2022.

4.4 The response sets out how the department will tackle the long-term effects of the pandemic on the labour market, including the specific impact on disabled people and those suffering from long Covid. The department's strategy in this area is drawn out further in Transforming Support: The Health and Disability White Paper, published 15 March 2023.

6: PAC conclusion: The Department does not make the most of local authorities' and employers' in depth knowledge of local needs and priorities.

6b: PAC recommendation: The Department should seek regular structured feedback from local authorities and employers on its employment support and:

- ***Publish its district provision tool so others can see and comment on and complement the range of local provision***

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The department regularly engages with employers to seek their insight and views on the labour market and employment support. This includes through structured roundtable discussions led by senior officials and ministers and one-to-one meetings between senior policy officials and business leaders as demonstrated during our recent work on Workforce Participation.

6.3 The department's regular engagement with local leaders and local authorities has played a key part in the development of employment support such as Restart. The department is committed to exploring how it can work with local leaders to direct national and local support most effectively (including through devolved funding such as UK Shared Prosperity Fund), building on the learning from initiatives such as Local Supported Employment and the Mental Health Productivity Pilot in the Midlands. The department recognises the importance of collaboration to align services, and as set out in the Levelling Up White Paper, has committed to consider offering Mayoral Combined Authorities a role in the design and delivery of future contracted employment programmes. For the two Trailblazer deeper devolution deals, the department has gone further, agreeing that both Greater Manchester and West Midlands Combined Authorities can have a formal role in all future contracted employment support programmes, including a co-design approach and a delegated delivery model.

6.4 In the department's Jobcentres, Partnership Managers, Employment Advisers and Disability Employment Advisers regularly engage with local authorities, providers, support organisations and employers to make sure Work Coaches have the most up-to-date local information to help and support our customers.

6.5 The department works closely with local authorities across Great Britain to support its delivery and in many cases are co-located with local authorities. An example of this is Youth Hubs, where the department's Work Coaches work alongside local partners to support young people in the area.

6.6 The department published the District Provision Tool on 20 December 2022.

7: PAC conclusion: The quality of claimants' experience with the Department and whether they receive the right support will depend on the Department's ability to integrate the additional 13,500 new work coaches into its organisation and manage their performance effectively.

7: PAC recommendation: The Department should commit to undertaking and publishing a full evaluation by the end of 2022 of how well its work coaches provide employment support and how consistently they apply their judgement.

The Department should gather and use systematic feedback on claimant's satisfaction with their work coaches, the service at the jobcentre, and how the jobcentre could be improved.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented

7.2 The report was published as part of the DWP Research Report series.

7.3 Findings from this work have been fed back to the department's policy teams. The findings have also fed into development work for future employment support policy, and a range of evaluation findings have helped the department to make changes to how work coaches refer people to employment support.

7.4 This work is helping the department to further develop its evidence base on how employment support has been delivered during the COVID-19 pandemic and afterwards.

Twenty-Fifth Report of Session 2021-22

Department for Work and Pensions

The Department for Work and Pensions' Accounts 2020-21 – Fraud and error in the benefits system

Introduction from the Committee

The Department for Work and Pensions (the Department) is responsible for the delivery of work, welfare, pensions and child maintenance policy. It serves over 20 million claimants and customers. In 2020–21, the Department spent £212.2 billion on benefits (£111.4 billion excluding State Pension). Benefit payments are susceptible to both deliberate fraud by organised crime groups and opportunistic individuals, and unintended error by claimants and the Department. Both claimants and the Department can also make mistakes, which leads to payments made in error. The Comptroller & Auditor General (C&AG) has qualified the Department's accounts every year since 1988–89 due to material levels of fraud and error in benefit expenditure. The C&AG qualified the Department's 2020–21 accounts for fraud and error in all benefits except State Pension. The Department overpaid £8.3 billion (7.5% of its benefit expenditure excluding State Pension) and underpaid £2.2 billion (2% of its benefit expenditure excluding State Pension) in 2020–21. The Department refers to this as a level of fraud and error of 3.9% across all its benefit expenditure, including State Pension.

The number of benefits cases that the Department needed to administer increased significantly as a result of the COVID-19 pandemic. The number of people on Universal Credit rose from 3 million in March 2020 to almost 6 million by March 2021. It managed this increase in caseload at the start of the pandemic in part by pausing some of the controls used to prevent fraud and error occurring. Since June 2020, the Department has started to adapt or reintroduce those controls.

Relevant reports

- NAO report: DWP Annual Report and Accounts 2020-21 – Session 2021-22 (HC 422)
- NAO report: Report on Accounts – Session 2021-22
- PAC report: The Department for Work and Pensions' Accounts 2020-21 – Fraud and error in the benefits system - Session 2021-22 (HC 633)
- Treasury Minute: January 2022 (CP 603)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation is updated below.

1: PAC conclusion: The scale of fraud and error in the benefit system has almost doubled during the pandemic from what was already the highest rate since records began.

1: PAC recommendation: We again recommend that the Department takes action to achieve a sustained reduction in fraud and error across all benefits. Alongside its Treasury Minute response, the Department must set clear targets for reducing fraud and error, by benefit and risk area, against which progress can be measured, and base these on its planned counter-fraud activities and investments.

1.1 The government agrees with the Committee’s recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: Spring 2022

1.2 The Department for Work and Pensions (the department) remains committed to the recommendation given by the Committee to set a fraud and error target across the welfare system, and a separate target for Universal Credit. The department will set out its progress for setting a target in its Annual Report and Accounts to be published in Summer 2023. The department will continue to work on this with the National Audit Office.

Twenty-Sixth Report of Session 2021-22

Department for Business, Energy & Industrial Strategy, HM Treasury and Cabinet Office

Lessons from Greensill Capital: accreditation to business support schemes

Introduction from the Committee

In Spring 2020, HM Treasury (the Treasury), the Department for Business, Energy & Industrial Strategy (the Department) and the British Business Bank (the Bank) developed several business support schemes to help businesses facing economic challenges as a result of the COVID-19 pandemic. These included the Coronavirus Business Interruption Loan Scheme (CBILS), which supported small and medium-sized businesses with a turnover up to £45 million, and the Coronavirus Large Business Interruption Loan Scheme (CLBILS), which was developed subsequently to support larger businesses with a turnover above £45 million. The loans provided to businesses under the schemes were delivered through commercial lenders such as banks and building societies. The Bank, acting as scheme administrator on behalf of the Department, was responsible for accrediting lenders. Under CBILS, lenders could provide loans up to £5 million; whereas CLBILS offered loans up to £50 million, or up to £200 million for lenders with additional accreditation. These loans attract an 80% guarantee: if the borrower does not repay the loan, the Government steps in and repays the lender 80% of the loan's value. In short, the Department and the Bank did not strike the correct balance between managing decisions quickly and protecting taxpayers interests.

Greensill Capital UK Limited (Greensill), a non-bank lender that entered administration on 8 March 2021, was an accredited lender under both schemes. During the accreditation of Greensill, the Department made several enquiries of the Bank, requesting updates on the status of Greensill's application owing to its relationship with the steel industry via financially struggling Liberty Steel, a part of the Gupta Family Group (GFG) Alliance. In October 2020, the Bank launched an investigation into Greensill's compliance with the CLBILS scheme rules. Greensill lent its maximum allocation of £400 million under CLBILS and £18.5 million under CBILS. The Bank was concerned that Greensill had issued seven CLBILS loans totalling £350 million to companies within the GFG Alliance, six of which were issued on the same day in September, appearing to flagrantly contravene the scheme's £50 million lending cap to groups. The Bank subsequently suspended the government loan guarantees while the investigation is on-going. In the meantime, the government is not obliged to pay Greensill in the event of borrower default. However, if the guarantee is reinstated and the borrowers default on Greensill's loans, the government will be exposed to a maximum liability of £335 million.

Relevant reports

- NAO report: Investigation into the British Business Bank's accreditation of Greensill capital – Session 2021-22 (HC301)
- PAC report: Lessons from Greensill Capital: accreditation to business support schemes – Session 2021-22 (HC169)
- Treasury Minutes: January 2022 Session 2021-22 (CP 603)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendation is updated below

7: PAC conclusion: The Government has not yet identified the lessons it will take from its accreditation of Greensill or from its COVID-19 business support schemes.

7: PAC recommendation: The Treasury, the Department and the Bank should jointly work to identify the lessons that need to be learned from its COVID-19 business support schemes and Greensill's accreditation in particular. By July 2022 they should publish a full lessons-learned report on these schemes, outlining how each lesson will be implemented. This will enable it to be better prepared for any future economic shock.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented

7.2 The Department for Business, Energy & Industrial Strategy (now the Department for Business and Trade), HM Treasury and the British Business Bank collectively produced a report setting out the lessons that have been learnt in the delivery of the COVID-19 loan schemes. This was sent to the Committee on 30 November 2022.

7.3 The Committee was notified separately about the delay to the department's original target implementation date from Summer 2022 to Winter 2022.

Twenty-Seventh Report of Session 2021–22

Department for Business, Energy & Industrial Strategy

Green Homes Grant Voucher Scheme

Introduction from the Committee

The government aims to achieve net zero carbon emissions by 2050. Buildings account for around 19% of all UK greenhouse gas emissions. To reduce emissions from homes the government wants consumers to use less energy, make greater use of green heating systems (alternatives to gas and fossil fuels) and for home heating to be more efficient. The Department for Business, Energy & Industrial Strategy (the Department) has overall responsibility across government for achieving net zero. In July 2020, as part of the government's 'green recovery' from the pandemic, the Chancellor of the Exchequer announced the Department's Green Homes Grant Voucher Scheme (the Scheme) with funding of £1.5 billion made available. The Scheme offered homeowners the opportunity to apply for up to £5,000 funding (£10,000 for low-income households) to install energy efficiency improvements and low carbon heat measures in their homes, such as insulation, heat pumps, energy efficient windows and doors, and heating controls. Homeowners were expected to identify a certified installer and apply for vouchers with the installer receiving the grant funding once they had fitted the measure.

The Scheme opened to voucher applications from the public in September 2020. In November 2020, the Department announced that the Scheme would be extended from March 2021 to March 2022. At about this time, however, evidence began to emerge that the Scheme was not issuing vouchers as quickly as expected and consequently homeowners and installers were starting to raise concerns. On 27 March 2021, the Department announced it would close the Scheme to applicants as originally planned at the end of March 2021.

Alongside the voucher Scheme, the Department also launched a series of building decarbonisation schemes delivered through local authorities, including the Green Homes Grant Local Authority Delivery Scheme and the Social Housing Decarbonisation Fund Demonstrator, which were aimed at domestic properties, and the Public Sector Decarbonisation Scheme, aimed at non-domestic public sector buildings.

The Department has recently announced plans to introduce a Boiler Upgrade Scheme, to support the transition from gas boilers to heat pumps in buildings. This is part of its wider Heat and Buildings Strategy that sets out its longer-term plans to achieve building decarbonisation in the United Kingdom, which itself is part of Government's ambitions to reach Net Zero by 2050.

Relevant reports

- NAO report: Green Homes Grant Voucher Scheme – Session 2021-22 (HC 302)
- PAC report: Green Homes Grant Voucher Scheme – Session 2021-22 (HC 635)
- Treasury Minute: February 2022 – Session 2021-22 (CP 631)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minute Progress Report: December 2022 (765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendations are updated below by the Department for Energy Security and Net Zero.

1: PAC conclusion: The Department's failure to deliver a viable scheme has damaged confidence in its efforts to improve energy efficiency in private domestic homes.

1: PAC recommendation: The Department needs to regain the confidence of consumers and industry if it is to realise the ambitions set out in the recently published Heat and Buildings Strategy. Alongside its Treasury Minute response to this report, the Department should:

- ***set out the measures it will use to assess whether consumers are indeed opting to install measures to decarbonise their homes at a rate consistent with delivery of net zero; whether the supplier market is building its capacity quickly enough to match likely demand and, in particular whether sufficient steps are being taken to train the number of skilled workers that will be needed to install these measures;***
- ***spell out the interim milestones by which future progress should be judged; and***
- ***commit to reporting not only what has been done but also measures of what still needs to be done to deliver net zero, for example the number of homes in the UK yet to meet the expected insulation and heating standards.***

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 The government has monitoring and tracking process in place to deliver the Committee's recommendations. It has set out interim milestones in the Heat and Buildings strategy published Autumn 2021 and set out further targets in the Net Zero Growth Plan. The Department for Energy Security and Net Zero (previously BEIS) will continue to provide updates on progress. The government has published the Net Zero Growth Plan in response to the independent Skidmore Net Zero Review on the 30 March 2023. This is in line with the duties set out in the Climate Change Act, amended in 2019. The government is fully or partially acting on 23 of the top 25 recommendations made in the report. The government will continue to update Parliament on carbon budget performance according to requirements set under the Climate Change Act 2008. The Climate Change Committee also holds government accountable by publishing statutory progress reports to parliament.

1.3 The Department of Energy Security and Net Zero monitors key performance indicators of its majority capital delivery schemes through monthly reporting at a scheme level, and by region and local authority. The monthly statistics are published on GOV.UK in relation to the, Boiler Upgrade scheme, the Home Upgrade Grant and the Social Housing Decarbonisation Fund These statistics cover a variety of analysis including the number of measures installed, the number of homes upgraded and installation rates by region and local authority. Under the Energy Company Obligation, energy suppliers report to Ofgem who monitor suppliers' progress against their individual targets. The Department also publishes detailed official statistics monthly – see the Household Energy Efficiency Statistics release.

1.4 Within the department, progress on the aims set out within the Heat and Buildings Strategy is regularly monitored by senior officials and Ministers across the portfolio of projects relating to decarbonising buildings. Updates are also reported internally on a quarterly basis.

1.5 At the Autumn Statement the government announced the forming of an Energy Efficiency Taskforce to support the ambition for a 15% reduction in energy demand by 2030 from 2021 levels through accelerated delivery of energy efficiency measures across the economy. The Taskforce will consider avenues such as green finance, the resolution of supply chain issues and changing consumer behaviour working within the parameters of existing government funding envelopes and policy, including the need to meet statutory net zero and fuel poverty targets, as well as the Public Sector Equality Duty. The Taskforce is currently developing an action plan to deliver on this ambition.

1.6 As highlighted in the Net Zero Growth Plan, the government's ambition for driving the new green industry of low-carbon heating systems and energy efficiency measures has the potential to add up to £10 billion in Gross Value Added (GVA) per year in the UK and support ~240,000 jobs in 2035. The department continues to monitor the market and its response to skills interventions such as the £9.2 million Home Decarbonisation Skills Training competition and will work with the industry to support training in key skills shortage areas and new routes of entry to increase capacity.

Twenty-Ninth Report of Session 2021-22

Home Office

National Law Enforcement Data Programme (NLEDP)

Introduction from the Committee

The Police National Computer (PNC) is the most important national police information system in the UK. Introduced in 1974, it is the main database for criminal records and is used daily by police officers across the UK's 45 police forces, and by a range of other organisations. The Police National Database (PND), which was introduced in 2011, is a national intelligence-sharing system used across police forces and other bodies such as the National Crime Agency. As these are both national systems, the Department has responsibility for their operation, maintenance, and replacement. In 2014 the Department decided that the existing PNC and PND systems should be replaced by a single, modern cloud-based system which would meet the evolving needs of its users and be more adaptable to future requirements. Consequently, it launched the National Law Enforcement Data Programme in 2016, with the aim of delivering the new system by 2020 at a cost of £671 million.

Relevant reports

- NAO report: The National Law Enforcement Data Programme – Session 2021-22 (HC 663)
- PAC report: The National Law Enforcement Data Programme – Session 2021-22 (HC 638)
- Treasury Minutes – February 2022 (CP 631)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendations are updated below:

5: PAC conclusion: The Department does not yet have a plan for maintaining the PND and combining its data with NLEDS in future.

5: PAC recommendation: The Department should write to the Committee when it has an approved business case for the PND setting out its plan, milestones and budget for expanding the use of the PND and ensuring police will be able to access PND data via NLEDS.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: September 2023
Original target implementation date: April 2022

5.2 The Home Office (the department) continues to work on the business case for maintaining the Police National Database (PND) and ensuring that this fits with wider technology changes happening in the policing technology arena. A Gateway 2 Review highlighted two critical recommendations impacting the business case and the department is taking action to address them both:

- To prioritise funding for financial year 2023/24 the department is submitting the next PND business case to the Financial Investment Committee in August 2023 based upon the supplier Fixed Price Proposal (FPP) referenced in para 5.3 below. 2.
- To provide clarity on desired business outcomes, the department is seeking to confirm with the Infrastructure & Projects Authority (IPA), the appointment of a formal PND Senior Responsible Owner (SRO) to ensure PND's alignment to business strategy as referenced in para 5.3 below.

5.3 The PND programme received interim funding approved initially to April 2023 to allow programme mobilisation before receiving a FPP from the supplier. The programme also granted the supplier a 3-month extension to provide the FPP. The extension allows risk mitigation activities by the supplier to reduce the risk profile and anticipated cost of the FPP to deliver the transformation programme, a prioritisation of funding to PND for financial years 2023-24 and 2024-25, and to clarify the desired business outcomes through the appointment of a formal SRO and Senior Business Owner. The programme will replace or update obsolete components and move to the Cloud. These actions will secure the PND service and business continuity for over ten years.

5.4 As a result of the extension of the business case submission timeline, the PND programme gained authorisation from the Home Office Financial Investment Committee (FIC), out of committee on 6 April 2023, to additional interim funding to cover the programme until August 2023. The supplier will provide the Police National Database programme with a Fixed Price Proposal on 30 June 2023 which will provide clarity in the financial section of the business case. The programme will seek FIC approval of the PND business case on 17 August 2023. The department has therefore had to extend the implementation date further but will write to the Committee as part of its agreed quarterly update once the business case is approved.

Thirtieth Report of Session 2021-22

Cabinet Office

Challenges in implementing digital change

Introduction from the Committee

Digital transformation is business change bringing together data, processes, people and technology in new ways to fundamentally change how departments and other organisations serve and provide value to citizens. Responsibility for improving government's performance rests at the centre with the Central Digital and Data Office (CDDO) and the Government Digital Service (GDS), which are both part of the Cabinet Office. The CDDO, created in 2021, leads the digital, data and technology function of government and is responsible for strategy, standards, and capability development. The GDS has refocused its role on building products and services that help provide a simple, joined-up and personalised experience of government to the public. However, individual departments are responsible for the day-to-day delivery of their own programmes.

Relevant reports

- NAO report: The challenges in implementing digital change – Session 2021-22 (HC 575)
- PAC report: Challenges in implementing digital change – Session 2021-22 (HC 637)
- Treasury Minute: February 2022 – Session 2021-22 (CP 631)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendations are updated below.

2: PAC conclusion: There is no clear plan to replace or modernise legacy systems and data that are critical to service provision but are often old, unsupportable, vulnerable and a constraint on transformation.

2: PAC recommendation: At the start of 2022 the CDDO should work with departments to map legacy systems across government to document what is there, why it exists and how critical it is. By the end of 2022 the CDDO should use this to produce a pipeline of legacy systems they have prioritised with milestones for action. This pipeline should be shared with the Committee.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The Central Digital and Data Office (CDDO) has now onboarded 15 departments onto the newly developed framework for assessing cross-government legacy risk. Work to complete the analysis with remaining departments will be completed by end of June 2023.

2.3 CDDO is working with departments to review the pipeline of remediation plans that have been noted through the legacy framework, following up to assess any further support needed to those that have stated that plans are unfunded, or no remediation plans are in place.

2.4 The register of legacy systems developed through this assessment process is a live asset and is regularly updated as further departments onboard to the framework. A point-in-time snapshot was shared with the Committee in December 2022.

2.5 Departments' progress in delivering these plans will be monitored through regular Digital, Data and Technology (DDaT) Quarterly Business Reviews jointly chaired by the CDDO and HM Treasury.

3: PAC conclusion: Departments have failed to understand the difference between improving what currently exists and real digital transformation, meaning that they have missed opportunities to move to modern, efficient ways of working.

3: PAC recommendation: The Cabinet Office and departments should introduce a structured way of deciding whether the changes they are making represent incremental improvements to existing systems, or a more transformational redesign of business processes. The Cabinet Office and departments should reflect this in the depth and rigour of the initial scoping and design of programmes.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The Cabinet Office and departments set out its ambitions for digital transformation over the 2022 - 2025 period in Transforming for a Digital Future. Mission One sets an ambition to transform 50 of the top 75 government services to a great standard by 2025. CDDO has completed baselining of all top 75 services, identifying opportunities, blockers and ways to support departments in improving their services. This is a structured approach to identifying and prioritising 'quick win' incremental improvements as well as wider, end-to-end transformational activities. CDDO is now operationalising plans to support services to improve through both near and longer term interventions, for example:

- utilising AI and automation to provide automated responses and status updates, or analytics to identify pain points, and redesigning user interfaces to improve user experience.
- working with the wider DDaT community to create an enabling environment for transformation, for example, by upskilling and capability building, and creating reusable components that increase speed of delivery.

3.3 Mission Six of the roadmap sets out to address broader systemic blockers to transformation, including through embedding digital approaches and multi-functional teams into policy design and delivery, and working with HM Treasury, Finance, Commercial and Infrastructure and Projects Authority (IPA). CDDO conducted extensive analysis to understand and prioritise the challenges to achieving lasting improvements to digital delivery in departments. These broadly fall into four categories: finance, delivery, policy and commercial. CDDO are now conducting pilots to reflect and embed these transformational initiatives in the scoping, designing and implementing of programmes, including: piloting initiatives for agile funding; embedding digital and data fundamentals in training for non-DDaT professionals; working with IPA to embed agile ways of working; and piloting multidisciplinary ways of working within departmental policy teams.

4: PAC conclusion: Digital programmes often fail to have their own single programme office to support the programme director to align all aspects throughout the lifetime of the programme, including integration of legacy and future systems.

4: PAC recommendation: The Cabinet Office should develop guidance on how to approach legacy integration, and mandate rigorous and professional design, data and infrastructure controls and practices, with appropriate accountabilities.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 CDDO has built a register of red-rated IT assets to monitor the cross-government legacy estate using its legacy framework. The department is developing guidance for departments on a strategic approach to legacy transformation.

4.3 CDDO is implementing a single set of Red Lines - a minimum standard for all digital and technology projects in Government which will be assured through Spend Controls. These are currently undergoing testing via a trial with a limited set of central government departments. These Red Lines include architectural controls such as an enforcement of a 'Buy Once Use Many' principle for specific technology sets and a requirement for departments to develop a legacy proofing plan for new systems to ensure that we are addressing the challenge of preventing the new legacy of tomorrow.

Thirty-First Report of Session 2021-22

Department for the Environment, Food and Rural Affairs

Environmental Land Management Scheme

Introduction from the Committee

For more than 40 years, the farming sector has been supported by subsidies through the European Union's Common Agricultural Policy (CAP). English farmers receive around £2.4 billion annually. In recent years, around four-fifths of this were provided as direct payments based primarily on the amount of land farmed. Following the UK's exit from the EU, the Department for Environment, Food & Rural Affairs (the Department) is introducing the Future Farming and Countryside Programme, which will focus on improving the environment, protecting the countryside, improving the productivity of the farming sector and improving animal health and welfare. The Department plans to reduce the amount of money provided to farmers through direct payments each year from 2021 and remove them entirely by 2027. The resulting funds will be used to provide environmental benefits instead. The Environmental Land Management (ELM) scheme is the most significant of the new schemes being introduced.

The scheme will have significant implications for the farming sector. Over a third of farmers would have made a loss over the last three years without direct payments. It is also a crucial part of the Department's plans to achieve the wider environmental objectives of the government's 25-Year Environment Plan and to meet government's net zero target by 2050. ELM will pay farmers for actions to improve the environment. It will consist of three components, each of which is planned for full launch in 2024. In the meantime, the first component, the Sustainable Farming Incentive (SFI), is being piloted in 2021 and the Department plans to begin roll-out in 2022. This initial roll-out of SFI is intended to allow farmers to start earning income for providing environmental benefits as the current system of direct payments start to be phased out. Farmers and other landowners will also have access to other schemes funded by the removal of direct payments, including programmes focussed on promoting productivity such as the Farm Resilience Scheme.

Relevant reports

- NAO report: The Environmental Land Management scheme – Session 2021-22 (HC 664)
- PAC report: Environmental Land Management Scheme (parliament.uk) – Session 2021-22 (HC 639)
- Treasury Minutes: Environmental Land Management Scheme – February 2022 (CP 631)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minute Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), the remaining recommendation is updated below.

2: PAC conclusion: The Department has not established the metrics that it will need to determine whether ELM is contributing towards the government's environmental goals.

2: PAC recommendation: The Department should develop clear metrics, and establish robust baseline measures, to allow it to assess the operational effectiveness of ELM and ensure these are published before the start of roll-out in 2022. It should report against these metrics annually to enable Parliament and the public to determine what progress it is making towards meeting the objectives set out in the Government's 25 Year Environment Plan.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 Since the department's last update in December 2022, the government concluded the first of the 5-yearly reviews (committed in the Environment Act 2021), of the 25-Year Environment Plan (25 YEP), with the publication of the Environmental Improvement Plan (EIP), on 31 January 2023. Through the Farming and Countryside Programme (FCP), the Environmental Land Management (ELM) schemes contribute to some of the 10 goals set out in the 25YEP and therefore also to some of the targets committed to in the EIP – these are set out in detail in the EIP.

2.3 With regard to annual reports on progress, the EIP provides a statement of actions completed, across the 10 goals, including FCP activity to date such as: increased uptake in Countryside Stewardship, establishment of Landscape Recovery projects, opening new farming funding through the Sustainable Farming Incentive; and launching the Slurry Infrastructure grant.

2.4 The department has developed a series of environmental objectives covering Net Zero, Biodiversity and Water Quality. These objectives are outcome or output-based and most of the targets already have baselines in place; work is underway to review and refine them where needed so that the department has a full and robust set. Required uptake trajectories have been created to flag potential risks to delivery and allow progress tracking and annual reporting.

Thirty-Second Report of Session 2021-22

Department for Digital, Culture, Media and Sport

Delivering gigabit-capable broadband

Introduction from the Committee

The Department for Digital, Culture, Media & Sport (the Department) is responsible for delivering the government's policies on increasing economic growth and productivity through improved digital connectivity. Central to this is its target of rolling out gigabit-capable infrastructure capable of download speeds of at least 1000 megabits per second (Mbps) to at least 85% of UK premises by 2025. Although superfast broadband (download speed of at least 30 Mbps) is fast enough for most household use today, global internet traffic is growing by around 40% each year. Gigabit-capable broadband, such as full fibre, can provide speeds of over 1,000Mbps, fast enough to download a High-Definition (HD) film in seconds.

In 2019, the Department revised its target of achieving nationwide full-fibre coverage by 2033 to achieving nationwide gigabit-capable coverage by 2025. In 2020 it revised this again, to at least 85% of UK premises having access to gigabit-broadband by 2025. Despite having revised its target, the Department also plans to accelerate rollout to get as close to 100% nationwide coverage as is possible in that time. The Department expects that commercial operators will supply broadband infrastructure where profitable, and that this will provide up to 80% of the UK's coverage. These providers include large firms like Openreach and Virgin Media O2, and smaller providers, known as alternative networks or "alt-nets". The Department is working with these operators to provide subsidies to build gigabit infrastructure in less commercially viable areas. In addition, it is providing funding through the gigabit voucher scheme as immediate help for people experiencing slow broadband speeds in rural areas. The government has allocated £1.2 billion to rolling out gigabit by 2025, with a further £3.8 billion reserved for future years.

Relevant reports

- NAO report: Improving broadband – Session 2019-21 (HC 863)
- PAC report: Delivering gigabit-capable broadband – Session 2021-22 (HC 743)
- Treasury Minutes – April 2022
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above) the Department for Science, Innovation and Technology (DSIT) (the department) was established in February 2023 and now has responsibility for broadband rather than the former Department for Digital, Culture, Media and Sport. The remaining recommendations are updated below.

3: PAC conclusion: We are not convinced by the Department's assertion that it will meet its target delivery of a minimum of 85% by 2025 despite having signed no new infrastructure subsidy contracts for Project Gigabit.

3b: PAC recommendation: The Department should also adopt a flexible procurement approach which allows it to respond to market developments without endlessly delaying the signing of contracts for commercially unviable areas.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 Building Digital UK (BDUK) has designed and implemented a procurement approach that balances the need to be dynamic and responsive to the market's plans, while increasing the certainty that viable networks can be built by suppliers through our subsidy support. Value for money is at the forefront of our approach - particularly when selecting the level of subsidy and the extent of the premises it will cover.

3.3 BDUK noted in its December 2022 Treasury Minutes response (CP 765) that its first round of procurements were expected to be completed by the end of December 2022.

3.4 BDUK has now completed and signed nine contracts (of which six were awarded before the end of December 2022) and has a further 17 currently in procurement.

Area and Lot number	Contract award date	Contract signature date	Supplier awarded
North Dorset (Lot 14.01)	12/8/22	28/08/22	Wessex Internet
Teesdale (Lot 4.01)	23/8/22	22/09/22	Gofibre
North Northumberland (Lot 34.01)	31/8/22	14/10/22	Gofibre
Cumbria (Lot 28)	17/10/22	01/12/22	Fibrus
Central Cornwall (Lot 32.02)	13/12/22	19/01/23	Wildanet
South West Cornwall (Lot 32.03)	14/12/22	19/01/23	Wildanet
Cambridgeshire (Lot 5)	26/1/23	23/02/23	Cityfibre
New Forest (Lot 27.01)	24/1/23	27/03/23	Wessex Internet
North Shropshire (Lot 25.02)	04/04/23	19/04/23	Freedom Fibre

3.5 These procurements are taking place against a background of ongoing market developments. BDUK now collects and assures suppliers' commercial build plans across the UK three times a year through an Open Market Review process. Based on this information and other market feedback, BDUK adapts intervention areas at regular stages during the pre-procurement and procurement processes - or subsequently through contract changes as appropriate - to minimise the risk of double subsidy as a result of overbuilding previously subsidised areas or commercial network build.

6: PAC conclusion: The Department does not have a detailed plan to ensure that those in the very hardest to reach areas are not being left behind.

6: PAC recommendation: In line with its Treasury Minute response, the Department should write to us setting out how it will reach the remaining 15% left out of the 2025 target, as well as the very hardest to reach 0.3%. This should include what progress it has made in developing and procuring new technologies.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

6.2 BDUK set out three key milestones in its [April 2022 Treasury Minute] for the publication of its plans beyond 2025 (completion of all market surveys, signing a material number of contracts, and more certainty on the number of Very Hard to Reach (VHTR) premises).

6.3 BDUK still aims to publish plans beyond 2025 in Summer 2023, as soon as they are satisfied that these milestones have been achieved.

6.4 It remains the government's position that premises with limited access to digital connectivity should be addressed as quickly as possible. Before bringing forward any final policy options for the Very Hard to Reach, the government needs to be able to understand with greater certainty the premises that will not be reached by Project Gigabit build of gigabit networks, commercial deployments of ultrafast fixed wireless technologies or other activity.

6.5 However, prior to bringing forward final policy options, the government has launched two VHTR pilot programmes to understand the capabilities of new Low Earth Orbit (LEO) satellite equipment as a potential solution to improve broadband connectivity.

6.6 In December 2022, DCMS (now DSIT) launched a series of Alpha Trials to test the technical and operational readiness of new broadband technologies, including the low earth orbit satellites. The trial will last for up to two years and the department is using the information from these trials to understand how Very Hard to Reach premises may be able to benefit from the improved connectivity LEO satellites can provide.

6.7 Furthermore, in April 2023 DSIT announced that it had launched an £8 million fund to provide capital grants to further promote new satellite connectivity to the most remote 35,000 Very Hard to Reach premises to help ensure that these premises could get improved broadband where required. Further details on the value of the grants, which premises will be able to apply for the scheme and how they can apply will be released in due course.

6.8 For the remaining Very Hard to Reach premises, the department is looking at other solutions - for example, Fixed Wireless Access technology. The government will bring forward additional policy measures for Very Hard to Reach premises later this year.

Thirty-Fourth Report of Session 2021-22

Department for Levelling Up, Housing and Communities and HM Treasury

Local Government Finance System: Overview and Challenges

Introduction from the Committee

Local authorities provide a broad range of services, including those for some of the most vulnerable in society. They have also been vital in the local response to the COVID-19 pandemic. Local authorities are funded through multiple funding streams, including government grants, taxes and charges for services. They also raise funds to support their services through commercial activity such as purchasing properties to provide income.

The Department for Levelling Up, Housing and Communities (the Department) is responsible for working across government to support HM Treasury (the Treasury) to make major decisions about local government funding and it plays a significant role in distributing that funding. The Department is also responsible for the accountability system that assures Parliament about how local authorities use their resources, including preventing and responding to financial and service failure.

English local authorities spent £64.4 billion on providing services in 2019–20 with statutory care services for vulnerable adults and children dominating spending. Spending Review 2021 announced £4.8 billion of new grant funding for local government between April 2022 and March 2025. The spending review also confirmed that £3.6 billion would be made available to local authorities to support charging reforms for adult social care. Considering the expected increases in council tax, including the additional amount charged for adult social care, the government expects the core spending power for local authorities to increase by an average of 3% in real terms each year over the spending review period.

Relevant reports

- NAO report: The local government finance system in England: overview and challenges – Session 2021-22 (HC 858)
- PAC report: Local Government Finance System: Overview and Challenges – Session 2021-22 (HC 646)
- Treasury minute: April 2022 (CP 649)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above) the remaining recommendations are updated below.

1: PAC conclusion: The sector is facing a wide range of risks that have built up during the period of sustained financial pressure on local authorities.

1: PAC recommendation: The Department must set out what changes it has made to improve the quality of the local government financial data it collects, what requirements it will carry over from its monthly COVID-19 monitoring, and whether it now has the capacity to adequately oversee the risks to local authority finances and services.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 The Department for Levelling up, Housing and Communities (the department) published the Review of Local Government Finance Statistics in April 2022. Since the government's last update to the Committee, the department has begun to incorporate the first set of changes to improve the content, presentation, accessibility and quality of regular data collection into this year's returns. As noted in the review, broadly the department expects to make approved changes over a three-year period. Given the review is concluded and implementation is currently underway, the department proposes to mark this recommendation completed.

1.3 Following the announcement in the Levelling Up White Paper of February 2022 that the government is establishing a new independent body, the Office for Local Government (Oflog) will be launched shortly. The purpose of Oflog will be to increase transparency, foster accountability, and help support the improvement of local government performance.

3: PAC conclusion: The Department did not act with sufficient urgency, nor has it set out an overarching plan and timetable, to address the severe and pressing problems with the local government audit market.

3: PAC recommendation: Alongside its Treasury Minute Response, The Department should provide a detailed timetable and overarching plan that draws together the existing and recently proposed short- and long-term actions to address the problems with local government audit. This should include a clear timetable for finalising the local audit functions of ARGA, the transition arrangements and a mechanism to keep this committee updated on progress.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 In the department's letter to the Committee of 15 March 2023, the government has implemented the Committee's recommendations by setting out the actions to address the problems with local audit. The government is fully committed to continuing to regularly update the Committee on further progress.

7: PAC conclusion: It is still not clear how the government will take a strategic, cross-government approach to rationalising local authority funding, which is particularly important for cross-cutting priorities like net zero and levelling up.

7: PAC recommendation: In its response to this report, the Department and the Treasury should set out what changes will be required to deliver a strategic, cross-government approach to rationalising funding for local government, especially for major strategic priorities.

7.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: Summer 2022

7.2 The Levelling Up White Paper recognised that the local funding landscape is characterised by a patchwork of fragmented funds, separate but often overlapping, each seeking to improve place-based economic development.

7.3 Initial steps have been taken to address this complexity. For example, the UK Shared Prosperity Fund (UKSPF) provides resource focused investment to support people, boost pride in place and strengthen communities. Additionally, at Spring Budget 2023 it was announced that the government will provide Greater Manchester and West Midlands Combined Authorities with multi-year, single, flexible revenue and capital funding settlements at the next Spending Review. Single department-style settlements represent an ambitious step on the road to greater simplification of funding that those authorities currently receive from central government. The government’s ambition is to roll this model out to all areas with a devolution deal and a directly elected leader over time. The Levelling Up White Paper made it clear that more can be done, and the government will set out further details shortly.

7.4 Alongside work to simplify local funding, the department has completed important foundational work which moving forward will enable it at each spending round to continue challenging other government departments on which of their grants can be rolled into the Local Government Finance Settlement. For 2023-24 the department has been able to consolidate four grants with a total value of £230 million, which is a significantly higher value than at the last settlement. In line with future fiscal events, the department will explore with departments how they could consolidate funds where multiple bidding pot grants are provided from the same department (or from different departments) for similar or duplicating policy objectives. The department will also be reviewing all existing ringfences which should go some way to relieving the burden on local government and simplifying the grants landscape.

Thirty-Sixth Report of Session 2021-22

Cabinet Office, HM Revenue & Customs, the Department for Transport and the Department for Environment, Food and Rural Affairs

EU Exit: UK Border

Introduction from the Committee

On 17 October 2019 the UK and the EU concluded the Withdrawal Agreement, establishing the terms of the UK leaving the EU, and setting out Northern Ireland's future relationship with the EU and Great Britain (known as the Northern Ireland Protocol). On 31 January 2020, the UK left the EU, no longer participating in the EU's decision-making, and entered a transition period during which existing rules on trade, travel and business between the UK and the EU continued to apply. On 31 December 2020, the transition period ended, and the Northern Ireland Protocol came into effect with grace periods delaying the requirement for some checks and preparations.

As a result of the UK government's decision to leave the EU single market and customs union, there are new requirements for moving goods across the border. Some of these came into effect at the end of the transition period and others are due to be phased in during 2022. There have also been some new requirements for passengers. Making the changes necessary to manage the border after the end of the transition period has been the responsibility of several departments including the Cabinet Office; the Department for Environment, Food and Rural Affairs (Defra); HM Revenue & Customs (HMRC); the Home Office; and the Department for Transport (DfT). It has also required significant engagement from stakeholders outside government including the border industry, traders, hauliers, and their representatives.

Relevant reports

- NAO report: The UK border: Post UK-EU transition period – Session 2021-22 (HC 736)
- PAC report: EU Exit: UK Border – Session 2021-22 (HC 746)
- Treasury Minute: April 2022 – Session 2021-22 (CP 667)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above), the remaining recommendations are updated below.

1: PAC conclusion: The new border arrangements have yet to be tested with normal passenger volumes and may be further challenged when the EU introduces requirements for biometric passport checks.

1: PAC conclusion: Government must set out its scenario planning and modelling for passenger volumes in 2022 and clarify how it will manage the increased pressures and any contingencies that may be required, including those relating to the new EU Entry and Exit System requirements at juxtaposed controls. Government should write to the Committee within six months to provide an update on its scenario planning and whether its 2022 modelling has provided accurate, with particular emphasis on HGV drivers.

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: April 2024
Original target implementation date: October 2022

1.2 The government's previous response to the Committee covered government scenario planning and modelling for passenger volumes in 2022. Department for Transport and Home Office analyst teams continue to model passenger volumes in 2023 and into 2024 to aid planning for seasonal peaks as part of business as usual work. Additionally they are working with the Kent Resilience Forum and Kent County Council to plan and mitigate potential delays at peak periods.

1.3 In November 2022, Department for Transport wrote to the Committee regarding the delay of the EU Entry Exit System (EES) implementation date to May 2023 from its original implementation date of October 2022. Since then, it is expected the implementation date is being delayed further to at least early 2024, though the French and others are lobbying heavily for a further delay until after the Paris Olympics and Paralympics (26^{th} July – 8^{th} September 2024). The EU Justice and Home Affairs Council is expected to confirm a new implementation date in June.

1.4 The Home Office is the lead government department for EES, and are working closely with Department for Transport, Cabinet Office and the Foreign, Commonwealth and Development Office to coordinate government mitigations to EES.

1.5 The government are engaging with Port of Dover, Eurostar / High Speed1 (St Pancras) and EuroTunnel / Getlink to understand and support their implementation plans. The government is also working closely with the French Ministry of Interior. Department for Transport and Home Office analyst teams are working with ports and carriers to model the cumulative impact of normal traffic and the additional requirements of EES on passenger flow and timings at each location.

Thirty-Seventh Report of Session 2021-22

HM Revenue and Customs

HMRC Performance in 2020–21

Introduction from the Committee

HMRC is responsible for administering the UK's tax system. For 2020–21, HMRC was responsible for: collecting revenue and managing compliance; improving customer experience; delivering coronavirus (COVID-19) support schemes; supporting the UK's international trade; transforming how it works; and supporting wider government aims. n 2020–21, HMRC raised £608.8 billion of tax revenues, a reduction of £27.9 billion (4.4%) compared to 2019–20. HMRC estimates the yield from its tax compliance activities in 2020–21 was £30.4 billion, 18% below the yield in 2019–20 (£36.9 billion). As well as its traditional responsibilities for tax collection and administering Personal Tax Credits, MRC played a major role in implementing the government's response to the COVID-19 pandemic. In particular, it administered the Coronavirus Job Retention Scheme (CJRS) providing £61 billion in 2020–21 to help firms continue to keep people in employment. And, through the Self-Employment Income Support Scheme (SEISS), it paid £20 billion of grants in 2020–21 to self-employed individuals whose businesses had been 'adversely affected' by the pandemic. HMRC was also responsible for key customs and border-related programmes and preparing for the end of the transition period on 31 December 2020.

Relevant reports

- NAO report: HM Revenue and Customs annual report and accounts 2020-21
- PAC report: HMRC Performance in 2020-21 – Session 2021-22 (HC 641)
- Treasury minute response April 2022
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above), the remaining recommendations are updated below.

2: PAC conclusion: HMRC does not understand the reasons for the growth in the cost of research and development tax reliefs including how much is due to abuse.

2a: PAC recommendation: HMRC should, in its Treasury Minute response, set down:

- ***how it will improve its understanding of the cost of research and development tax reliefs; and***

2.1 The government agrees with the Committee's recommendation.

Target implementation date: Winter 2023

2.2 His Majesty's Revenue and Customs (HMRC) has a good understanding of the overall cost of the R&D tax reliefs, as this information can be obtained from relevant tax returns. However, HMRC acknowledges that the understanding of the level of error and fraud in the schemes needs to improve. This is why the department launched the Mandatory Random Enquiry Programme which will provide a more accurate estimate of error and fraud for the scheme this summer.

2.3 The results of the Mandatory Random Enquiry Programme (MREP) will provide a more robust estimate of error and fraud (E&F) and will be published within HMRC's 2022-23 Annual Report and Accounts (ARA) in July 2023.

2.4 The methodology used to produce this year's estimate for the SME scheme (2022-23) differs to that used in the three years since the 2019-20 ARA publication. The SME estimate is expected to increase from the 2021-22 estimate of 7.3%.

2.5 Since the commencement of the MREP in 2020-21 a number of policy and operational measures have been announced and implemented which aim to reduce E&F. However, due to the nature of the methodology which samples compliance cases that closed before these measures take effect the impacts of them will not be reflected within the MREP estimate results.

2b: PAC recommendation: HMRC should, in its Treasury Minute response, set down:

- ***the reduction in the level of error and fraud it is seeking together with how and when that will happen. This should include clear milestones for this Committee to monitor***

2.6 The government agrees with the Committee's recommendation.

Target implementation date: Winter 2023

2.7 HMRC and HM Treasury continue to consider further options to further mitigate the levels of E&F and ensure that previously announced measures are implemented successfully. The overview of HMRC's compliance activity will be presented within the E&F action plan due to be shared with the Committee during Summer 2023. The plan will include clear milestones to reduce error and fraud.

2.8 Policy measures to help reduce E&F include:

- Autumn Budget 2021 measures, which took effect from April 2023
- Autumn Statement 2022 changes to relief rates making the RDEC scheme more generous and the SME scheme less generous, reducing the SME scheme's overall exposure to abuse. At Budget 2023 a higher rate was announced for loss-making R&D-intensive SME companies.

6: PAC conclusion: Yet again customer service has collapsed and HMRC's recovery plans are not clear.

6a: PAC recommendation: HMRC should, in its Treasury Minute response, explain:

- ***the service levels it is aiming to provide and by when, including for the time taken to answer calls and respond to post, and commit to publishing outturn against these measures.***

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 HMRC wrote to the Committee in December 2022 to set out its service standards for 2022-23. Information about performance against these standards is published quarterly.

Thirty-Eighth Report of Session 2021-22

HM Treasury

COVID-19 cost tracker update

Introduction from the Committee

Shortly after the World Health Organisation declared COVID-19 to be a pandemic on 11 March 2020, government began announcing a series of measures to support public services, workers and businesses. To make decisions and disburse funding more quickly, government relaxed the usual rules over the management of public money and took on significant financial risks which will have implications for future spending decisions. The National Audit Office (NAO) has been collecting and publishing information on the government's COVID-19 response measures on the NAO website in its COVID-19 cost tracker (the cost tracker). The first iteration of the cost tracker was published in September 2020. The NAO updated the cost tracker in January 2021, May 2021 and, most recently, in September 2021. In May 2021, we took evidence on the cost tracker and subsequently published our report COVID 19 Cost Tracker Update, making eight recommendations to government about: the importance of continuing to capture the costs of the pandemic; how an approach similar to that taken by the NAO for the cost-tracker could apply to other large cross-government programmes; and learning lessons from the pandemic.

The cost tracker presents the measures implemented by government in response to the COVID-19 pandemic, the estimated lifetime cost of these measures, and how much has been spent to date. The cost tracker also captures the total value of loans government expects to guarantee or issue, the value of loans guaranteed or issued by government so far and the total amount government estimates that it will lose as a result of loans that it does not expect will be repaid (write-offs). In September 2021, the cost tracker showed that the total cost of government's measures was estimated to be £370 billion, of which £261 billion was reported as having been spent. The total value of loans guaranteed or issued by government so far was estimated to be £129 billion, and the total amount of money associated with these loan schemes that is expected to be written-off was estimated at £21 billion.

Relevant reports

- NAO report: COVID-19 cost tracker – September 2021
- PAC report: COVID-19 cost tracker update – Session 2021-22 (HC 640)
- Treasury Minute – April 2022 (CP 667)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), the remaining recommendations are updated below.

1: PAC conclusion: The COVID-19 cost tracker has increased transparency and helped hold government to account for its funding commitments and spending to date.

1: PAC recommendation: As part of its Treasury Minute response, HM Treasury should explain how the strengths it identified from the cost tracker approach, including transparency and accessibility, can be applied to the presentation of other thematic areas of public spending.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 HM Treasury remains committed to considering where it can best re-deploy the benefits of the COVID-19 tracker, providing timely and bespoke updates to supplement existing publications.

1.3 In addition to the update provided on Ukraine spending in the Autumn Statement 2022, HM Treasury continues to apply the lessons from the tracker in the way it assesses the spending implications of the UK's response to the invasion of Ukraine. HM Treasury provides updates on total Ukraine spending at appropriate points - most recently in a press release published on 13 April 2023 that accounted for further support for Ukraine. The government also continues to publish regular updates on the numbers of Ukrainians coming to live in the UK.

1.4 Going forward, HM Treasury will continue to consider how material changes on Ukraine spending should be included in future fiscal events. These updates will supplement interim publications included in departmental Annual Reports and Accounts.

1.5 HM Treasury will continue to consider how this approach can be applied to other thematic areas of public spending where it is appropriate.

2: PAC conclusion: We are concerned that HM Treasury does not intend to adequately monitor and update the ongoing cost of COVID-19 to the taxpayer.

2: PAC recommendation: As part of its Treasury Minute response, HM Treasury should explain how, when, and which subsets of the data captured by the NAO in the COVID-19 cost tracker it will continue to update. This should also address how loan book commitments, including those made under the Culture Recovery Fund, and any associated liabilities, such as estimated write-off costs under the Bounce Back Loans Scheme, will be monitored.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2023

2.2 HM Treasury recognises the helpful role the cost tracker has played in improving transparency on the cost of COVID-19, providing timely updates on the nature and scale of spend. The Treasury remains committed to monitoring and reviewing these costs, where there have been material changes that can be reliably attributed to COVID-19, and to publish updates.

2.3 These updates will be published annually for at least the next two years, with work underway on the first publication which will be published in the coming weeks. This publication will provide updates on the estimated lifetime costs of loans (including the Bounce Back Loan Scheme and loans through the Culture Recovery Fund), vaccines, and personal protective equipment. HM Treasury remains on track to meet its commitment to publish in Spring 2023.

2.4 There are 122 measures in scope of this update and, in line with previous NAO publications, this update will include the latest spend data on the estimated lifetime cost of each measure. The data will be published as a standalone table on Gov.UK alongside commentary explaining the updated figures.

Thirty-Ninth Report of Session 2021-22

Department for Work and Pensions

DWP Employment Support: Kickstart Scheme

Introduction from the Committee

The Department launched the £1.9 billion Kickstart Scheme in September 2020, as part of its response to the COVID-19 pandemic. It planned for Kickstart to create up to 250,000 jobs that would each last six months, pay at least the minimum wage, and provide at least 25 hours a week of work for young people aged 16–24 who were: on Universal Credit; had little or no income; and whom the Department's front-line work coaches believed were at risk of long-term unemployment. The Department initially planned to put 250,000 people into Kickstart jobs by the end of December 2021. However, more people found non-Kickstart jobs than the Department had expected as the economy opened up during 2021, and as vacancies in the wider economy reached record levels. In October 2021, the Department extended the scheme to allow new Kickstart job starts until the end of March 2021, and now expects to put around 168,000 young people into Kickstart jobs, at a cost of around £1.26 billion.

Relevant reports

- NAO report: Employment Support: The Kickstart Scheme – Session 2021-22 (HC 801)
- PAC report: DWP Employment Support: Kickstart Scheme – Session 2021-22 (HC 655)
- Treasury Minutes: April 2022 (CP 667)
- Treasury Minute Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765) the remaining recommendations are updated below.

3: PAC conclusion: The Department plans to evaluate Kickstart but has not set out clearly enough the measures of success or reported regularly enough on how the scheme is progressing.

3c: PAC recommendation: The Department should ensure its Kickstart evaluation covers as robustly as possible all of the expected impacts of Kickstart that are given in the business case.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The Department for Work and Pensions (the department) has completed its process evaluation of the Kickstart Scheme and intends to publish its findings in Summer 2023. This evaluation has been completed according to plans outlined previously, to ensure that Kickstart's impacts, as set out in the business case, are covered as robustly as possible.

4: PAC conclusion: Work coaches decide which young people will benefit most from Kickstart, but the Department has no way of knowing if they refer the right people to employers.

4b: PAC recommendation: The Department should also implement our previous recommendation, which it accepted, to publish a full evaluation of how well its work coaches provide employment support and how consistently they apply their judgement, by December 2022.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 The report was published as part of the DWP Research Report series

4.3 Findings from this work have been fed back to the department's policy teams. The findings have also fed into development work for future employment support policy, and a range of evaluation findings have helped the department to make changes to how work coaches refer people to employment support.

4.4 This work is helping the department to further develop its evidence base on how employment support has been delivered during the COVID-19 pandemic and afterwards.

Forty-First Report of Session 2021-22

Department for Business, Energy & Industrial Strategy and HM Treasury

Achieving Net Zero: Follow up

Introduction from the Committee

On 19 October 2021, shortly before the UK hosted the 26th United Nations Climate Change Conference of the Parties in Glasgow (commonly referred to as COP26), government published its overarching Net Zero Strategy. On the same day, it also published related documents including its Heat and Buildings Strategy, Net Zero Research and Innovation Framework, and HM Treasury's Net Zero Review. The overarching Strategy brings together individual sector strategies and is government's most comprehensive articulation to date of its long-term plan for transitioning to a net zero economy. It sets out illustrative scenarios of net zero power use and technology in 2050 and models an indicative trajectory to meet emissions targets up to the Sixth Carbon Budget, which sets an interim emissions target for the period 2033 to 2037.

These scenarios and models demonstrate the uncertainty inherent in a long pathway with an end-state nearly three decades from now, a multitude of interdependencies and interactions within and between sectors on that journey, and the sensitivity of any projections to economic, societal and technological change. The government intends its Strategy to provide confidence to the private sector to invest in research and development, and to upskill existing workforces and provide more jobs. This investment is key to the success of the Strategy: spurring technical innovations and driving down the costs of transition to government and consumers. But there is a lot of work to be done to deliver this step change. The Strategy also sets out how government will coordinate its activities in pursuit of net zero objectives, including how central and local government will work together on key local issues such as transport, waste and recycling, and heat and buildings. It sets out government's targets and ambitions, which will form part of government's annual public update on its progress towards net zero.

In undertaking this inquiry, the PAC took evidence from the Department for Business, Energy & Industrial Strategy (the Department), and HM Treasury, on government's strategy to achieve net zero by 2050 and how this transition to a green economy will be funded.

Relevant reports

- NAO report: Achieving Net Zero – Session 2019-2021 (HC 1035)
- PAC report: Achieving Net Zero: Follow Up – Session 2021-22 (HC 642)
- Treasury Minute: April 2022 Session 2021-22 (CP 667)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765) the remaining recommendations are updated below by the Department of Energy Security and Net Zero.

2: PAC conclusion: Significant uncertainty remains as to whether consumers will rapidly change their behaviours in line with the expectations of government's Net Zero Strategy.

2: PAC recommendation: The Department should:

- ***Include consumer take-up relative to expectations, and how different social groups are being impacted, in its annual progress updates.***
- ***Conduct scenario planning to prepare for and inform situations where consumer take-up falls below expectations.***
- ***Evaluate the causes of any consumer take-up shortfalls, to inform policy responses.***

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The government updated on the performance of progress indicators against climate commitments as part of the Technical Annex to the Carbon Budget Delivery Plan (CBDP). The government will continue to update on performance against these indicators as part of annual progress updates.

2.3 The government also published deployment assumptions in the CBDP. These illustrate the delivery required for key metrics to achieve carbon budgets.

2.4 The government will continue to monitor delivery progress and performance against carbon budgets. Government monitors public awareness, attitudes and behaviours in relation to climate change via a range of questions in the quarterly Public Attitudes Tracker survey. Data from this survey, and other research conducted by the department, is used widely within the Department for Energy Security and Net Zero (DESNZ) (formerly part of BEIS) to monitor and improve the design and delivery of policies underpinning net zero. The government also appraises and evaluates policy impacts on different social groups, for example through distributional analysis and analysis to comply with the Public Sector Equality Duty.

2.5 The government also considers different scenarios in the development of climate policy. This particularly applies to the use of hydrogen in decarbonising buildings and fuel supply sectors. As new technologies develop, their costs could fall over time. By considering different scenarios, government maintains optionality in policymaking. This includes taking account of market developments, such as consumer take-up, and policy evaluations which assess the effectiveness of interventions. Taken together, this informs future policy development which could lead to alternative technology deployment on the pathway to net zero emissions. This ensures that net zero can be delivered at the lowest possible cost to the consumer and taxpayers.

3: PAC conclusion: Government's Net Zero Strategy relies heavily on private investment and innovation driving down costs; however, government has a poor track record of providing investor confidence.

3: PAC recommendation: The Department should monitor how quickly technology costs are falling and the levels of private investment it is attracting, and set clear triggers for interventions such as new policies and regulations for when things go off course. The Department should write to the Committee every 12 months with an update on its progress.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The government is absolutely committed to mobilising investment to support its net zero, energy security and economic growth objectives, and the UK has already made significant progress in that regard. Annual investment in low carbon sectors has more than doubled in real terms over the past five years. Across 2021 and 2022 alone, £50 billion of new investments were delivered in low carbon sectors in the UK.

3.3 The recently published 2023 Green Finance Strategy provides further detail on how the government uses public levers to mobilise private investment across both green sectors, and established sectors that need to transition. As part of this, the government will intensify work with public finance institutions (UK Infrastructure Bank, British Business Bank, and UK Research and Innovation) and the UK's export credit agency, UK Export Finance, to support green technologies through to commercialisation.

3.4 The government is committed to improving how it tracks investment into net zero sectors as a key component of net zero delivery. As set out in the 2023 Green Finance Strategy, the government commissioned two pieces of external research to scope existing investment tracking methodologies and evaluate data sources. The first of these is the UK Landscape of Climate Finance research to track investment into net zero sectors. This research will feed into a pilot investment tracking model, due to be finalised in 2023. The second is focused on exploring options to track private investment into nature which the government plans to publish shortly.

5: PAC conclusion: We are concerned that neither the private sector nor the civil service yet have the necessary skills to deliver the Net Zero Strategy.

5: PAC recommendation: The Department should:

- ***Set out its strategy for encouraging the private sector workforce to develop the skills needed to achieve net zero, drawing on the recommendations included in the Green Jobs Taskforce.***
- ***Work with the Cabinet Office to perform a comprehensive analysis of the skills needed in the civil service to deliver net zero and fill gaps either through increased cross-departmental working, training or recruitment.***

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 The government remains committed to delivering on its net zero targets and driving economic growth.

5.3 The Green Jobs Delivery Group has met four times and held deep dives on Power and Networks, Forestry, Heat and Buildings, and Local capacity. Following initial investigations into current workforce challenges, four task and finish groups have been established on Power and Networks, Nature Skills, Local Capacity, and Resources and Waste.

5.4 As outlined in The Net Zero Growth Plan, a key role for government is to provide industry with certainty and clarity, so that the private sector is better able to address skills challenges through recruitment and training. In March 2023, the department announced an additional £5 million to support low carbon heating training, expected to support around 10,000 training opportunities, which started in April 2023 to continue until March 2025. This is in addition to the £15 million committed to through the Home Decarbonisation Skills Training Fund.

5.5 Additionally, the government has committed to publishing a joint government-industry Net Zero and Nature Workforce Action Plan in the first half of 2024, representing the culmination of several sectoral assessments in the coming 12 months. It already published a set of head start actions from the pilot Power and Networks Working Group in March 2023, which will be followed by a suite of comprehensive actions for this sector by Summer 2023.

5.6 The training 'Climate and the environment: key things all civil servants should know' was rolled out to civil servants in April 2022 as an "Awareness" level introduction. It is promoted as part of the Working in Government strand of the government Campus.

5.7 Building on the fast stream curriculum, Government Skills & Curriculum Unit is contributing to work by the Policy Profession Unit to define a Climate and Environment career anchor with the goal of a structured curriculum to support it.

5.8 Significant wider work continues to improve Civil Service skills. Work on an online Government Skills Campus is underway. Subject to Cabinet Office and HM Treasury approvals, the new online skills platform will be rolled out in three phases from February 2024. The first phase to be rolled out will include the front-end of the online platform and launch the skills collection tool which will enable clearly defined proficiency levels for Climate and Environment knowledge and skills.

6: PAC conclusion: Increasing focus on its domestic Net Zero Strategy should not detract government from leading global action to tackle climate change.

6: PAC recommendation: The Department, together with Defra, should work to increase public awareness of consumption emissions (for example, the carbon footprints of products sold in the UK), so the impact of consumer decisions play a more central role in tackling climate change.

6.1 The government agrees with the committee's recommendation.

Target implementation date: Winter 2024

6.2 In the response to the recommendations made by the Independent Review of Net Zero, the government reiterated its commitment to improving eco-labelling to increase awareness of consumption emissions and help consumers make green choices.

6.3 To support ongoing policy development, in January 2023, the Department for Environment, Food and Rural Affairs (Defra), in collaboration with the Department for Transport and the Department for Energy Security and Net Zero, launched a cross-government research project to understand the role of eco-labels in meeting net zero and other environmental targets

Forty-Second Report of Session 2021-22

Department for Education

Financial sustainability of schools in England

Introduction from the Committee

In January 2021, there were more than 20,200 mainstream (primary and secondary) state schools in England, educating 8.2 million pupils aged four to 19 years old. Around 11,400 of these schools (56% of the total), with 3.6 million pupils, were maintained schools, which are funded and overseen by local authorities. The remaining 8,900 schools (44%) were academies, with 4.5 million pupils. Each academy school is part of an academy trust, directly funded by the Department for Education (the Department) and independent of the relevant local authority.

The Department is responsible for the school system and is ultimately accountable for securing value for money from the funding provided for schools. It works with the Education and Skills Funding Agency (the ESFA), which distributes funding for schools and provides assurance about how the money has been used. It oversees the financial health of schools and has a number of programmes to help schools manage their resources effectively and reduce costs.

In 2020–21, the Department provided mainstream schools with core revenue funding of £43.4 billion. Although the Department's total funding for schools increased by 7.1% in real terms between 2014–15 and 2020–21, the growth in pupil numbers meant that real terms funding per pupil rose by 0.4%. Funding per pupil dropped in real terms each year between 2014–15 and 2018–19, before rising in 2019–20 and 2020–21. The Department estimates that, between 2015–16 and 2019–20, cost pressures on mainstream schools exceeded funding increases by £2.2 billion, mainly because of rising staff costs. Based on increases in the core schools budget announced by the Government in 2019, total and per pupil funding for mainstream schools was expected to rise by around 4% in real terms between 2020–21 and 2022–23. In the 2021 Spending Review, the Government announced that it would provide an additional £4.7 billion by 2024–25 for the core schools budget in England, over and above the Spending Round 2019 settlement for schools in 2022–23

Relevant reports

- NAO report: Financial sustainability of schools in England – Session 2022-23 (HC 570)
- PAC report: Financial Sustainability of Schools in England – Session 2022-23 (HC 650)
- Treasury Minutes: 26 April 2022 (CP 667)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765), the remaining recommendations are updated below.

1: PAC conclusion: The Department does not understand well enough why there is so much geographical variation in maintained schools' financial health and why maintained secondary schools are under particular financial pressure.

1: PAC recommendation: The Department should thoroughly investigate the geographic variation in the financial health of maintained schools, determine the underlying causes and decide whether some schools or local areas need extra support from 2022-23 to be sustainable.

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: August 2023
Original target implementation date: March 2023

1.2 The Department for Education (the department) monitors variations in financial health with respect to both geography and school phase, and annually publishes detailed information on income, expenditure and revenue reserves of local authority-maintained schools that can be analysed by geographical area or phase. The latest data is published on Gov.UK: LA and school expenditure, Financial year 2021-22 – Explore education statistics.

1.3 As part of its research on the impact of financial pressures, the department will collect perspectives on financial health and explanatory factors from local authority maintained schools in different geographical areas. This research was expected to be complete by now but has been again delayed to properly take into account the impact of financial pressures that schools may be facing from the financial year 2022-23. The department wrote to the Committee on 27 April 2023 explaining the delay.

3: PAC conclusion: We are concerned that financial pressures faced by schools could damage children's education.

3: PAC recommendation: In carrying out its research, the ESFA should collect sufficient reliable evidence on the impact of financial pressures on schools at local level, including on whether they are leading to schools narrowing their curriculum and reducing staff.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: August 2023
Original target implementation date: March 2023

3.2 In the light of rising inflation and growing cost pressures on schools, the department decided to delay the research to a time when schools could respond in an informed way about how they were reacting to financial pressures.

3.3 Unfortunately, an initial tendering process for researchers to undertake this research did not lead to any suitable proposals, causing a further short delay. The department has since retendered successfully and the work is now proceeding. The department is also aware that the National Foundation for Education Research has been funded by The Nuffield Foundation to do some similar work, although that has an increased focus on the impact of the increasing cost of living on families and children and how schools respond to that, as well as the impact on educational opportunities at school. The department will want to ensure good co-ordination on this.

3.4 The department wrote to the Committee on 27 April 2023 explaining the change to the timetable. The department also continues to assess a range of data sources as part of its wider activity to monitor, support and strengthen the financial health of the sector.

Forty-Third Report of Session 2021-22

Ministry of Justice

Reducing the backlog in criminal courts

Introduction from the Committee

The Ministry of Justice (the Department) is headed by the Lord Chancellor and is accountable to Parliament overall for the effective functioning of the court system. Her Majesty's Courts & Tribunals Service (HMCTS), an agency of the Department, provides the system of support, including infrastructure and resources, for administering criminal, civil and family courts and tribunals in England and Wales and non-devolved tribunals in Scotland and Northern Ireland. The judiciary, headed by the Lord Chief Justice, is constitutionally independent from government. In the year to 30 June 2021 the criminal courts dealt with 1.24 million cases, including more than 90,000 in the Crown Court where the most serious cases are heard. Cases enter the system when a defendant is charged with an offence and are allocated a court date through a process called 'listing', which is a judicial function. The Department and HMCTS cannot intervene in the progress of an individual case.

Relevant reports

- NAO report: Reducing the backlog in criminal courts- Session 2021-22 (HC 732)
- PAC report: Reducing the backlog in criminal courts - Session 2021-22 (HC 643)
- Treasury Minute: May 2022 - Session 2021-22 (CP 678)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), the remaining recommendations are updated below.

2: PAC conclusion: Victims of rape and serious sexual offences are facing unacceptable delays to justice that compound and extend their suffering and lead to too many cases collapsing.

2: PAC recommendation: In its Treasury Minute response, the Department should set out its plan to assess the impact of its measures to support victims of rape and serious sexual offences and its progress on recruiting ISVAs.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: summer 2024

2.2 The Ministry of Justice (the department) has committed to more than quadrupling funding for victim and witness support services by 2024-25, up from £41 million in 2009-10. This fiscal package supports the measures for victims of rape and serious sexual violence contained in the Rape Review Action Plan (RRAP), published June 2021. The impact of these measures is assessed against key Rape Review metrics including victim attrition, charges and crown court receipts.

2.3 The department will continue to report its progress through the six-monthly Rape Review Progress Reports. Progress against the Independent Sexual Violence Advisor (ISVA)/Independent Domestic Violence Advisor (IDVA) recruitment target is tracked via biannual data reports which Police and Crime Commissioners (PCCs) are required to submit as part of grant funding conditions. The latest reports covering April – September 2022 were returned on 31 October 2022. The department's baseline going into 2022 was 700. The department is aiming to recruit a further 200 ISVA/IDVA posts in 2022-23 taking the department to a total of 900. The remaining 100 posts will be recruited over 2023-24 and 2024-25, taking the department to its target of 1000. The department is currently on-track to meet this target, with c870 in post at the end of 2022.

2.4 The department continues to monitor the impact of Section 28 (s.28) of the Youth Justice and Criminal Evidence Act (YJCEA) 1999, allowing vulnerable and intimidated witnesses to video record their cross-examination before trial. Quarterly monitoring of case receipts and disposals was established in 2022. The process evaluation was completed on 03 March 2023.

2.5 While completion of the actions contained in the RRAP have a June 2023 deadline, the plan for assessing the impact of these measures, and ISVA recruitment through the Rape Review's reporting and governance mechanisms has been implemented.

3: PAC conclusion: We are not convinced that the Department can recruit enough judges to deliver on its ambition to reduce the Crown Court backlog.

3: PAC recommendation: in its Treasury Minute response, the Department should set out what specific actions it will be taking to ramp up recruitment while improving diversity in the judiciary.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The Lord Chancellor has approved a recruitment programme of around 1000 vacancies for 2023-24.

3.3 The latest Recorder recruitment exceeded the original vacancy request (125) by 38. Circuit Judge (CJ) recruitment is also expected to exceed the original vacancy request of 80, with more appointable candidates to sit in the Crown court.

3.4 The next recruitment for both CJ and Recorders commences this summer.

3.5 For future District Judge and CJ campaigns, the department is improving the information available to candidates about the locations and flexible working options available, to improve the attractiveness to diverse candidates.

3.6 The department extended its sitting in retirement (SIR) policy to include fee paid judges in October 2022. As of March, 129 SIR appointments have been approved.

3.7 Other actions to support recovery continue:

- District Judges (Magistrates Court) and Deputy High Court Judges are providing additional Crown court capacity;
- fee-paid courts judges will again be able to sit for a maximum of 80 days, rather than 50, in 2023-24; and
- the Judges on Tour scheme and the national fee-paid judge pool is helping move judicial capacity to the regions with greatest pressures.

3.8 The department has committed to further actions to improve judicial diversity in the Judicial Diversity Forum's action plan: Judicial Diversity Priorities and Actions for 2023.. This includes extending Chartered Institute of Legal Executives lawyers' eligibility for more judicial roles.

3.9 The next Diversity of the Judiciary statistical report is published on 13 July and will include data on judges that have been retained since the increase to the retirement age and new data about magistrates' recruitment.

5: PAC conclusion: Vulnerable users and people from ethnic minority backgrounds are potentially impacted disproportionately by efforts to tackle the Crown Court backlog, which the Department and HMCTS have not done enough to understand.

5: PAC recommendation: In its Treasury Minute response the Department and HMCTS should set out their plans to specifically evaluate the experience of victims, witnesses and defendants—particularly those deemed vulnerable and from ethnic minority backgrounds—in criminal courts.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: Autumn 2024

5.2 The department is conducting an overarching evaluation of HM Courts & Tribunals Service (HMCTS) Reform which is particularly focussed on access to justice and vulnerable users. It includes an ongoing in-depth qualitative study on the experiences of reformed services by vulnerable individuals with legal problems (both those who do and do not interact with HMCTS services), including a number of adults in the criminal jurisdiction. The evaluation of HMCTS Crime Reform which will inform the overarching evaluation will also include research with criminal court users. The department published an update to its evaluation plans, including for those deemed vulnerable and from ethnic minority backgrounds, in its HMCTS Reform MOJ Evaluation: Progress Report and Technical Appendix on 23 March 2023.

5.3 The department has completed a process evaluation of Section 28 of the Youth Justice and Criminal Evidence Act 1999, which allows vulnerable and intimidated witnesses to video record their cross-examination before the trial. HMCTS is also intending to conduct an assessment of the testing of recorded cross-examination in the Youth Court.

5.4 The department is working with partners across the criminal justice system including the Home Office and the CPS on a programme of work to improve data and will consider how to incorporate recommendations on vulnerabilities and ethnic minorities as part of this wider strategy.

5.5 The department is still monitoring relevant metrics from the Criminal Justice System Delivery Data Dashboard to better understand the experience of victims from all backgrounds and are constantly reviewing what is included in the dashboards.

6: PAC conclusion: We recognise the long overdue move towards bringing data on the criminal justice system together, although it is not clear how the Department will use this to improve performance.

6: PAC recommendation: In its Treasury Minute response, the Department should set out how the data it has developed and published will lead to improvements in performance and victims' experiences.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The Criminal Justice System (CJS) Delivery Data Dashboard (formerly Criminal Justice System Scorecard) brings together and visualises national and local data from across the system in one place – starting at the point from which a crime is recorded by the police, up to the completion of a case in court. There is a breakdown for all-crime data and one for recorded adult-rape offences.

6.3 CJS partners use the Dashboard to analyse their own performance, address issues and track improvements over time across the priorities of improving timeliness, increasing victim engagement, and improving the quality of justice.

6.4 At a local level, Local Criminal Justice Boards (LCJBs) use Dashboard data to inform discussions at their regular meetings and design initiatives that should be taken forward to improve performance. For example, the four LCJBs in Wales have used the Dashboard to track performance variations across Wales, with a particular focus on adult rape, and have used this analysis (which the department has assisted them with) to create a performance framework for Wales. We have also worked with other LCJBs on similar initiatives.

6.5 In February 2023, a Dashboard was made available with significant changes to functionality and design, in response to user feedback from CJS partners. It allowed users to create bespoke comparison tables, it had simplified metric names, and also included historic data.

6.6 The Dashboard is just the first step in changing the way the department uses data across the CJS. The department plans to continue to expand the Dashboard to include further indicators which best reflect the CJS.

6.7 The dashboard will be published regularly. The most recent Dashboard was published in May 2023. The next publication will be in August.

Forty-Fourth Report of Session 2021-22

Department of Health and Social Care

NHS Backlogs and Waiting Times in England

Introduction from the Committee

Elective care is typically provided to people who require specialist assessment or treatment by a hospital doctor following a GP referral. Common elective treatments include operations such as hip and knee replacements and cataract surgery. The legal standard for elective care exists to ensure timely treatment and states that 92% of people on the waiting list should be seen within 18 weeks. Before the pandemic only 83% were being seen within 18 weeks and this was 64% in December 2021. Of the 6 million patients waiting for elective care, 311,000 have now been waiting for more than a year. NHSE&I intended to publish an elective recovery plan by the end of November 2021 but only did so in February 2022.

Because of the importance of early diagnosis and treatment, there are more performance standards for cancer and more points in the patient pathway where waiting times are measured. One of the most important relates to the proportion of urgent GP referrals for suspected cancer seen within two weeks: the operational standard is 85% but performance in 2019–20 was 77% and this had dropped to 67% in December 2021.

Relevant reports

- NAO report: NHS backlogs and waiting times in England: Session 2021-22 (HC 859)
- PAC report: NHS Backlogs and waiting times: Session 2021-22 (HC 747)
- NHS Report: Core20PLUS5
- Treasury Minute response May 2022 (CP 678)
- PAC correspondence dated June 2022
- Treasury Minutes Progress Report December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), the remaining recommendations are updated below.

2: PAC conclusion: At our evidence session the Department and NHSE&I appeared unwilling to make measurable commitments about what new funding for elective recovery would achieve in terms of additional NHS capacity and reduced patient waiting times.

2: PAC recommendation: In implementing its elective recovery plan, NHSE&I should set out clearly:

- ***timeframes, costs and outputs of the components of the recovery plan covering elective care and cancer care to 2024–25***
- ***the longer-term investments and plans that are being made now to improve the resilience of elective care and cancer care beyond 2024–25; and,***
- ***the national performance levels expected in each year between now and 2024–25***

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The Department of Health and Social Care (DHSC) and NHS England set out clear plans to reduce waiting times for elective and cancer care, in the Delivery Plan for tackling the COVID-19 backlog of elective care. The plan recognised that tackling the backlogs in elective and cancer care – alongside addressing additional demand in other services – is a multi-year challenge. Nevertheless, the NHS already met the first of the public goals by virtually eliminating all 104-week waits by July 2022 and significantly reduced waits over 78 weeks by April 2023.

2.3 As part of the Autumn Statement 2022, the government announced £3.3 billion for each of 2023-24 and 2024-25 to support the NHS in England. At the 2021 Spending Review, £14 billion was made available to the NHS to support elective recovery, of which £8 billion in revenue to local systems to develop plans for delivering local priorities as per the commitments in the delivery plan, using NHS England issued operational planning guidance. The remaining £6 billion in capital to support longer-term investment in the NHS that will support productivity improvements and increase capacity.

2.4 NHS England wrote to the committee on 15 May 2023 to set out further detail on how funding available for elective recovery will be spent, together with details of its evaluation plans and initiative to improve productivity and the impact of community diagnostic centres, surgical hubs, use of the independent sector, and the advice and guidance programme.

2.5 The NHS is delivering at pace, 94 community diagnostic centres are currently in operation and have performed over 3 million tests, exams, and scans since July 2021 despite challenging and uncertain delivery conditions.

3: PAC conclusion: The NHS will be less able to deal with backlogs if it does not address longstanding workforce issues and ensure the existing workforce, including in urgent and emergency care and general practice, is well supported.

3: PAC recommendation: In implementing its recovery plan NHSE&I's should publish its assessment of how the size of the NHS workforce (GPs, hospital doctors and nurses) will change over the next three years, so that there is transparency about the human resources that the NHS has available to deal with backlogs.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2023

3.2 NHS England acknowledged in the Delivery Plan for tackling the COVID-19 backlog of elective care the key role that workforce will play in achieving these targets, and committed to increasing workforce capacity by identifying and addressing gaps across key staff groups and sectors.

3.3 Assessing the size of NHS workforce and developing workforce projections forms a key part of the Long-Term Workforce Plan, which will include projections for the numbers of doctors, nurses, and other key professionals required over the next 5,10, and 15 years.

3.4 The Plan will be published shortly.

4: PAC conclusion: It will be very challenging for the NHS to focus sufficiently on the needs of patients when it comes to dealing with backlogs, both patients already on waiting lists and those who have avoided seeking or been unable to obtain healthcare in the pandemic.

4: PAC recommendation: The Department and NHSE&I must ensure there is a strong focus on patient needs in all their recovery planning, including:

- ***measuring the success of all initiatives to encourage patients to return to the NHS for diagnosis and treatment;***
- ***creating guidance and tools, and setting aside resources, for meaningful communication with patients who are waiting; and,***
- ***supporting NHS trusts through planning guidance and other means to prioritise patients fairly, so they are able to strike an appropriate balance between clinical urgency and absolute waiting time.***

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 NHS England wrote to providers on the 1 December 2022, sharing best practice in relation to validation and a supporting tool kit. Surgical and diagnostic pathway validation and clinical prioritisation is now embedded as business as usual in providers. Validation has benefits for patients in that they receive communication while waiting for care. It provides the opportunity for patients to discuss changes to their condition which supports clinicians to ensure they are on the right pathway to receive the best care and treatment for their needs.

4.3 Further support to NHS Trusts is also available in the Elective recovery planning supporting guidance, which sets out that system plans should reflect the four key delivery themes set out in the Elective Recovery Plan, which include prioritising treatment based on clinical urgency, making use of alternative providers if people have been waiting a long time for treatment.

4.4 NHS England continues to deliver a range of national campaigns to encourage those that have potentially serious conditions to access NHS services.

4.5 Since publication of the Elective Recovery Plan and the launch of the 'Help us Help You' awareness campaign, the NHS has seen continued high levels of GP urgent cancer referrals. Over 2.8 million people were seen in the 12 months to December 2022, up by 18% versus the same period pre-pandemic. Despite this record demand, as at w/e 28 February 2023, the 62-day cancer backlog has fallen 35% since its peak in May 2020, and it has seen early signs of a recovery in early-stage diagnosis.

4.6 My Planned Care platform was launched in February 2022 with a further version released in May 2022 which included the provision of average waiting times. It provides people with direct access to average waiting time information at a speciality level (excluding cancer) for all hospital trusts in England, as well as supporting information to help people manage their health and wellbeing whilst they wait. Patients can access information such as the average waiting time for all 136 NHS acute providers across the country and for Independent Sector Providers. Patients are being encouraged to utilise this website via communication from acute trusts and GP practices, to support those on the waiting list. In February 2023 NHS England released further functionality which enables patients to undertake a waiting time 'postcode search' which enables a comparison on waiting times by speciality and provider within 100 miles of their home.

5. PAC conclusion: Waiting times for elective and cancer treatment are too dependent on where people live and there is no national plan to address this postcode lottery.

5: PAC recommendation: NHSE&I should investigate the causes of variations between its 42 geographic areas and provide additional support for recovery in those that face the biggest challenges. NHSE&I should write to us in December 2022 on the actions it has taken to address geographical disparities in waiting times for cancer and elective care and include a summary of any analysis it has done on differences in health outcomes for elective and cancer care in different parts of the country since the start of the pandemic.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 As part of the second phase of the Elective Recovery Plan, all providers have been assessed based on confidence of delivering against the targets. Those providers at the highest risk have been included in a Tier 1 grouping. This means additional national support and oversight, which may include on-site expertise and ongoing conversation between ministers and provider chief executives. Day-to-day performance is continually monitored through NHS England's Elective Recovery and Cancer programme teams and respective Senior Responsible Owners (SROs), with the Department providing additional oversight.

5.3 The elective recovery programme has established an elective recovery health inequalities user group to ensure the lens of health inequalities is embedded within all aspects of elective recovery, guaranteeing that recovery is fair for all those who need treatment.

5.4 As set out in the 2023-24 priorities and operational planning guidance, Integrated Care Boards are expected to work with NHS England through their joint commissioning arrangements to develop delivery plans. These should identify at least three key priority pathways for transformation, where integrated commissioning can support the triple aim of improving quality of care, reducing inequalities across communities, and delivering best value.

5.5 With a specific focus on long waiting patients, a digital mutual aid system (DMAS) has been developed that provides a digital platform for independent sector and NHS to work more efficiently in their management and transfer of patients.

5.6 NHS England wrote to the Committee in January 2023 with further detail on actions taken to address regional disparities in waiting times.

6: PAC conclusion: For the next few years it is likely that waiting time performance for cancer and elective care will remain poor and the waiting list for elective care will continue to grow.

6a: PAC recommendation: The Department and NHSE&I must be realistic and transparent about what the NHS can achieve with the resources it has and the trade-offs that are needed to reduce waiting lists. In implementing its elective recovery plan, NHSE&I should set out clearly what patients can realistically expect in terms of waiting times for elective and cancer treatment.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The Delivery Plan sets out a clear ambition to reduce the cancer 62-day backlog back to pre-pandemic levels by March 2023, eliminate long waits over 78 weeks by April 2023, long waits over 65 weeks by March 2024 and long waits of over 52 weeks by March 2025 with the exception of those patients who choose to wait longer, and a very small number of specific highly specialised areas. Modelling at the time based on the available data indicated that the overall size of the waiting list was likely to continue to increase until early 2024.

6.3 Trajectories and planning assumptions for the commitments set out in the Delivery Plan are formally reviewed and revised annually through the operational planning process.

6.4 The department and NHS England are committed to delivering the targets in the Delivery Plan and continue to work together to agree future ambitions. The NHS has delivered on the first of ambitions virtually eliminating long waits of over 104 weeks by July 2022 and significantly reduced waits over 78 weeks by April 2023.

6b: PAC recommendation: By the time of the next Spending Review at the latest, the Department and NHSE&I should have a fully costed plan to enable legally binding elective and cancer care performance standards to be met once more.

6.5 The government agrees with the Committee's recommendation.

Target implementation date: Autumn 2024

6.6 The existing plan reduces waiting times to an agreed point by March 2025. Future delivery and agreements on performance deliverables will depend on subsequent context around funding and delivery constraints which will be revisited later next year.

Forty-Fifth Report of Session 2021-22

Department for International Trade

Progress with trade negotiations

Introduction from the Committee

Following the UK's exit from the EU, the UK became responsible for its own international trade policy for the first time in almost 50 years and must now build new trade and investment relationships with global partners. This has included negotiating new free trade agreements (FTAs) which aim to make trade easier between two or more countries by removing or reducing existing barriers to trade and negotiating the roll-over of 33 out of 39 existing EU trade agreements with non-EU trading partners ahead of the EU transition period deadline, representing £185.3 billion of UK trade in 2020.1 The Department for International Trade (the Department) has overall responsibility for convening these trade negotiations, while other departments provide expertise, lead aspects of the negotiations in their policy areas and provide diplomatic support overseas. For example, the Department for Environment, Food & Rural Affairs (Defra) leads on aspects of the negotiations covering agri-food, sanitary and phytosanitary and animal welfare. The Department is not responsible for the UK's trade negotiations with the EU which were led by the Cabinet Office until December 2021 when responsibilities transferred to the Foreign, Commonwealth and Development Office (FCDO).

Relevant reports

- NAO report: Progress with trade negotiations – Session 2021-22 (HC 862)
- PAC report: Progress with trade negotiations – Session 2021-22 (HC 993)
- Treasury Minute: Forty-Fifth Report - May 2022 Session 2021-22 (CP 678)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 765 above), the remaining recommendations are updated below.

1: PAC conclusion: The Department for International Trade faces significant challenges in meeting its target for 80% of UK trade to be covered by FTAs by the end of 2022.

1: PAC recommendation: The Department should write to the Committee within 12 months to update on progress with the programme of trade negotiations, including:

- ***progress against the overall target and an updated plan for the future programme;***
- ***progress in securing state level market access agreements and the potential value of these; and***
- ***impact on the agriculture sector and the UK economy versus forecast from the ending of the US ban on UK beef and lamb imports.***

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 The Department for Business and Trade (DBT) (formerly known as the Department for International Trade) wrote to the Committee in March 2023 setting out its progress with the programme of trade negotiations.

1.3 The countries with which the government has secured free trade agreements (FTAs) to date accounted for 64% of the UK's bilateral trade in 2021. The Department for Business and Trade (DBT) has put the UK at the centre of a network of modern deals spanning the Americas and Indo-Pacific. So far this year, DBT successfully concluded substantive negotiations to join the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) on 31 March and secured the UK-Ukraine Digital Trade Agreement on 20th March 2023. In addition, negotiations have continued with Canada, Mexico, India, the Gulf Cooperation Council (GCC), Israel and Greenland. Preparations are underway to launch negotiations to update the agreements with Switzerland and South Korea.

1.4 The UK is ready to progress with a UK-US Free Trade Agreement when the US is ready. The UK has secured Memoranda of Understanding (MoUs) on trade and economic cooperation with Indiana, Oklahoma, North Carolina, and South Carolina, and is actively engaging with further states – including Utah, Texas, and California. In February 2023, DBT hosted the signature event for the mutual recognition agreement (MRA) on architectural qualifications between the Architects Registration Board (ARB) and their US counterpart, the National Council of Architectural Registration Boards. In March 2023, the ARB subsequently signed another MRA with Australia and New Zealand.

1.5 In October 2022 British lamb was exported to the USA for the first time in over twenty years. The government's US Agri Food Attache has been in post since early February 2023 and will continue to support industry in delivering on the potential for British beef and lamb. To date, two food business operators have been approved for lamb exports and four food business operators for beef exports. The government hosted a reception at the North American Meat Institute's Annual Meat Conference at the beginning of March 2023, supporting Agriculture and Horticulture Development Board to showcase the high quality and sustainability of our red meat. The department will make use of trade data, as it becomes available, to understand the export trends over time.

2: PAC conclusion: The Department has not set out how it will measure the benefits and outcomes of its programme of trade negotiations.

2b: PAC recommendation: The Department should commit to regular reporting of progress to Parliament, including actual benefits and value achieved versus initial forecasts.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The government produces a range of regular analysis of its trade functions, including regular reports such as Trade and Investment Factsheets. It also publishes independently scrutinised impact assessments such as the new UK-Australia and UK-New Zealand FTAs. The government is committed to securing the benefits of these new deals and is supporting business to be able to use them when they come into force.

2.3 The Departmental Monitoring and Evaluation Strategy, published in June 2022, confirmed the department's commitment to monitoring and evaluation and the contribution it can make to delivering on the UK's trade policy objectives. DBT is committed to using monitoring and evaluation findings to ensure that the benefits for businesses, workers and consumers are maximised, and that lessons are learnt which inform the design of the department's future trade policies.

2.4 FTA evaluation will be robust and proportionate to an agreement's size, content, context, and the expected scale of learning. We expect to use a range of analytical approaches which make best use of the strengths across these techniques. An inclusive and participatory process will be at the heart of our evaluations, providing structured opportunities for a wide range of stakeholders to share views and provide evidence. Going forward, data will be gathered through this process and stakeholder engagement will feed into and inform evaluation reports, as part of a suite of analytical tools.

2.5 In DBT's impact assessments for the UK-Japan Comprehensive Economic Partnership Agreement (CEPA), and the UK-Australia and UK-New Zealand FTAs, the department set out the intention to publish a biennial FTA monitoring report. Such an update would provide a snapshot of progress and useful information for further work to derive the benefits of the deals; they will not judge the additional long-term value the deals would create, which would not be credible given the volatility of trade and limited time period after the deals have come into force.

2.6 The department is currently considering the approach to these reports to ensure they are robust, useful, and proportionate.

3: PAC conclusion: The Department is not doing enough to help businesses, particularly SMEs, to take advantage of opportunities offered by new trade agreements.

3: PAC recommendation: The Department should write to the Committee within 12 months to set out how it has supported businesses, particularly SMEs, to take full advantage of existing and newly negotiated trade agreements. It should:

- ***regularly measure and report the preference utilisation rate for UK exports (the rate at which exporters use preferential tariffs) for each of its trade agreements.***
- ***consider how it can reduce burden and costs for SMEs; and***
- ***set out initial progress with its new export strategy.***

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The department wrote to the Committee in March 2023, setting out how DBT continue to help businesses take advantage of trade agreements and market openings, whilst being committed to further improving its offer.

3.3 Supporting SMEs remains a key part of the refreshed Export Strategy, and ensuring they can take advantage of the preferential terms and enhanced market access provided by FTAs is an export support priority for the department. To this end the department has set up an FTA Utilisation team and set its objectives to ensure businesses, including SMEs, maximise the benefits of improved market access, enhanced protection in certain areas (e.g. intellectual property) and lower or removed tariffs. The team will develop thematic and sector-specific explainers and guidance for businesses, deliver upskilling campaigns and work with comms and marketing colleagues to delivery business facing communications to support utilisation starting with the Australia-New Zealand entry into force in 2023.

3.4 The department's 12-point plan is targeted to supporting SMEs to export and contribute towards the race to a trillion exports by 2030. Significant progress has been made across these 12 areas including the free online Export Academy which has had over 20,000 attendees from over 6,000 unique businesses attending sessions during 22/23 financial year. The Export Support Service (ESS) providing responses to enquiries from UK businesses has also dealt with 13,400 unique enquiries since opening in 2021 while the ESS International Markets service providing specific in-market support in all nine HMTC (His Majesty's Trade Commissioner) regions has received over 9,600 market enquiries during the 2022/23 financial year. The department has also completed the in-housing of the International Trade Advisors (ITA) service who provide expert advice to business seeking to expand their export operations. Finally, the Help to Grow portal has been launched on GOV.UK seeking to bring together services and advice to businesses seeking to start, grow and expand their export operations.

3.5 The department use a range of surveys, trade data and feedback from business to see how firms understand the opportunities and have the information and guidance needed to take advantage of them.

4: PAC conclusion: The farming industry has concerns about the effect of significant competition from imported Australian meat, and there is a lack of clarity on the potential environmental impacts from increased trade with Australia.

4a: PAC recommendation: Defra should work with the Department for Business and Trade to monitor the impact of free trade agreements in its policy areas.

4.1 The government agrees with the Committee’s recommendation.

Recommendation implemented

4.2 As set out above, DBT is committed to using monitoring and evaluation findings to ensure that the benefits for businesses, workers and consumers are maximised, and that lessons are learnt which inform the design of the department’s future trade policies. DBT will do this while continuing to work closely with Defra and other government departments.

4.3 DBT will continue to work closely with Defra to support agricultural, and food and drink exports. DBT have worked collaboratively with Defra to establish and launch the Food and Drink Export Council and have supported Defra’s recruitment and induction of eight new agri-food attachés in key markets, bringing the total to eleven, ten of whom are now in post in our Embassies. The attachés will help deliver on opportunities created by new FTAs.

4b: PAC recommendation: Defra should work with the Department for Business and Trade to monitor imports closely to make an ongoing assessment of the impact of the Australia FTA on beef and sheep farmers, and set out what support could be provided to those farmers whose livelihoods may be affected.

4.4 The government agrees with the Committee’s recommendation.

Recommendation implemented

4.5 DBT will continue to work closely with Defra to regularly monitor the impact of the UK-Australia FTA across a range of sectors including agriculture.

4.6 Defra’s Farming and Countryside Programme offers a range of support to farmers to help them adapt to the seven-year agricultural transition period, which runs from 2021 to 2027. This includes the Farming Investment Fund, which provides grants to improve productivity and bring environmental benefits, and the Farming Resilience Fund, which awards grants to organisations who help farmers and land managers to understand the changes to agricultural policy and access tailored support.

4c: PAC recommendation: Defra should work with the Department for Business and Trade to monitor the actual transport emissions and other environmental effects resulting from increased trade between the UK and Australia, to determine what action may be needed to ensure that the UK can still meet its climate commitments.

4.7 The government agrees with the Committee's recommendation.

Recommendation implemented

4.8 DBT will continue to work closely with Defra to regularly monitor the impact of the UK-Australia FTA.

4.9 DBT, working with other government departments including Defra, is fully committed to upholding the UK's high environmental standards and ensuring that trade will not come at the expense of the environment or prevent the government from meeting its ambitious net zero by 2050 climate change target. Trade has a role in supporting these environmental commitments and the department is working bilaterally and multilaterally to achieve these aims. The impact assessments for the UK-Japan CEPA, UK-Australia FTA, and the UK-New Zealand FTA set out the potential environmental impacts of the agreements.

4.10 In line with international obligations, the government will continue to ensure a high level of protection of the environment in new trade agreements. The government shares the public's high regard for the UK's environmental protections and has made clear that it will not compromise on these.

Forty-Sixth Report of Session 2021-22

Cabinet Office, the Department of Health and Social Care, and HM Treasury

Government preparedness for the COVID-19 pandemic: lessons for government on risk

Introduction from the Committee

The scale and nature of the COVID-19 pandemic and the government's response are without precedent in recent history. Many people have died and many lives, families and businesses have been adversely affected. The pandemic has tested the government's plans to deal with unforeseen events and shocks and demonstrated the risks to which UK citizens are exposed. The government will need to learn lessons from its preparations for, and handling of, these risks to improve the identification, assessment and response to future risks that affect the whole system.

Relevant reports

- NAO report: The Government's preparedness for the COVID-19 pandemic: lessons for government on risk management – Session 2021-22 (HC 735)
- PAC report: Government preparedness for the COVID-19 pandemic: lessons for government on risk – Session 2021-22 (HC 952)
- Treasury Minute: May 2022 – Session 2021-22 (CP 678)
- Treasury Minutes Progress Report: - December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above) the remaining recommendations are updated below.

3: PAC conclusion: There would be significant benefits in improving the public's awareness of the main risks facing the country and what government is doing about them.

3: PAC recommendation: The Cabinet Office should set out how it plans to increase public awareness of the main risks facing the UK. It should also report annually to Parliament:

- ***on what actions government has undertaken during the year to mitigate the risks covered by the catastrophic emergencies programme and provide an assessment of government's preparedness for each risk;***
- ***what changes Government in making as a result of its consultations on National resilience; and***
- ***what lessons Government had learnt about how to effectively communicate during the pandemic.***

3.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2023

3.2 The National Risk Register (NRR) provides a public overview of the key risks that have the potential to cause significant disruption in the United Kingdom and is based on the classified National Security Risk Assessment (NSRA). An updated NRR will be published in Spring 2023.

3.3 The UK Government Resilience Framework was published in December 2022. The Framework aims to embed transparency and accountability across the UK's resilience system and sets out the government's plans to better communicate risk to the public. As part of this, it announced that the government will launch an annual statement to Parliament on risk and resilience. The Framework commits the government to introducing this statement by 2025, and the government intends to make the first of these within the next year.

3.4 The government has learnt lessons from its response to COVID-19 and continues to actively apply these to the ongoing response. Relevant lessons were set out in the Treasury Minute listed above, published in May 2022.

Forty-Eighth Report of Session 2021-22

HM Revenue and Customs

HMRC’s management of tax debt

Introduction from the Committee

HMRC collects tax on behalf of the government, including chasing payments from taxpayers who do not pay their tax on time. On 20 March 2020, the Chancellor announced that, to help support self-employed people and businesses, payments of Self Assessment Income Tax due on 31 July 2020 and VAT payments due between 20 March and 30 June 2020 would be deferred until 31 January 2021 and 31 March 2021, respectively. As the economy went into lockdown, HMRC also paused most of its debt collection activity, sending fewer letters and ceasing field collection and enforcement activity almost entirely.

The wider economic impact of the pandemic, and HMRC’s decision to suspend most debt collection, has led to large increases in the amount of tax owed to HMRC. Tax debt increased from around £16 billion in January 2020 to a peak of £67 billion in August 2020, including deferred payments. This was far in excess of levels seen in the previous 10 years, although tax debt has reduced since then (to £39 billion as at 30 November 2021). Before the COVID-19 pandemic, HMRC managed around 3.8 million taxpayers in debt. But the pandemic, and associated restrictions, saw the number of tax customers in debt increase to around 6.2 million in September 2021.

Relevant reports

- NAO report: Managing tax debt through the pandemic - Session 2021-22 (HC799)
- PAC report: HMRC’s Management of tax debt - Session 2021-22 (HC 953)
- Treasury Minutes (May 2022)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report, (CP 765 above), the remaining recommendations are updated below.

1: PAC conclusion: We are not satisfied that HMRC has a clear plan to tackle the mountain of tax debt which has built up during the pandemic.

1: PAC recommendation: Within the next six months, HMRC should develop, and share with the Committee, a plan to manage the increased levels of debt back down to pre-pandemic levels within a specific timeframe. The plan should include:

- ***Long-term forecasts for tax debt, including the target levels it will achieve at the end of each financial year with its planned resources.***
- ***Far more transparency about the level of write-offs and remissions HMRC is providing for. In particular, in what financial year the tax debts written off and remitted in each of the past five years were incurred, and HMRC’s targeted levels of write-offs and remissions over the next five years.***
- ***Contingency arrangements, detailing how HMRC will manage debt levels, and write-offs and remissions, under a range of scenarios, including if further variants of COVID-19 emerge.***

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 HM Revenue and Customs (HMRC) wrote to the Committee in January 2023 setting out their strategic approach to managing tax debt in response to this recommendation.

3: PAC conclusion: Rogue companies are exploiting the pandemic to profit at the expense of taxpayers.

3b: PAC recommendation: HMRC should be prepared to bring the full force of the law to bear on those who defraud the Exchequer, and report publicly and regularly to Parliament on the numbers prosecuted.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 HMRC wrote to the Committee in January 2023 setting out its high-level strategic approach to tackling phoenixism as part of its wider plan to manage the current elevated debt balance. To counter the risks arising from phoenixism, HMRC is using data and information to target those individuals behind the abuse and prevent the abuse occurring or reoccurring. HMRC will publish its first estimate of the size and nature of the phoenixism risk in its Annual Report and Accounts 2022–23 (expected publication date July 2023). It will measure the outcomes of activity to tackle phoenixism and publish information on its performance and impact on this risk its Annual Report and Accounts 2023–24.

4: PAC conclusion: HMRC is far behind where it needs to be in making good use of data to manage debt effectively.

4: PAC recommendation: HMRC should write to the Committee within six months, to provide an update on:

- ***How much it has spent on the single customer record so far, how much it expects to spend to complete this work, and when it expects to complete this work.***
- ***The scope of its work with the rest of government to share data and take a more customer orientated approach, and the timeframe over which it expects to complete this work.***
- ***The results of its pilot test using private sector data and plans for further use.***

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 Alongside its response to recommendation 5 below, HMRC wrote to the Committee in December 2022 setting out how it is working with other parts of government to share data and the results of its credit reference agency data trial.

4.3 HMRC also wrote to the committee at the end of November 2022 to provide an update on how much has been spent on the single customer record so far, how much HMRC expects to spend to complete this work, and when the work is expected to be completed.

4.4 At Spring Budget 2023, the government announced additional investment in HMRC between 22-23 and 27-28 to improve the support offered to taxpayers with outstanding tax debts and help reduce the tax debt balance. This includes acquiring additional data allowing

HMRC to provide more tailored support to taxpayers who need help with tax debts and enhancing the existing online service to allow more taxpayers to enter affordable tax payment plans online without needing to phone HMRC.

5: PAC conclusion: HMRC is not using all relevant data sources to understand how the pandemic is affecting taxpayer's ability to repay.

5: PAC recommendation: HMRC should identify and obtain the data sources which are most relevant to understand the ongoing impact of the pandemic on businesses. As a minimum we would expect HMRC to make use of sectoral data.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 Alongside its response to recommendation 4 above, HMRC wrote to the Committee in December 2022 setting out what data it is using, or planning to use, to assess ability to pay, and why.

Forty-Ninth Report of Session 2021-22

Department for Levelling Up, Housing and Communities

Regulation of Private Renting

Introduction from the Committee

The Department for Levelling Up, Housing and Communities (the Department) aims to ensure the rented sector is fair for tenants, by legislating and creating policies used to regulate the sector. Local authorities are responsible for regulating their local rental markets and ensuring landlords comply with legal obligations. They choose how to regulate based on local priorities and can draw on a range of investigation and enforcement tools available.

An estimated 11 million people rent privately in England, and the sector has doubled in size in the last 20 years. Renters face several challenges including increasing rents, a rising number of low-earners and families renting long-term, and the prevalence of "no-fault" evictions leaving households at risk of homelessness. Poor quality housing also poses serious risks to health and safety, and the conduct of landlords can impact tenants' wellbeing.

Relevant reports

- NAO report: Regulation of Private Renting – Session 2021-22 (HC 863)
- PAC report: Regulation of Private Renting – Session 2021-22 (HC 996)
- Treasury Minute: July 2022 (CP 722)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above) the remaining recommendations are updated below.

1: PAC conclusion: It is too difficult for renters to realise their legal right to a safe and secure home.

1: PAC recommendation: Alongside its Treasury Minute response the Department should write to the Committee to set out how it will use its planned reform programme to:

- ***Better support renters to understand what their rights are; and***
- ***Improve renters' ability to exercise their rights by learning from complaints and redress mechanisms used in other consumer markets.***

1.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2026

1.2 The government has recently introduced the Renters (Reform) Bill which seeks to implement the measures outlined in the government's White Paper A Fairer Private Rented Sector.

1.3 The Bill contains provisions to abolish Section 21 (Housing Act 1988) so called 'no fault' evictions and to introduce periodic tenancies, providing greater security to tenants. The Bill also includes provisions, informed by learning from other consumer markets, to require all landlords to sign up to an approved redress scheme. A single Ombudsman for the private rented sector (PRS) will resolve tenants' complaints as quickly and amicably as possible.

Together, the introduction of an Ombudsman and the abolition of Section 21 will empower tenants to challenge poor practice without the risk of retaliatory eviction and support tenants to put down roots in their communities. The department is committed to applying the Decent Homes Standard to the PRS and will respond to the Decent Homes Consultation in due course.

1.4 The Bill includes provisions to introduce a new Property Portal helping landlords to understand their obligations and giving tenants the information they need to make informed choices. The Department for Levelling up, Housing and Communities (the department) intends to take forward development of the service into private beta stage later this year.

1.5 The government is committed to supporting renters to understand their rights in the current and reformed system. The department recently updated the How to rent guide working closely with stakeholders to review and disseminate the guide. The department is also reviewing the current structure of guidance to simplify navigation on GOV.UK.

1.6 The department has embarked on a wider project to understand the needs of tenants and landlords in accessing information. It will work with landlords and letting agents, local authorities, advice providers, and tenants to identify how best government can present guidance.

3: PAC conclusion: The Department is not doing enough to support local authorities to regulate effectively.

3: PAC recommendation: The Department should take a more proactive approach to supporting local regulators and sharing good practice. To do so, it should learn from other consumer protection systems that provide central intelligence and support to local regulators.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023 (2026 for Bill measures)

3.2 The Renters (Reform) Bill contains measures to better support local authorities to monitor and drive-up standards in the private rented sector (PRS) and take more effective enforcement action including:

- a Privately Rented Property Portal which will shift the onus on landlords to demonstrate compliance with regulations and help local authorities to target their enforcement more effectively; and
- the power to appoint lead enforcement authority(ies) to monitor the effectiveness of the reforms, support local authorities in their enforcement role and share good practice.

3.3 The department is also progressing a number of workstreams to complement legislative change including:

- in November 2022, the department announced £14 million to support seven areas (with a further two to follow) with high numbers of poor-quality homes in the PRS to tackle rogue landlords and test new approaches to driving up standards. Sharing learning will be central to the project;
- in November 2022, the Secretary of State directed local authorities to provide the department with their assessment of damp and mould hazards in their PRS properties, and the action they are taking to remediate them. Findings will support future engagement with the sector to share good practice and tackle barriers to successful enforcement;
- a project to introduce a national framework for setting fines to drive a more consistent approach, building on best practice of local authorities;

- quarterly meetings of a Local Authority Sounding Board to gain insight into experience at the local level and to inform national policy development;
- funding the National Trading Standards Estates and Lettings Agency Team to deliver guidance and training to LA enforcement teams and their roll-out of the Intelligence Database project, enabling effective collaboration and intelligence sharing; and
- bringing together a group of LAs to develop and share best practice on the design and implementation of selective licensing schemes.

5: PAC conclusion: The Department lacks good enough data to understand the nature and extent of problems renters face.

5: PAC recommendation: The Department should develop a coherent data strategy to identify and collect the data it needs to:

- ***understand the problems renters are facing; and***
- ***evaluate the impact of legislative changes.***

Once complete, this strategy should be shared with this Committee and the Levelling up, Housing and Communities Committee.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2024
Original target implementation date: Spring 2023

5.2 Since the government's last update, the department has continued to refine its 'data approach' - a framework for the department's efforts to improve understanding of the PRS (knowledge of the market, informing policy making, monitoring impact).

5.3 The Secretary of State wrote to local authorities in November 2022 to ask for data on their enforcement action in relation to damp and mould hazards in privately rented homes. Responses to his request are being used to inform further work on future data requirements from local authorities, and on how government can support better PRS enforcement.

5.4 The pathfinder programme will help develop a detailed picture of the factors affecting the delivery of improved standards throughout the PRS. It will test a variety of approaches and measure their impact on the sector as well as researching the lived experience of tenants and landlords.

5.5 The department will set out its planned approach to monitoring and evaluating the effect of the reforms to the PRS as part of the Impact Assessment for the Renters (Reform) Bill which will be published during the passage of the Bill.

5.6 The department will share further information on its data approach following finalisation of evaluation plans linked to legislation. The department will provide this update after legislation has been passed.

6: PAC conclusion: The Department's forthcoming White Paper offers an opportunity for significant improvement to the private rented sector.

6: PAC recommendation: As part of its planned reforms, the Department should ensure it has a full understanding of the cumulative impact of proposed changes on tenants, landlords and the housing market as a whole. In doing this, it should work closely with other departments, including formally where appropriate, to understand how the reforms may affect or be affected by other policy areas such as benefits and tax.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2024
Original target implementation date: Spring 2023

6.2 The department has set out its assessment of the anticipated impact of the reforms in its Impact Assessment, which will be published during the passage of the Bill. The Impact Assessment provides a full assessment of the economic, social and environmental impacts of measures in the Bill. Alongside this, the department has worked closely with the Ministry of Justice to assess the impacts of the proposed changes to possession proceedings and rent challenges on the justice system. The departments will work together to prepare for any increased demand, as well as making the necessary changes to processes and procedures to accommodate our reforms.

6.3 The department will also complete an assessment of any new burdens on local authorities generated by measures within the Bill.

6.4 As outlined above, the department continues to develop its approach to both qualitative and quantitative data, to ensure that it can:

- monitor the impact of reforms on tenants and landlords,
- understand better the enforcement activity of local authorities; and
- identify and share enforcement good practice.

6.5 The target implementation date has been updated to align with the likely date by which the Bill will have progressed through its parliamentary stages. The change in timing allows the assessment to reflect the full impact of the final Bill.

Fiftieth Report of Session 2021-22

Department for Business, Energy & Industrial Strategy

Bounce Back Loans Scheme: Follow-up

Introduction from the Committee

The Department for Business, Energy and Industrial Strategy (the Department) launched the Bounce Back Loan scheme (the Scheme) in May 2020. It is the largest of three Covid-19 related business loan support schemes. The Scheme targeted the smallest businesses and sought to provide them with loans of up to £50,000, or a maximum of 25% of annual turnover, to maintain their financial health during the pandemic. The loans have a fixed interest rate of 2.5% and a maximum length of either six or ten years. In the first year of the loan there are no capital repayments due, and Government pays the interest—making it interest-free for the borrower. The Scheme closed for new applicants in March 2021 and in total it has provided 1.5 million loans worth £47 billion to businesses across the UK. We examined the Scheme in December 2020 and warned that the Department's focus on the speed of delivery had exposed the taxpayer to potentially huge losses. In addition, we concluded that Government lacked data to assess the levels of fraud. The Department estimated in its Annual Report and Accounts 2020–21 that it would lose £17 billion as a result of the Scheme, of which £4.9 billion was because of fraud.

The Scheme aimed, in most cases, to deliver money to borrowers within 24 to 48 hours of applying. To make the process as fast as possible, the Scheme did not require lenders to check the information on the loan application form or to perform credit and affordability checks. Borrowers are expected to repay the loans in full and lenders are required to conduct basic counter fraud tests. But owing to the absence of credit checks, Government provides lenders a 100% guarantee on the loans. In practice, this means that if the borrower does not repay the loan, Government will.

The British Business Bank (the Bank) manages the Scheme on the Department's behalf and the loans are delivered through 24 commercial lenders such as banks and building societies. The commercial lenders are also responsible for administering loan repayments and pursuing borrowers for missed repayments for up to 12 months after the issue of a formal demand. There is no minimum on the amount of time lenders need to pursue borrowers before claiming on the guarantee and lenders can claim on the guarantee before they complete pursuing borrowers for the full 12 months. Because loans did not begin repayment until May 2021, and borrowers can seek a further six-month repayment holiday, there is limited repayment data to analyse.

Relevant reports

- NAO report: The Bounce Back Loan Scheme: an update – Session 2021-22 (HC 961)
- PAC report: Bounce Back Loans: Follow-up – Session 2021-22 (HC 951)
- Treasury minutes: Government response to the Committee of Public Accounts on the Fiftieth report – Session 2021-22 (CP722)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765) the remaining recommendations are updated below by the Department for Business and Trade.

5: PAC conclusion: It is unacceptable that the Department has no plans to recover outstanding debt after lenders have pursued borrowers for up to 12 months.

5a: PAC recommendation: The Department should, as part of its Treasury Minute response, set out its strategy for collecting overdue payments after the lenders have completed their 12-month requirements.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 The Department for Business and Trade (previously the Department for, Business, Energy and Industrial Strategy (the department)) has commissioned a series of pilots to test the case for additional recovery activities where wrongdoing is suspected, starting with an involuntary liquidation pilot, an enforcement pilot and a pilot involving a private debt management specialist. The department has already seen success from this programme of work, and the department is planning the next steps which will be taken through its established governance mechanisms. In doing so, the department will consider the ongoing case for additional recovery action, including the value for money for taxpayers and any implications for available capacity in (for example) enforcement agencies.

5.3 In addition, the department continues to engage with UK Finance and Bounce Back Loan Scheme (BBLS) lenders on the wider recoveries process and associated guidance as facilities move through the default and recovery process.

5.4 The department has developed an overarching Bounce Bank Loan Scheme Counter Fraud strategy which is driving an extensive programme of activity in the Department for Business and Trade, the British Business Bank (BBB) and wider delivery partners. The department is considering whether a version of this should be made public in due course.

6: PAC conclusion: The Scheme has distorted the Small and Medium Enterprise (SME) lending market in favour of the largest UK banks, which goes against the Bank's objective of creating a diverse finance market for SMEs.

6a: PAC recommendation: The Bank should develop a strategy to mitigate the negative impact of the Scheme on the SME lending market and publish its findings in its next Small Business Finance Market report.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: Spring 2023

6.2 The British Business Bank's most recent Small Business Finance Markets report provided an update on diversity of supply within the lending market for small and medium-sized enterprises (SMEs). It noted that in 2022 challenger and specialist banks' share of total gross lending to SMEs reached a record high of 55%.

6.3 The British Business Bank's 2022-23 Annual Report and Accounts, to be published in Summer 2023, will outline the Bank's progress against its ongoing objective to create a diverse finance market for SMEs. Using this information and the continuing evaluation of the BBLS programme the department will continue to work with the BBB to use existing portfolios of programmes and if necessary, develop further policies to help achieve this objective.

6.4 The British Business Bank is building upon the findings from their Small Business Finance Markets report and using its business planning process for the financial year 2023-24, which is concluding shortly, to inform its ongoing strategy supporting SME lending markets. This work continues to identify any mitigating actions the BBB sees necessary following the impact of BBLS on SME lending markets. The BBB will update the Committee on its strategy, actions taken and further findings by the end of the Summer 2023.

7: PAC conclusion: The Department has not yet identified how it will share the lessons from the Scheme.

7a: PAC recommendation: The Department and The Bank should establish a strategy on how it intends to share lessons from the scheme within a month of the publication of their first evaluation report.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented

7.2 The Department for Business, Energy & Industrial Strategy wrote to the Committee on 30 November 2022 with a report of lessons learnt from the delivery of the Covid-19 schemes.

Fifty-First Report of Session 2021-22

The Ministry of Justice

Improving outcomes for women in the criminal justice system

Introduction from the Committee

The Ministry published its Female Offender Strategy in 2018 after many years of concern about the experience of women in the Criminal Justice System (CJS). Women in the CJS have a higher incidence of prior domestic abuse and mental health issues compared to men; their offences are generally less serious and present lower risk of serious harm to the public; they are more likely to be in custody for shorter periods (including the use of remand) with poor rehabilitation outcomes; and a self-harm rate nearly five times as high in women's prisons as in men's. The impact of women's imprisonment is greater on children as women are more likely to be their main carers. The strategy's aims are to reduce the number of women entering the CJS by intervening earlier with support in the community; have fewer women in custody (especially serving short sentences) and a greater proportion of women managed in the community; and have better conditions for women in custody, including improving and maintaining family ties, reducing self-harm and providing better support on release. The Ministry set up its female offender programme (the programme) to oversee delivery of the commitments in the strategy. While the Ministry leads the programme, several other organisations across government also have a key role in implementing it.

Relevant reports

- NAO report: Improving outcomes for women in the criminal justice system – Session 2021-22 (HC 1012)
- PAC report: Improving outcomes for women in the criminal justice system – Session 2021-22 (HC 997)
- Treasury Minute: July 2022 – Session 2021-22 (CP 722)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 765 above), the remaining recommendations are updated below.

1: PAC conclusion: The 2018 Female Offender Strategy was widely welcomed but progress since then has been limited and it is unclear how much of the additional money allocated to the Ministry will be spent on services for women.

1: PAC recommendation: The Ministry should publish how much of its resource and capital spending it has allocated to work on improving outcomes for women as soon as it has completed its budget allocations for 2022–23. It should include details of funding for this work for future years where available, and how it will filter down to funding community services.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 The Ministry of Justice (the department) published the Female Offender Strategy Delivery Plan 2022-25 and an accompanying impact assessment on 31 January 2023. The Delivery Plan sets out the department's priorities for delivery of the aims of the Female

Offender Strategy and the impact assessment sets out an assessment of the costs and benefits.

1.3 This publication was delayed from summer 2022 as a result of the leadership contest, changes to the department's Ministerial Team and the Autumn Statement on 17 November 2022.

1.4 The Delivery Plan announced targeted funding for community services for women and for improving safety for women in custody over a 3 year period.

4: PAC conclusion: The Ministry is taking some steps to address the needs of ethnic minorities in the CJS, but it recognises that it has not yet done enough to achieve equality of outcomes for ethnic minority women.

4: PAC recommendation: The Ministry should work with specialist providers and experts to establish a set of actions it needs to take to deliver equality of outcomes for ethnic minority women. This should include its arrangements for supporting smaller specialist organisations that support them. It should publish the set of actions with a timetable so that Parliament, stakeholders and others can hold it to account. It should confirm in its response to this report a planned timescale for publishing this action plan.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 The Female Offender Strategy Delivery Plan was published in January 2023 and sets out the department's commitments for ethnic minority women, with key milestones, reflecting the work of the Female Offender Minority Ethnic working group, which brings together officials and stakeholders with specialist expertise.

5: PAC conclusion: It is not clear how Parliament, the public and other stakeholders can hold the Ministry to account for delivery of the strategy's commitments.

5: PAC recommendation: The Ministry must clarify what it aims to deliver via the strategy and its progress to date. It should:

- ***publish forthwith the 66 commitments in the strategy that it has assessed the progress of using Red/Amber/Green ratings, with the details of the progress that underpins the ratings;***
- ***write to the Committee alongside its Treasury Minute response setting out what it will achieve and by when in implementing the strategy over the next 3 years so it can be held to account; and***
- ***write to us by the end of July 2022 setting out the new governance arrangements including how it will improve transparency for specialist providers, experts and other external stakeholders.***

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 Following the publication of the Female Offender Strategy Delivery Plan on 31 January 2023, the department published on GOV.UK a list of the commitments in the Female Offender Strategy with an assessment of whether those commitments are complete, are being taken forward in the Delivery Plan, or are now part of business as usual.

5.3 This did not form part of the set of documents published on 31 January, but was subsequently published in the interests of transparency.

5.4 The department wrote to the Committee on 7 July 2022 alongside the Treasury Minute with further details, as requested.

6: PAC conclusion: The Ministry does not yet know the effectiveness of its interventions, or whether it is achieving its aims. This limits its ability to identify and share best practice and to understand where it needs to invest to achieve its aims.

6: PAC recommendation: The Ministry should publish a monitoring and evaluation plan by September 2022. This should include the following:

- ***how it will work with other government departments to evaluate the main strategy commitments and build on the evidence of what works to aid funding decisions;***
- ***the specific performance measures it will use to assess progress towards its aims. For example, how women are dealt with at various stages – before court proceedings are started, while they are progressing through the courts, and when they are sentenced; and whether they offend in future; and***
- ***how it will use performance measures, along with other qualitative methods to identify good practice in local areas and what it will do to support its adoption widely.***

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The Female Offender Strategy Delivery Plan, published in January 2023, sets out performance measures to assess progress towards achieving the aim of improving outcomes for females in touch with the criminal justice system. It sets out plans to draw on published statistics, robust evaluation and local evidence where available. It also sets out plans for cross-government working to improve understanding of outcomes.

6.3 In addition, the department published an Evaluation and Prototyping Strategy on 25 April 2023. This strategy outlines the actions the Ministry of Justice will take to strengthen its evaluation practice and make use of early-stage prototyping to improve its understanding of what works, for who, how and why.

6.4 The Delivery Plan sets out a strategy to monitor progress, part of which includes working with local partners who are delivering and evaluating interventions for women. This will enable the department to identify good practice where it exists, and to gather evidence of impact of local interventions on key outcomes for women. The department will seek the advice of the Expert Group and the delivery board of senior officials to determine how the department might best support the adoption of good practice more widely.

6.5 In addition, the department is gathering best practice on local integration of women's services into a Whole System Approach, including from those areas that have received grant funding from the government to undertake these projects. The department is already sharing this with other interested parties.

Fifty-Second Report of Session 2021-22

Ministry of Defence

Ministry of Defence Equipment Plan 2021–31

Introduction from the Committee

Each year since 2013 the Ministry of Defence (the Department) has published its Equipment Plan (the Plan), setting out its intended investment in equipment for the following 10 years, and assessing whether this investment is affordable given its budget. This year the Department has allocated a budget of £238 billion to its 2021–31 Plan, which represents a 25 per cent (£48 billion) increase on last year's Plan. This follows the Spending Review 2020's announcement that the Department would receive £16.5 billion budget increase over four years to 2024–25 above its standard annual increase.

The Department has decided to disinvest, scale back and defer spending on various equipment types, as well as to invest in a number of new priorities and to address previous funding shortfalls. As a result, it has announced that its 2021–31 Plan marks a step change in future defence capability, and also is affordable for the first time in four years, with headroom of £4.3 billion of budget over cost.

NAO assessments of the Plan over many years have shown that the Department has been over-optimistic in its assumptions and has consistently found it difficult to strike the right balance between increasing equipment capability and living within its means. In reporting on the risks to affordability, the NAO has highlighted how the Department's decisions to cut budgets in the short term have adversely affected equipment capability and value for money.

The Russian invasion of Ukraine is a reminder of the risks and responsibilities of the UK's membership of NATO and puts a sharp focus on both the Plan's ambitions and the extent to which the Department has addressed its previous shortcomings. There is renewed importance that the Department has the right priorities in delivering capability, and that it manages its expenditure effectively to ensure the Armed Forces can secure all the equipment that they need in the quickest possible time.

Relevant reports

- NAO report: The Equipment Plan 2021-2031 Session 2021-22 (HC 1105)
- PAC report: Ministry of Defence Equipment Plan 2021-31 – Session 2021-22 (HC 1164)
- Defence Equipment Plan 2021-2031 – 21 February 2022
- Defence Equipment Plan 2022-2032 – 29 November 2022
- Psychological safety in MOD Major Projects -18 August 2022
- Treasury Minutes July 2022: (HC 1164)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above), the remaining recommendation is updated below.

2: PAC conclusion: The Department appears complacent about the affordability of its Plan and still does not yet have robust arrangements in place to control the cost of its largest programmes.

2b: PAC recommendation: We recommend that there should be a clearly defined purpose for the Dreadnought contingency and any proposals for a warhead contingency, and that Government should have a robust arrangement in place, including conditions which would have to be met, before HM Treasury would consider providing any additional funds from the contingency. The Department should write to the Committee within the next three months outlining the proposed lines for governance and the timetable in which they will be agreed.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The Chief Secretary to the Treasury wrote to the Defence Secretary following the Spring Budget on 27 April 2023. This letter set out the funding arrangements for the Dreadnought contingency. The department is to discuss the contingency drawdown with HM Treasury each financial year. There is no pre-determined financial cap to the contingency call off. It will be considered on a case-by-case basis, with scrutiny and approval within the normal Estimates processes. HM Treasury reiterated that the principles under which a case can be made to access the contingency are:

- To allow the department to respond to unforeseen events in relation to the Dreadnought programme, and to prevent trade-offs against other capabilities, and;
- To accelerate and de-risk the programme schedule if opportunities arise.

2.3 It has also been agreed that wider funding arrangements for the Warhead programme will be considered at the next Spending Review.

Progress on the implementation of agreed recommendations by the Government to the Committee of Public Accounts: Session 2022-23

Updates on reports with outstanding recommendations

Reports completed

#	Report Title
1	Department for Business, Energy and Industrial Strategy final report and accounts 2020-21
9	DWP Child maintenance
10	Restoration and renewal – reports directly to PAC
17	Government contracts with Randox laboratories Ltd

Second Report of Session 2022-23

HM Revenue and Customs

Lessons from implementing IR35 reforms

Introduction from the Committee

The government originally introduced the IR35 off-payroll working rules in April 2000, with the objective to prevent tax avoidance by 'disguised employees'. These are people who do the same job in the same manner as an employee but avoid income tax and National Insurance contributions (NICs) by providing services through an intermediary such as a personal service company (PSC). The legislation therefore introduced a requirement for workers engaged through intermediaries to assess their employment status for tax purposes. If they are deemed to be a 'disguised employee' they will be subject to income tax and NICs at source in the same way as regular employees.

However, HMRC found that adherence to these rules was low, despite government efforts to improve compliance between 2007 and 2015. In 2016, HMRC estimated that only 10% of PSCs were applying the IR35 rules correctly, costing the exchequer £440 million in the 2016–17 financial year. To improve compliance, the government introduced reforms that shifted responsibility for making status determinations from the worker to the hiring body, which also became liable for any unpaid tax where it had failed to comply. These reforms initially applied to the public sector from April 2017 (affecting around 50,000 PSCs) and were extended to include the private and third sectors in April 2021 (affecting an estimated 180,000 further PSCs).

Relevant reports

- NAO report: Investigation into the implementation of IR35 tax reforms - Session 2021-22 (HC 1103)
- PAC report: Lessons from implementing IR35 reforms – Session 2022-23 (HC 60)
- Treasury Minute: August 2022 (CP 708)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above) the remaining recommendations are updated below.

1: PAC conclusion: High levels of non-compliance in central government reflect poor implementation by HMRC and other government bodies.

1: PAC recommendation: HMRC should develop robust estimates of non-compliance for the public sector as a whole and use this to identify areas where it can reduce the inherent challenge of complying with the reforms, for example by improving its guidance and tools. It should adopt a similar approach for the private sector as the reforms bed in and write to us with an update in six months' time.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2023

1.2 On 7 March 2023 HM Revenue & Customs (the department) published revised off-payroll working guidance on GOV.UK. HMRC simplified the guidance to make it easier to understand and improve the customer journey, including updating and reordering sections, increasing links to other relevant guidance pages and providing a link to the off-payroll working helpline. This was shared and tested with external stakeholders in advance of publication to ensure it met customers' needs.

1.3 HMRC is developing further guidance to help customers understand what good compliance with the rules looks like. HMRC is currently reviewing closed compliance cases to identify examples to highlight good and bad practice.

1.4 HMRC has expanded its work to obtain customer insight through a range of different channels to better understand how customers are managing the reforms and any challenges they are facing. HMRC has set up new regular cross-HMRC workshops to review the insights and agree outcomes, including how the insights will inform the department's approach to education and support.

1.5 HMRC's data analysts have completed their customer journey review of the 'Check Employment Status for Tax' (CEST) tool and the department is now considering how to offer more targeted support to CEST users based on findings. HMRC is continuing work to improve customer experience by moving CEST onto a new platform and exploring ways to incorporate feedback tools to provide insights into how users utilise CEST and identify problematic questions. HMRC has consulted external stakeholders to gather feedback on HMRC's proposed improvements.

3: PAC conclusion: HMRC is not doing enough to understand the impact of the reforms on workers and labour markets.

3: PAC recommendation: HMRC should conduct and publish specific research into the impacts of the IR35 reforms on contractors and labour markets, to check it is being applied as intended and not adversely affecting employment opportunities.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 On 15 December 2022 HMRC published research on the short-term effects of the reform in the private and voluntary sectors, which included data on the way off-payroll workers are engaged, changes to their rates of pay and the ease of recruitment following the reform. This research was conducted with client organisations as they have the most responsibility under the new rules and have the best overview of how they are engaging their workers. This follows research with off-payroll workers published in September 2022.

3.3 Alongside this, HMRC published its own analysis into the short-term impacts of the reform, along with the methodology behind its analysis. This analysis showed 130,000 contractors were impacted by the reform between October 2019 and March 2022, changing the way they provide their services or pay tax. This generated an additional £1.8 billion in tax revenues over the same period.

3.4 HMRC's analysis shows no evidence that the reform has had any significant impacts on the demand for, and supply of, labour overall, with those impacted making up less than 1% of the total workforce. The analysis also provides further detail on changes to the way individuals are working following the reform.

4: PAC conclusion: We are not confident that HMRC works proactively to establish whether any sectors have been affected disproportionately by the reforms and why.

4: PAC recommendation: HMRC should proactively identify and work with sectors that have been particularly affected to understand the challenges, establish how to address them and make it easier to comply. HMRC should write to us with an update in six months with the outcome of this public engagement.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2023

4.2 HMRC has expanded its work to obtain customer insight through a range of sources to understand how customers are managing the reforms and any challenges, including understanding the differences between how different sectors are responding to the reform.

4.3 Some examples of insight HMRC is using include gathering data directly from some customers on how they are engaging workers, exploring what sector insights can be drawn from the research HMRC published in December into the short-term effects of the reform, and promoting the opportunity for stakeholders and customers to provide direct feedback on what sectors may need additional support in its regular communication bulletins.

4.4 HMRC is working to improve the insight it gets on specific sectors by enhancing its understanding of the effectiveness of the CEST tool across various industries. HMRC is considering the inclusion of an optional extra question or post-CEST survey to gather feedback about which sectors use CEST and its usefulness within their respective sectors.

4.5 While HMRC expects a central part of its engagement with stakeholders to continue to be carried out through the Employment Status and Intermediaries forum, which includes representative bodies from a range of customer sectors, it will also proactively engage with representative bodies from particular sectors where insights suggest extra support may be useful, to better understand challenges and deliver education and support where needed.

5: PAC conclusion: HMRC has not made a robust assessment of the additional costs of implementing the reforms.

5: PAC recommendation: In light of actual experience, HMRC should produce and present to Parliament a cost-benefit analysis of the reforms that reflects the actual costs of compliance to HMRC itself, hiring organisations, workers, and others in the supply chain.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 On 15 December 2022 HMRC published its own analysis on the actual spend by client organisations to implement the off-payroll reform in the private and voluntary sectors. HMRC estimated that medium and large client organisations had spent collectively £90 to £230 million on the implementation of the reform, and a further £150 to £370 million on operating the reform in its first year. Based on evidence from the public sector, HMRC expects the ongoing annual amount to reduce over time.

5.3 These costs are varied across the population, and external research suggests costs are partly driven by a small number of organisations spending larger sums, with around 10% of organisations accounting for around 50% of total costs.

5.4 The published analysis also estimated that the reform generated an additional £1.8 billion in tax revenues during the period October 2019 to March 2022.

5.5 Based on the data available, it is not possible to publish a full cost benefit analysis taking account of all parties in the supply chain.

6: PAC conclusion: Despite years of reforming the IR35 rules, there are still structural problems with how they work in practice.

6: PAC recommendation: HMRC should review how the system is working and whether it can be made more efficient and effective. In particular, it should develop solutions to address problems with how the IR35 rules work in practice, including ensuring that:

- ***HMRC has the data it needs to accurately reflect each worker's tax position in cases of non-compliance; and***
- ***HMRC does not end up taxing the same income twice, or unwittingly contributing to workers not paying their fair share in tax.***

6.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2024

6.2 HMRC continues to have a process in place to notify workers and their intermediaries where there is an overpayment of tax after a compliance check and their deemed employer has settled the full liability.

6.3 HMRC has updated its guidance and issued communications reminding clients of the importance of keeping records, and the records they should maintain. This will help ensure HMRC can collect the data required to notify workers and their intermediaries where they may have overpaid tax.

6.4 Following engagement with a working group of external stakeholders, the government launched a consultation on 27 April on how to address the over-collection of tax in cases of non-compliance. This consultation seeks input on a potential legislative change to allow HMRC to set off tax and National Insurance Contributions that have already been paid by the worker and their intermediary against the PAYE liability of the deemed employer, which would result in a more equitable distribution of the cost of the worker's tax liability.

6.5 The government will consider the responses to the consultation before deciding whether to proceed with legislative change.

Third Report of Session 2022–23

Department for Business, Energy & Industrial Strategy

The future of the Advanced Gas-cooled Reactors

Introduction from the Committee

The UK has eight second generation nuclear power stations accounting for around 16% of total UK electricity generation in 2020. These stations are owned by EDF Energy (EDFE) following its purchase of British Energy in 2009. The stations comprise seven Advanced Gas-cooled Reactor (AGR) stations, all of which are planned to stop generating electricity by 2028, plus the Pressurised Water Reactor (PWR) at Sizewell B. In 1996, government established the Nuclear Liabilities Fund (the Fund) to meet the cost of decommissioning these eight stations. The aim of the Fund is to generate returns from investments that will meet the costs of decommissioning. As at March 2021, the Fund's assets were valued at £14.8 billion and the estimated decommissioning costs of these eight stations was £23.5 billion. The government has provided a guarantee to underwrite the Fund in the event that its assets are insufficient to meet the total costs of decommissioning.

The arrangements for decommissioning the stations have been governed by a series of agreements between the Fund, the Department for Business, Energy & Industrial Strategy (the Department) and the station owners. In late 2017, the Department entered into negotiations with EDFE to revise the agreements for the seven AGR stations. The agreement was finalised in June 2021. Under the revised agreements EDFE will defuel each of the stations after they have closed, as previously planned. The Department has, however, agreed financial incentives to encourage EDFE to accelerate defueling and transfer of the stations. This includes EDFE earning up to £100 million for good performance but paying out up to £100 million for poor performance. Ownership of the stations will then be transferred to the Nuclear Decommissioning Authority (NDA) to complete the decommissioning process. The Department estimates the new agreements could save the taxpayer up to £1 billion compared with the previous agreements.

Following the evidence session, we engaged in a series of follow-up correspondence with the Department and HM Treasury. A chronological list of this can be found in Annex 1 at the back of the PAC report.

Relevant reports

- NAO report: The decommissioning of the AGR nuclear power stations -Session 2021-22 (HC 1017)
- PAC report: The future of the Advanced Gas-cooled Reactors - Session 2022–23 (HC 118)
- Treasury Minutes: The future of the Advanced Gas-cooled Reactors - Session 2022-23 (CP 722)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above) the remaining recommendations are updated below by the Department for Energy Security and Net Zero.

1: PAC conclusion: Government's investment strategy for the Fund has delivered poor returns and has resulted in the taxpayer having to top-up the Fund with an additional £10.7 billion in just two years.

1: PAC recommendation: HM Treasury and the Department, working with the trustees of the Fund, should within twelve months review the investment approach and write to the Committee setting out the expected performance of the Fund based on the chosen investment strategy and the extent to which this will avoid further calls upon the taxpayer. The departments should set out the rationale underpinning the investment strategy, in particular the split between investment placed in the National Loans Fund earning a low return and the sum invested in higher performing private sector assets.

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: July 2023
Original target implementation date: May 2023

1.2 The Department for Energy Security and Net Zero (formerly the Department for Business, Energy & Industrial Strategy) has been working with the Nuclear Liabilities Fund (NLF) with regard to its investment strategy and how this will best achieve value for money for the taxpayer in line with wider government strategy and policy.

1.3 The department has been working with the NLF to understand the impact of movements in the interest rates to the NLF's current investment strategy and the likelihood of future shortfalls. The department has written to the Committee to request a short extension of the implementation date to July 2023 in order to allow those considerations to conclude.

2: PAC conclusion: The estimated cost of decommissioning has nearly doubled since 2004–05 and there remains a significant risk that the costs will rise further.

2: PAC recommendation: As part of the 2022 revaluation of the decommissioning liabilities, the Department, working with the trustees of the Fund, should ensure the estimates make explicit allowance for the risk of optimism bias. The Department should report back to the Committee on the new estimates when they are available.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The department has been working with the Non-NDA Liabilities Assurance team (NLA), which acts as the government's agent in respect of scrutinising EDF Energy Nuclear General Limited (EDF) decommissioning submissions in accordance with contractual agreements to examine the risk of optimism bias.

2.3 As per the department's letter to the Committee of 31 May 2023, EDF's strategies, plans and the estimated costs are scrutinised, challenged, and approved under the terms of the revised funding agreement. EDF's estimated costs of decommissioning is now to be presented as a range of costed scenarios reflecting risk and uncertainty and this is contractually updated on an annual basis. The most recent estimates that have been formally reviewed are those within the Integrated Plan 2022.

2.4 EDF's liabilities from 2020 onwards have utilised a new methodology based upon "top down" scenario evaluation specifically designed to improve understanding, make external scrutiny easier, and counter optimism bias. This has created a much wider range of costs (recognised in the liabilities numbers). HM Government Actuary Department was involved in assessing this methodology

2.5 The department's response also summarised the revised costs for defueling/deconstruction and uncontracted liabilities as most recently submitted to the department.

4: PAC conclusion: EDFE's timetable for the closure of the stations will result in a significant reduction in the UK's generating capacity until new capacity comes online.

4b: PAC recommendation: The Department and NDA should publish plans within 12 months setting out how they will make best use of NDA's nuclear sites in future, including whether they are suitable for new nuclear infrastructure, such as modular reactors. In particular they should clarify how the transfer to the NDA from EDFE will allow for these Modular reactors.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 The department has been working with the Nuclear Decommissioning Authority (NDA) with plans relating to how it will make best use of NDA nuclear sites in future, including those regarding a new nuclear infrastructure.

4.3 As per the department's letter to the Committee of 31 May 2023, an update was provided on the use of NDA sites in future, noting that much of this discussion is also reliant on work currently being undertaken by Great British Nuclear (GBN) with respect to new nuclear infrastructure.

6: PAC conclusion: Arrangements for transferring nuclear stations to NDA are worryingly under-developed, and there is a risk that transfer negotiations between EDFE, and NDA could drag on and increase the costs to the taxpayer.

6: PAC recommendation: Within the next six months the Department, following discussions with NDA and EDFE, should write to the Committee with a detailed plan and timetable for how the transfers will take place. This plan should cover all the major aspects of the transfer including land and people, and it should identify where uncertainties remain, how those uncertainties might affect costs, and when they are likely to be resolved.

6.1 The government accepts the Committee's recommendation.

Recommendation implemented

6.2 The department has been working with EDF and NDA (via its subsidiary Magnox) to consider their detailed transfer plans for the AGR stations, starting with Hunterston B.

6. 3 The department's letter to the Committee of 31 May 2023, included a detailed transfer plan for Hunterston B, including timetable and blueprint for transfer across all major workstreams, and highlighting areas of current uncertainties.

6.4 Given ongoing necessary work to support delivery plans for subsequent stations, the response also included a summary of progress of plans for the remaining stations.

Fourth Report of Session 2022-23

HM Treasury and Cabinet Office

Use of evaluation and modelling in government

Introduction from the Committee

Evidence-based decision-making is vital for government to secure value for money. Analysis and evaluation are key sources of evidence and should be at the heart of how government runs its business. Government relies on financial models for its day-to-day activities to help test policy options, estimate costs and improve the value for money of government spending. Outputs from models underpin decisions that often have very real impacts on people's lives. Good quality evaluations can help government understand what works, how and why, and support accountability. Departments are expected to undertake comprehensive, robust and proportionate evaluations.

Across government, HM Treasury, the Analysis Function, the Finance Function, the Evaluation Task Force, Cabinet Office and departmental accounting officers all have a role to play in improving evaluation and modelling. Guidance, expectations and standards are set out in documents such as Managing Public Money, the Magenta Book and Aqua Book, and the Analysis Functional Standard.

Relevant reports

- NAO report: Evaluating government spending – Session 2021-22 (HC 860)
- NAO report: Financial modelling in government – Session 2021-22 (HC 1015)
- PAC report: Use of evaluation and modelling in government – Session 2022-23 (HC 254)
- Treasury Minute: August 2022 – Session 2022-23 (CP 708)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above), the remaining recommendations are updated below.

3: PAC conclusion: No single body is responsible for upholding modelling and evaluation standards and monitoring their implementation.

3: PAC recommendation: The Analysis Function, under the responsibility of the UK Statistics Authority, should:

- ***put in place an appropriate assessment framework to monitor departments' implementation of the Analysis Functional Standard;***
- ***act on areas for improvement identified through its assessment framework; and***
- ***agree with HM Treasury the funding it will provide for these roles.***
- ***HM Treasury should set out how it plans to gain confidence that the outputs it uses from departments' business critical models have been quality assured appropriately.***

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The Government Analysis Function is committed to upholding modelling and evaluation standards. The Analysis Function Standard Assessment Framework is a key enabler for this work and has now been put into place. Departments have completed their returns for 2023-24 and the Analysis Function has assessed these responses to understand how the Analysis Function Standard is being implemented in departments. The Assessment Framework will be updated on an annual basis to reflect any changes required to the framework, following any feedback from departments on the framework and any future changes required to the Analysis Function Standard itself.

3.3 Many of the areas for change highlighted by departments in their assessments relate to specific changes required within their organisations, therefore the Analysis Function will monitor whether this activity is being undertaken as part of future assessments and will support departments in implementing these specific changes where necessary. Some key themes have arisen which require more central support or align with work already being undertaken by the Analysis Function; the initial priorities agreed to address these priorities include: increasing the sharing of case studies within the Analysis Function, particularly with regards to innovation and implementation of the Standard; ensuring that more support is provided to analysis teams within Arm's Length Bodies and the work planned to update and promote the Aqua Book. The Analysis Function will continue to assess where further support and improvements are required based on future assessments against the Analysis Function Standard and other evidence from Chief Analysts and beyond.

3.4 The Analysis Function will keep the Committee updated on an annual basis around implementation of the Assessment Framework and actions taken to support implementation of the Analysis Function Standard based on this.

3.5 The Office for National Statistics (ONS) already makes a significant contribution from its own resources to fund the Analysis Function across government. Considering the recommendations from the Committee, while also observing the need for ONS to plan to live within its Spending Review settlement, the ONS will work with other departments to establish the future funding arrangements of the Analysis Function across government.

3.6 HM Treasury (HMT) set out its plans and response to this recommendation in a letter to the Committee in January 2023. The letter set out three ways in which the department is actively addressing the recommendation on how it plans to gain confidence that the outputs it uses from departments' business critical models have been quality assured appropriately:

- HMT plays an active role in improving the standards of modelling across government, as part of the AF Standards Steering Group;
- HMT plays an active role in reinforcing the structures already in place to ensure outputs from departments' business critical models have been properly quality assured; and
- HMT is also engaged in several initiatives to improve its own processes. HMT's internal network called Strength in Numbers exists to implement recommendations set out in the Macpherson review, specifically including organising and delivering training several times a year on spreadsheet standards.

4: PAC conclusion: Good quality modelling and evaluation is hampered by challenges in sharing data and a lack of common data standards.

4: PAC recommendation: The Cabinet Office should set out its progress in using its national data strategy to address the barriers to better sharing and use of data, including its development of cross-government standards for collecting, storing, recording and managing data.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2025

4.2 As previously advised, the Central Digital and Data Office (CDDO) is creating the conditions for government departments and organisations to transform the way they use data for better decision making through the delivery of two key strategic missions:

- Mission 3 of the National Data Strategy (2020) and
- Mission 3 of its own DDaT strategy for government, Transforming for a Digital Future: Government's 2022-25 Roadmap for Digital and Data, launched on 9 June 2022 in collaboration with departments and the Government Digital Service (GDS).

4.3 Twenty of the 30 actions in Mission 3 of the National Data Strategy have been completed or closed, with the remaining 10 on track. This includes setting standards for common adoption in government such as UK Gemini (geographic metadata), the Beneficial Ownership standard, the Open Referral UK standard, updated standards on how to design, build and operate Application Programming Interfaces (APIs) in a consistent way; and a definition of cross-government critical data assets and a common data ownership model that will apply to them are in development and being readied for piloting ahead of rollout in 2023 to ensure consistency in roles and accountabilities which will underpin plans for a data marketplace. Between October 2022 and March 2023, the register of Information Sharing Agreements (ISA) under Parts 1-4 of the Digital Economy Act 2017 rose to 245, an increase of 44 agreements since the last report in September 2022.

4.4 In the first year of delivery of the Transforming for a Digital Future Roadmap, CDDO has been delivering a range of actions to build consensus and establish foundations to ensure data is fit for purpose, trusted and available via interoperable architecture. This includes the inception of a Data and Technology Architecture Design Authority for government earlier this year, the rollout of a Data Maturity Assessment for government, launched in March 2023, with commitment by Permanent Secretaries for their departments to complete a targeted assessment within the year, and the launch of the Data Sharing Network of Experts (DSNE) which specialises in unblocking complex data access requests between government departments and agencies.

4.5 CDDO is working in collaboration with the Government Digital Service, on the Government Data Exchange programme to develop a Government Data Marketplace. CDDO is leading on components including developing a Design a Data Share prototype to provide an agreed way for departments to establish data sharing efficiently and effectively.

5: PAC conclusion: Departments are not meeting government requirements on publishing evaluation plans and findings, and on transparency of models and their outputs.

5a: PAC recommendation: HM Treasury should work with the Cabinet Office to publish a tracker with details of evaluations including their planned publication date, and explanations from departments where publication is delayed or withheld.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

5.2 Following the government's last update, it can now confirm that progress on the Evaluation Registry is on track for launch by summer 2023. The development of the registry is being undertaken by the Evaluation Task Force and the Incubator for Automation and Innovation, both within the Cabinet Office/Number 10. Delivery Group. Departments across government have been involved in user testing of the prototypes. The Cabinet Office has also commissioned an external supplier to extract information from over 2000 historic evaluations for inclusion in the Evaluation Registry, ensuring it will launch with a critical mass of content, making it useful from the outset. Use of the Evaluation Registry to record evaluations will initially be voluntary before becoming mandatory from 2024.

5b: PAC recommendation: The Analysis Function should update its Functional Standard to include clear principles for departments to follow on the publication of models, their outputs, and registers of business-critical models.

5.3 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: Summer 2022

5.4 The Government Analysis Function is committed to providing appropriate support to departments on modelling. Last year the Government Analysis Function reviewed the updates required to the Aqua Book, and assessed what further guidance may be needed to support the quality assurance of models, including a Quality Assurance Maturity framework.

5.5 Since the last update to the Committee, the resourcing requirements for the work has been finalised and a more detailed scoping of the further revisions required to the guidance conducted. The work on the revisions is now underway, including development of the maturity framework, and the work needed to address this recommendation should be completed by summer 2023, with further updates planned to the Aqua Book to meet other requirements following this.

6: PAC conclusion: Model producers and users do not adequately assess the range of plausible outcomes and are overly reliant on central estimates that do not reflect inherent uncertainty.

6: PAC recommendation: As a key user of outputs from models, HM Treasury should routinely require departments to present the range of plausible outcomes. In its self-assessment tool, the Finance Function, under the responsibility of HM Treasury, should include consideration of how analysis and modelling are applied, including expectations on how accountants should analyse, manage and communicate uncertainty.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The Finance Function has refreshed its functional standard. The refreshed standard was published in May 2023. As part of this refresh, the Finance Function has engaged the Analysis Function and set out clear modelling and analysis expectations for finance teams, drawing on the Analysis Standard and the Aqua Book.

Fifth Report of Session 2022-23

Department for Levelling Up, Housing and Communities

Local Economic Growth

Introduction from the Committee

In the decade to 2020, government committed £18 billion in domestic funding to local economic growth policies in England. Since 2014, a further £10.3 billion or so has been directed to the UK through EU structural funding. Despite efforts by successive governments to tackle longstanding spatial disparities, the UK remains less productive than its main competitors, shows regional disparities that are among the largest in the OECD and inequality within the UK's regions is even greater than it is between them. The COVID-19 pandemic has hit some of the country's most deprived areas hardest. Government has pledged to level up the country and published its Levelling Up White Paper in February 2022.

The Department for Levelling Up, Housing & Communities (DLUHC), has a coordinating role for Levelling Up and leads on the design and delivery of central government's place-based local growth interventions. At the November 2020 Spending Review, government announced or furthered a series of interventions to support the regeneration of towns and communities across the country. These included the £3.2 billion Towns Fund in England and three UK-wide schemes: the £4.8 billion Levelling Up Fund, the one-year £220 million Community Renewal Fund to replace European Funding in advance of the UK Shared Prosperity Fund, and the creation of Freeports. As at November 2021, and including the £2.6 billion for the UK Shared Prosperity Fund announced at the 2021 Spending review, central government had committed £11 billion through these schemes over the period 2020–21 to 2025–26.

Relevant reports

- NAO report: Supporting local economic growth – Session 2021-22 (HC 957)
- PAC report: Local economic growth – Session 2021-22 (HC 252)
- Treasury minute: August 2022 (CP 708)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above), the remaining recommendations are updated below.

1: PAC conclusion: It is unsatisfactory that Ministers finalised principles for awarding the first round of the Levelling Up Fund only once they knew the identities and scores of shortlisted bidders.

1b: PAC recommendation: The Department should:

- ***Provide thematic and geographic transparency of successful and unsuccessful bidders in line with other targeted local growth funding.***

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 Building on the account of assessment and decision making set out in the Explanatory Note for round one, the Department for Levelling Up, Housing & Communities (the department) has now provided a geographic and thematic summary of Levelling Up Fund round two bids.

1.3 The department will continue to meet this commitment for future rounds of the Levelling Up Fund.

2: PAC conclusion: The Department does not yet have a strong understanding of what works for local growth, but we welcome its belated commitment to evaluating local growth interventions.

2a: PAC recommendation: The Department should update us on progress with its local growth evaluation commitments (including for the Local Growth Fund) and set out how it intends to feed evaluation findings back into its ongoing local growth activity and to the wider levelling up agenda.

2.1 The department agrees with the Committee's recommendation.

Target implementation date: September 2023

2.2 The department has published the UK Shared Prosperity Fund (UKSPF) evaluation strategy . A contractor for the intervention level evaluation has been appointed, and further procurement is underway. Preliminary feasibility work has started. Due to the complexities, the department will continue consulting with evaluation experts.

2.3 Local Growth Fund and Getting Building Fund evaluation started in April 2023 and includes a feasibility study followed by a process, impact, and value for money evaluation. Feasibility study work will be completed by September 2023.

2.4 Towns Fund evaluation started and includes a feasibility stage followed by a process, impact, and value for money evaluation, subject to feasibility study conclusions. The department expects to publish an interim process evaluation in Winter 2023/24 and an interim impact evaluation in Spring 2024.

2.5 The department commissioned an impact evaluation feasibility study on the Levelling Up Fund, assessing whether programme-level impact evaluation was feasible and the appropriate methods and datasets to demonstrate robustness. The feasibility study will be published in Summer 2023.

2.6 The department provided an update on its Freeports monitoring and evaluation programme in the first Annual Report. A baseline data collection exercise has taken place and the first monitoring returns are expected from all English Freeports in June 2023. The first-year process evaluation is near completion with updated key findings from all M&E activities expected in the 2023 Annual Report.

2.7 The department is working on producing a local growth data and evaluation strategy, providing further information and plans on how it intends to approach M&E activity. The department has now completed work on an evaluation prioritisation framework and guidelines to inform the prioritisation of evaluation for new funds.

4: PAC conclusion: There remains considerable uncertainty for Local Authorities around funding, structures and responsibilities for local economic growth.

4: PAC recommendation: In its Treasury Minute response, the Department and HM Treasury should set out how they intend to provide greater certainty to Local Authorities to enable them to plan the integrated capital, skills and community investment needed to drive growth in their areas.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: to be confirmed

4.2 The department has validated UKSPF investment plans and an announcement approving all plans was made on 5 December 2022.

4.3 As set out in the Treasury Minute of August 2022 above, the government will set out a plan for streamlining the funding landscape which will include a commitment to help local stakeholders navigate funding opportunities in due course. The department will write to the Committee once a date is confirmed.

5: PAC conclusion: It is unclear how the Department is reconciling tensions between devolved responsibilities and administering local growth funding on a UK-wide basis.

5: PAC recommendation: The Department should set out:

- ***How it will ensure that the processes are awarding funding for the future rounds of Levelling Up Fund and UKSPF will address the prioritisation of devolved nations.***
- ***How it plans to ensure ongoing engagement with the devolved administrations.***

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 The department has delegated delivery of UKSPF in Scotland and Wales to local authorities and is continuing to work closely with local authorities and local partners in Northern Ireland where a UKSPF Partnership Group has been established. This means local people will always play a leading role in prioritising and tailoring UKSPF to local needs.

5.3 Over the first and second round of the Levelling Up Fund, the department has provided £349 million of total UK allocations to Scotland, £330 million to Wales, and £120 million to Northern Ireland. This exceeds its public commitments of 9% in Scotland, 5% in Wales and 3% in Northern Ireland. Additionally, the department has set out the prioritisation of places used to develop an index of places in the methodology note for the Fund.

6: PAC conclusion: Accountability for levelling up outcomes remains unsatisfactory

6: PAC Recommendation: HM Treasury and the Department should write to the committee alongside the Treasury Minute response to clarify departmental accountabilities for levelling up outcomes and in particular for cross-cutting missions.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The department wrote to the Committee in December 2022 with further detail on the levelling up missions and departmental accountabilities.

6.3 This letter covered governance arrangements across the twelve levelling up missions, detail on the measurement framework for how the government plans to measure progress against missions and noted the commitment made in the Levelling Up White Paper to publish an annual report, subject to the Levelling Up and Regeneration Bill gaining Royal Assent. The committee should note that the letter was written before the machinery of government changes in February 2023. Following these changes, the new Department for Science, Innovation and Technology is lead department for the R&D and Digital Connectivity missions.

7: PAC conclusion: The Department does not yet know how it will measure performance on a consistent basis across different geographical areas and timescales.

7: PAC recommendation: The Department should clarify how it intends to provide performance information on a consistent basis (both year on year and across different geographical areas) and how, in the absence of good quality local data, it intends to establish a baseline against which to measure progress.

7.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

7.2 The Levelling Up White Paper Technical Annex sets out the wide range of metrics against which performance against levelling up missions will be assessed. Since the White Paper publication, the department continues working together with the Office for National Statistics (ONS) and other government departments to address data gaps in these metrics, including improving the extent to which these can be measured at more granular geographies. For example, the ONS has recently published new subnational data on publicly funded research and development, to support the R&D mission's aims to ensure a greater share of domestic public R&D spending falls outside of the Greater South East.

7.3 The ONS published Gross Value Added data at Middle and Lower Layer Super Output Area data in January 2023, which will allow measuring and monitoring productivity at very granular geographies and support the monitoring against mission 1. The department also continues to work with Department for Culture, Media, and Sport to expand the Community Life Survey and with the Home Office to develop new measures of Anti-Social Behaviour, both of which will improve our ability to monitor and understand mission nine.

7.4 There is a range of activity against the other missions and relevant levelling up metrics, and the department will be publishing a statement of missions following Royal Assent of the Levelling Up and Regeneration Bill.

Sixth Report of Session 2022-23

Department of Health and Social Care

Department of Health and Social Care 2020-21 Annual Report and Accounts

Introduction from the Committee

The Department of Health and Social Care (the Department) leads the health and care system in England. The Departmental Group's accounts show that total operating expenditure increased to £191.9 billion in 2020–21, a 30% increase on 2019–20. This included a £20.5 billion (31%) increase in operating expenditure on the purchase of goods and services primarily related to its response to the COVID-19 pandemic. The Comptroller and Auditor General (C&AG) qualified his audit opinion on the accounts for several reasons. There was insufficient evidence to support: the Core Department inventory balance of £3.6 billion at year-end; £6.1 billion of inventory consumed during the year; £8.7 billion of inventory impairments; and the £1.2 billion onerous contract provision recognised by the Department for inventory purchased but not received at the year-end. There was also insufficient evidence to support the Group accruals balance of £17.2 billion. In addition, £1.3 billion of the Department's COVID-19 spending was spent either without the necessary HM Treasury approvals or in breach of conditions set by HM Treasury, and there was insufficient evidence to show that the Department's spending, particularly on COVID-19 procurement, was not subject to a material level of fraud.

Relevant reports

- DHSC report: Department of Health and Social Care Annual Report and Accounts 2020-21 (HC 1053)
- PAC report: DHSC Annual Reports and Accounts 2020-21 (parliament.uk) – Session 2022-23 (HC 253)
- Treasury Minutes, September 2020, Thirteenth Report of Session 2019-21 (CP 291)
- Treasury Minute, August 2022, Sixth Report of Session 2022-23 (CP708)
- Correspondence to the PAC Recommendation 6 dated 4 August 2022
- Correspondence to the PAC Recommendation 7 dated 4 August 2022
- Correspondence to the PAC dated 10 November 2022
- Correspondence to the PAC dated 14 November 2022
- Treasury Minutes Progress Report: December 2022 (CP 765)
- Correspondence to the PAC dated 16 March 2023

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 765 above), the remaining recommendations are updated below.

2: PAC conclusion: The procurement of PPE in response to the COVID-19 pandemic overwhelmed existing systems and has exposed weaknesses in the Department's commercial contracting capability.

2a: PAC recommendation: In its Treasury Minute response the Department should set out its 'commercial reset' plan and the timeline for scaling up its commercial capability across the Departmental Group to ensure sufficient support is in place to procure and manage existing and future contracts.

2.1 The government agrees with the Committee's recommendation

Recommendation implemented

2.2 The Department of Health and Social Care's 'commercial reset' plan established a range of measures to bring about clearer lines of responsibility and accountability; enhanced governance; strengthened compliance with procurement policies and processes and increased commercial awareness.

2.3 By introducing a Commercial Assurance Board, the department has bridged the gap between Spend Control Approval Panels and the Investment Committee, engaging with the department's Executive Agencies and Arm's Length Bodies (ALBs) to ensure appropriate levels of commercial assurance.

2.4 The department's commercial operating model has transitioned from separate procurement and contract management functions to one commercial operations team, providing full lifecycle support under a category structure, and delivering stronger commercial oversight of wider third party spend. Implementation of the Atamis e-commercial system across the department and ALBs has delivered standardisation of procurement processes.

2.5 The Health Family Commercial Head of Profession (HOP) plan for 2022-23 incorporates initiatives to increase the maturity of its Commercial profession and increase commercial awareness for non-commercial colleagues across the Health System. To further build technical commercial expertise, ensuring readiness across the Health Family for Transforming Public Procurement reform, a comprehensive Procurement Capability Programme has been developed, providing c.200 commercial colleagues from the department and ALBs up to 8 days of commercial training.

2.6 The department continues to align its commercial offer in line with service demand and considers the commercial reset now to have transitioned to business as usual ('BAU') activity.

3: PAC conclusion: There is no clear plan for how big the PPE stockpile needs to be and how the Department will build greater resilience into the NHS supply chain so that it can respond at pace to future urgent needs.

3: PAC recommendation: The Department should develop a clear plan to increase the resilience of the NHS supply chain to be able to respond at speed if there is another pandemic or variant of concern and needs to explain in detail to the Committee how it intends to work out what items and how much PPE it needs to hold as a national stockpile going forward.

3.1 The government agrees with the Committee's recommendation**.**

Recommendation implemented

3.2 The department has concluded a fundamental review of emergency preparedness clinical countermeasures, which includes PPE, that need to be readily available in the event of a future pandemic or emerging infectious disease outbreak. The review factored in lessons learnt from the COVID-19 pandemic, alongside further analysis of the pandemic and emerging infectious disease risks, and recommended the specific PPE product types that should be included in its pandemic preparedness programme going forward.

3.3 The department is now working closely with NHS Supply Chain (SCCL) on the necessary volumes of PPE that are needed to provide resilience to future pandemics or emerging infectious disease outbreaks and is preparing advice on both short-term procurements and longer-term resilience. This is set out in the department's letter to the Committee dated 16 March 2023.

8: PAC conclusion: There is no clear plan as to how the Department will bring forward the publication date of its annual report and accounts.

8: PAC recommendation: The Department should develop a detailed and realistic plan for bringing forward the preparation and publication of its annual report and to improve timeliness of its accountability for the use of taxpayers' money.

8.1 The government agrees with the Committee's recommendation

Target implementation date: December 2023

8.2 The department has a plan to bring forward its accounts preparation process to allow pre-recess laying of the Annual Report and Accounts (ARA). This has been communicated to national and local auditors.

8.3 The department will not be able to support pre-recess laying of the ARA for 2022-23 due to the significant accounting complexities associated with International Financial Reporting Standard 16 – Leases, the residual impact of the delays to laying prior year accounts due to the pandemic and the impact of the Health and Care Act 2022 which introduced significant changes to the group structure during the year that will require reflecting in the accounts

8.4 The department is working to return to pre-recess laying of the ARA as soon as possible and is working closely with the NAO to enable this. However, this ambition is also dependent upon the capacity of the national and local audit markets. Significant work is underway, in conjunction with the Department for Levelling Up, Housing and Communities and others, to relieve the current pressures in the local audit market and further work will be required in the coming months to establish whether it is possible for a group with such reliance on this market to return to pre-recess laying after 2022-23.

Seventh Report of Session 2022–23

Ministry of Defence

Armoured Vehicles: the Ajax programme

Introduction from the Committee

Ajax is an armoured fighting vehicle which should provide the Army with its first fully digitised platform. It will be based on new technologically advanced sensors and communication systems which should transform the Army's surveillance and reconnaissance capability. The vehicles form an integral part of the Ministry of Defence's (the Department's) vision for digital integration across land, air and sea domains, allowing real-time information-sharing and connectivity with other capabilities, such as Lightning II jets.

Ajax represents the biggest single order for a UK armoured vehicle in more than 20 years. The programme began in 2010, and the Department has a £5.5 billion firm-priced contract with General Dynamics Land Systems UK for the design, manufacture, and initial in-service support of 589 vehicles. The programme is supposed to deliver six types of vehicle which will perform different roles. By December 2021, the Department had paid General Dynamics £3.2 billion, and General Dynamics had designed the vehicles, built 324 hulls and assembled and tested 143 vehicles. The Department had received 26 Ajax vehicles, together with training systems and some logistics support and spares. In 2014, the Department extended its expected in-service date by three years to July 2020, and the programme subsequently missed a revised target date of June 2021. In 2021, the Department acknowledged publicly concerns about excessive levels of noise and vibration on the Ajax vehicles. These issues remain unresolved, and the Department does not know when Ajax will enter service.

Relevant reports

- NAO report: The Ajax Programme – Session 2021-22 (HC 1142)
- PAC report: Armoured Vehicles: Ajax Programme – Session 2022-23 (HC 259)
- HS & EP Ajax Noise and Vibration Review (The King Review) – December 2021
- Ajax Update - Hansard - UK Parliament Volume 714 - 19 May 2022
- The Ajax Lessons Learned Review – Lead appointed– 23 May 2022
- Treasury Minutes - August 2022 (CP 708)
- Treasury Minutes Progress Report: June 2022 (CP 691)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 765 above), the remaining recommendations are updated below.

1: PAC conclusion: The Department is failing to deliver the enhanced armoured vehicles capability that the Army needs to better protect the nation and meet its NATO commitments.

1: PAC recommendation: The Department must assess the longer-term implications of delays for the Army's transformation programme and investigate alternative options to Ajax now so that it can act quickly if the contract with General Dynamics collapses. We will expect an update on this when we next take evidence from the Department and answers by December 2022.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 The Ministry of Defence, (the department) continues to focus on delivering Ajax to meet the needs of the Army and tackling the problems the programme faces. The department updated the Committee during the Oral evidence session of 15 December, for the MOD Equipment Plan 2022-2032 hearing (HC 731). The Written Ministerial Statement laid in Parliament on 20 March 2023, provided a further update on the programme and outlined the steps taken to successfully put it on a firm footing.

2: PAC conclusion: The Department has once again made fundamental mistakes in its planning and management of a major equipment programme.

2: PAC recommendation: Once the Ajax Lessons Learned Review has reported, the Department should write to the Committee setting out how it will incorporate the recommendations into its future management of equipment programmes – considering the findings and recommendations of our and the NAO's reports – to prevent this familiar list of mistakes being repeated yet again.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: Spring 2023

2.2 The department will publish the report by Clive Sheldon KC on the independent Ajax Lessons Learned Review, accompanied by an oral statement to Parliament, as soon as practicable, and will consider the recommendations alongside the implementation of other Ajax and wider programme management improvements. The department will be writing to the Committee to confirm the revised target date.

3: PAC conclusion: The failure to escalate and address noise and vibration issues in a timely manner shows that the Department must simplify its over-complex safety processes and change behaviours.

3: PAC recommendation: The Department should set out the changes to its safety processes that it is making in response to the King Report and how it is monitoring the effectiveness of these initiatives. This should include the steps it is taking to improve openness and communication, including the use of the new web-based application. The Department should provide us with an update on progress when we next take evidence.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The department has accepted all the recommendations in the King Report relating to safety and armoured vehicle procurement and continues to progress implementation. The department uses the web-based Defence Lessons Identified Management System to regularly monitor and review the progress of the implementation of the recommendations. The department updated the Committee on progress against the King Report during the Oral evidence session of 15 December, for the MOD Equipment Plan 2022-2032 hearing (HC 731) and a more detailed update was provided by the department's Permanent Secretary to the Chair of the Committee in January 2023. The work to improve the programme will also take account of the findings and recommendations from the Ajax Lessons Learned Review and wider departmental programme management improvement initiatives.

4: PAC conclusion: Nearly two years after identifying injuries to soldiers, the Department still does not know how to fix the noise and vibration problems.

4: PAC recommendation: As a matter of the utmost urgency, the Department must establish whether noise and vibration issues can be addressed by modifications or whether they require a fundamental redesign of the vehicle. If the latter, the Department must decide whether the right course is to proceed with General Dynamics or if it should opt for an alternative. We will expect an update on this when we next take evidence and an answer by December 2022.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 The department updated the Committee on the modifications during the Oral evidence session of 15 December 2022, for the MOD Equipment Plan 2022-2032 hearing (HC 731). The User Validation Trials conducted in October 2022, successfully confirmed that the modifications to Ajax vehicles ensure crew exposure to noise and vibration levels remain within legislative requirements. The modifications are now being applied to training vehicles already delivered to the Army and will be applied to all future vehicle deliveries.

5: PAC conclusion: We are doubtful that the Department can recover the programme within existing costs and commercial arrangements.

5: PAC recommendation: Whether or not the Department concludes that it should continue with the current Ajax contract, it must review its commercial arrangements to ensure these are appropriate to incentivise its prime contractor to deliver the programme and agree a recovery plan.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 The department continues to pursue and protect its contractual and commercial rights under the contract with General Dynamics. The department is currently negotiating revised payment and output milestones associated with a new revised programme schedule. This will link payments to key deliverables in the schedule going forward and will ensure that General Dynamics is incentivised to deliver against agreed outcomes.

6: PAC conclusion: The Department's plans for using Ajax are at risk because of uncertainty about what constitutes full operating capability, when this will be achieved and how Ajax vehicles will be enhanced in the future

6: PAC recommendation: Once the Department has reached agreement on solutions to the noise and vibration problems, it must agree a revised schedule and critical path for initial operating capability and full operating capability, covering all enabling programmes. This should include clear definitions of what will be delivered at each stage, without reducing requirements just to achieve these milestones.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The Written Ministerial Statement laid in Parliament on 20 March 2023, provided an update on the programme, including the realistic and achievable revised schedule that will provide a meaningful initial operating capability to be achieved by December 2025 and a full operating capability to be achieved by September 2029.

Eighth Report of Session 2022-23

Department for Education

Financial sustainability of the higher education sector in England

Introduction from the Committee

Universities and other higher education providers are autonomous institutions with a high degree of financial as well as academic independence. They are free to conduct commercial activities in addition to teaching and research. For a provider to access government funding for research or teaching, however, or for its students to receive government tuition fee and maintenance loans, it must be registered by the Office for Students (the OfS), the sector regulator. The Department for Education (the Department) is responsible for setting higher education policy and for the overall regulatory framework for the sector and sponsors the OfS. In July 2021, there were 254 higher education providers in England registered with the OfS, excluding further education and sixth-form colleges, educating an estimated 2.3 million students. Of these, 1.8 million were from the UK, and 1.6 million were undergraduates. The total income of higher education providers in 2019/20 was £36.1 billion, 36% of which came from public sources.

Relevant reports

- NAO report: Regulating the financial sustainability of higher education providers in England – Session 2021-22 (HC 1141)
- PAC report: Financial sustainability of the higher education sector in England – Session 2022-23 (HC 257)
- Treasury Minutes: August 2022: (CP 708)
- Treasury Minutes Progress Report: December 2022 (CP 765)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 765 above) the remaining recommendations are updated below.

2: PAC conclusion: Despite a background of deteriorating financial health of an increasing number of providers, the Department is not effectively holding the OfS to account.

2: PAC recommendation: Working with the OfS, the Department should establish a complete set of robust, published performance measures and targets, including structured feedback from providers, and use these to hold the OfS to account for its effectiveness.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The Office for Students (OfS) has concluded the review of its key performance measures which will ensure alignment with the OfS's strategy and the priorities of the Secretary of State for Education, and improve performance reporting. By November 2022 it had published nine updated key performance measures as well as its more detailed operational measures. The remaining two key performance measures, on success and progression, and student protection were published on 23 March 2023. As previously reported, the Department for Education has worked with the OfS to improve performance measures.

2.3 The OfS already has a process in place for consulting and engaging with the sector on a range of matters and has recently improved its communications with providers, following qualitative research on its approach.

- KPM 6: Success and progression - Office for Students
- KPM 10: Student protection - Office for Students

2.4 On 26 January 2023, the OfS published the independent report resulting from that research exercise, undertaken by Shift Learning: Report on provider engagement with the Office for Students. This was accompanied by a blog from the Chief Executive of the OfS, setting out how it would refresh its engagement with universities, colleges and other higher education providers in response to the feedback from their leaders.

3: PAC conclusion: Protection for student, in the event of providers facing financial distress, are not strong enough.

3: PAC recommendation: The OfS should prioritise ensuring that all providers' published student protection plans are fit for purpose and sufficiently clear for students to make confident, well-informed decisions about the protections universities are promising them.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The OfS takes a risk-based approach to monitoring and acting on financial sustainability, targeting areas of greatest risk while mitigating unnecessary burdens, and has already introduced new ongoing registration condition C4, to strengthen its ability to ensure student protection in cases of potential market exit.

3.3 The closure of a provider is likely to be the most significant issue for students, so the OfS has been prioritising its work on financial sustainability and viability of providers. This has included discussions with the finance directors of higher education providers about the risks providers face and the OfS's regulatory approach to protecting the interests of students. Continuing discussion of these matters will be an ongoing feature of OfS's engagement with providers. A full review of the 'C' conditions (protecting interests of all students) is planned for 2024.

Eleventh Report of Session 2022-23

Department of Health and Social Care

The rollout of the COVID-19 vaccine programme in England

Introduction from the Committee

Since effective COVID-19 vaccines first became available at the end of 2020, vaccination has been central to the government's pandemic response. The UK was the first country in the world to approve a COVID-19 vaccine and begin rollout. It typically takes ten years to develop a vaccine, approve it for use and roll it out to the public, yet remarkably for COVID-19 vaccines, only eight months elapsed between setting up the Vaccine Taskforce to procure potential vaccines and the start of the NHS rollout. At the time of our evidence session at the end of March, five COVID-19 vaccines had been approved for use, of which three had been deployed in England. Government had UK contracts in place with six suppliers for over 450 million doses up to the end of 2023. The main rollout of first and second doses to adults had also taken place and, by the end of May 2022 nearly 40 million people, 90% of those aged 18 and over in England had received two doses of a COVID-19 vaccine. Rollouts were ongoing for first boosters to people aged 16 and over (and some 12- to 15-year-olds), and for first and second doses to 12- to 17- year olds. In the week before our session, the programme began rolling out second boosters to selected at-risk groups and, shortly after the session, launched vaccination for all 5- to 11-year-olds. The COVID-19 vaccine programme comprises many national and local bodies. The Department of Health & Social Care (the Department) is ultimately responsible for securing the supply of COVID-19 vaccines for the UK (since August 2021) and for planning how to deploy the vaccines in England. Created in April 2020, a dedicated Vaccine Taskforce (the Taskforce) works on behalf of the Department to procure and manage COVID-19 vaccine supplies for the UK. NHS England leads on operational delivery of COVID-19 vaccinations in England and works together with the UK Health Security Agency (UKHSA) on vaccine supply, storage and distribution (prior to October 2021, Public Health England (PHE) undertook UKHSA's responsibilities in this area). Local healthcare providers—NHS hospitals, GPs and community pharmacies—administer vaccines. In implementing the programme, the government follows clinical advice from the Joint Committee on Vaccination and Immunisation (JCVI) and the Chief Medical Officers. As with other vaccines, the Medicines and Healthcare products Regulatory Agency (MHRA) has to approve COVID-19 vaccines before they can be used and monitors safety thereafter.

Relevant reports

- NAO report: The rollout of the COVID-19 vaccination programme in England – Session 2021-22 (HC 1106)
- PAC report: Roll out of the COVID:19 vaccine programme – Session 2022-23 (HC 258)
- Treasury Minute: The rollout of the COVID-19 vaccine programme in England – Session 2022-23 (CP 755)
- Correspondence to the PAC dated 15 May 2023

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 755) and correspondence above, the remaining recommendations are updated below.

2: PAC conclusion: Comparatively low vaccination uptake persists in many vulnerable groups and, after the first booster campaign, has even dropped further for some.

2. PAC recommendation: Recognising that reasons for lower uptake will vary, NHS England and UKHSA should urgently evaluate which approaches are most effective for increasing uptake, communicate again with local areas about what works, and provide support to them to deploy the most effective approaches. This should include fresh approaches to tackling the persistent low uptake observed in some ethnic groups.

2.1 The government agrees with the Committee's recommendation**.**

Recommendation implemented

2.2 The core mission of the COVID-19 vaccination programme is to provide a service for all cohorts identified by JCVI that is convenient, reduces complacency and increases confidence, while prioritising the most vulnerable and underserved communities, and addressing unwarranted variation in uptake.

2.3 NHS England expanded this activity during the Autumn/Winter 2022 COVID-19 booster and flu vaccine programme. These new activities included translating letters into 28 different languages to invite individuals based on language preferences they expressed to their GP, increasing outreach activity working in partnership with local authorities to target underserved communities and unwarranted variation, and commissioning behavioural insights and qualitative research to support greater understanding of vaccine hesitancy amongst specific communities.

2.4 A pilot proof of concept was undertaken during the 2022-23 autumn vaccination campaign to assess the feasibility of data capture for evaluating interventions intended to increase vaccination uptake among seldom heard groups. The next phase of this pilot proof of concept is being undertaken during the spring 2023 campaign through till summer, with the aim of strengthening data capture across regions and systems. The outcomes will inform how initiatives could be deployed in future campaigns and will be expanded to assess wider interventions in future campaigns.

3: PAC conclusion: NHS England has started planning for a reduction in vaccine sites and staffing for the rest of 2022 in anticipation of lower overall demand, but it is not yet clear how its strategy will strike the right balance between maintaining high levels of vaccination uptake and ensuring that demands on healthcare staff are sustainable.

3b: PAC recommendation: During 2022–23, NHS England working with others should develop clear, costed options for how the programme will ensure both value for money and accessibility in its future approach to COVID-19 vaccination, including who it expects will primarily administer vaccinations and in what locations.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 Ensuring value for money and accessibility continues to be a central feature of the COVID-19 vaccine deployment programme and will be a key feature of the forthcoming vaccination and immunisation strategy.

3.3 The COVID-19 vaccine deployment programme has successfully driven down costs throughout 2022-23 whilst maintaining high levels of uptake. Savings identified or enacted to date means the estimated costs for 2023-24 are considerably lower than the current projected spend for 2022-23.

3.4 From the start of 2023-24 the range of delivery models in each system will be determined by NHS England regions and systems in collaboration with their system partners and market providers. By this point in time, the use of non-NHS (commercial sites) will have significantly reduced in number and be replaced where required with appropriate capacity to meet demand. Delivery models will be complemented with outreach solutions to maximise uptake and reach under-served communities.

3.5 In Summer 2023, NHS England's vaccination and immunisation strategy will make recommendations on which delivery models are best placed to primarily deliver COVID-19 vaccinations in the longer term, building on extensive engagement with stakeholders including integrated care systems, general practitioners, community pharmacists, NHS trusts, healthcare workers and the public.

4: PAC conclusion: There is considerable learning from the COVID-19 vaccine programme that might apply elsewhere, both in the health sector, such as screening programmes and routine vaccinations, and across wider government.

4: PAC recommendation: The Department should carry out a systematic exercise to identify successes and other lessons from the programme and, within six months of this report, communicate to the Committee the main improvements it will make as a result in other health programmes, as well as any wider applications to emergency response planning or other government programmes.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 There are many important lessons to be learned from the COVID-19 vaccine roll-out which will have application across other public health programmes and beyond.

4.3 In practice, lessons learned to date are already influencing work across the health system. NHSE is leading development of an integrated vaccination and immunisation strategy, aiming to align vaccination and immunisation services over the longer-term. The strategy will build on the success and learning from COVID-19 and our established flu and routine immunisation programmes. There will be a focus on improving uptake and addressing health inequalities, data and technology, vaccine delivery models, and how vaccination services can support wider public health and prevention. NHSE have undertaken a programme of stakeholder engagement and are continuing to develop the strategy, which is expected to be published later this year.

4.4 The department is also committed to continually learning and developing pandemic preparedness planning, integrating new scientific information and learning from outbreaks, including COVID-19.

4.5 The department will continue to work across the health system to learn lessons from the pandemic response and identify opportunities for future innovation.

4.6 The department has written to the Committee setting out the main improvements being made as a result of this work as requested in the recommendation.

7: PAC conclusion: We were concerned that, in the week before the start of the new financial year, the Department had not finalised the allocation of its £9.6 billion Spending Review settlement for COVID-19 response activities, creating uncertainty for the vaccine programme.

7: PAC recommendation: Departments should always set out annual budgets and funding for their key bodies and programmes in good time, only using supplementary estimates to manage uncertainties as they arise later in the financial year. For the vaccine programme, the Department of Health and Social Care and the Department for Business, Energy and Industrial Strategy should, as part of the Treasury Minute response to this report, confirm the agreed funding for the main elements of the vaccine programme for 2022–23 and any subsequent financial years, alongside a clear statement of the aims and targets the programme needs to achieve with this funding.

7.1 The government agrees with the Committee's recommendation

Recommendation implemented

7.2 In line with DHSC's previous response, the department had set aside around £2 billion of funding in the 2022-23 financial year for vaccine procurement and deployment against COVID-19. In line with the approach agreed with HM Treasury, the final budget for 2022-23 was confirmed at Supplementary Estimates in 2022. This included a further £1.4 billion of Reserve funding which was agreed after Spending Review 2021 to account for the consumption of COVID vaccines procured following the emergence of the Omicron variant.

7.3 For the 2022-23 financial year, the department alongside NHS England will have delivered a spring booster to the most vulnerable cohorts, rolled out vaccinations to 5-11-year-old children, and deployed an autumn booster to adults aged 50 and over, care home residents and staff, clinical risk groups and frontline health and social care workers. As of 31 August 2022, over 4.4 million spring boosters were delivered, and over 17.4 million autumn boosters were delivered by 2 April 2023. This is as well as a continued offer to vaccinate those eligible from last year's campaigns and maintaining the capability to expand or accelerate the programme, similar to what was required following the emergence of the initial Omicron variant last financial year.

7.4 Since 1st October 2022, responsibility for COVID vaccine procurement has moved to UKHSA. The budget for consumption of procured vaccines was set at the spending review and reflects contractual commitments.

7.5 The budgets for financial year 2023-24 have been allocated for COVID-19 vaccine deployment subject to business case approval in line with standard governance processes. This is in accordance with the Spending Review 2021 settlement. Once confirmed, the budgets remain subject to review in line with standard departmental business planning processes to ensure the programmes continue to deliver against agreed policy requirements and in the most value for money way.

Twelfth Report of Session 2022-23

Department of Health and Social Care

Management of PPE contracts

Introduction from the Committee

In response to the COVID-19 pandemic, the Department for Health and Social Care (The Department) began an unprecedented programme of Personal Protective Equipment (PPE) procurement buying items such as gowns, gloves and masks. It eventually purchased 37.9 billion items at a cost of just over £13 billion. We have reported previously on that initial procurement phase and the timeliness and adequacy of the PPE provided to the frontline.

Two years on from that initial procurement activity the Department is still having to manage many of the contracts that it signed. It has now received nearly all of the PPE that it ordered but it is in dispute with many suppliers over the quality of the PPE that has been supplied and is also looking at whether fraud was committed on certain contracts. Much of the PPE still resides in storage locations, both around the UK and in China, and the Department is looking at options for how it might now dispose of some of the stock that it deems to be excess. Responsibility for management of the PPE programme has now largely been transferred back to Supply Chain Co-ordination Limited, the NHS's main procurement partner prior to the pandemic.

Relevant reports

- NAO report: Investigation into the management of PPE contracts – Session 2021-22 (HC 1144)
- PAC report: Management of PPE Contracts – Session 2022-23 (HC 260)
- Treasury Minute: Management of PPE contracts – Session 2022-23 (CP 755)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 755 above), the remaining recommendations are updated below.

1: PAC conclusion: The Department has a significant challenge in reducing the estimated 3.9 billion items of excess stock it currently holds.

1: PAC Recommendation: The Department should set out in its Treasury Minute response to the Committee:

- ***Where responsibilities will lie between itself and SCCL for the management of all excess stock;***
- ***What its assessment is of the need to retain any of this excess stock as part of a future stockpile; and***
- ***How much it intends to sell, donate, recycle and incinerate.***

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 The Department of Health and Social Care (the department) transferred responsibility for managing excess stock to the NHS Supply Chain on 1 April 2023, under a Service Level Agreement. The department will retain ownership of this stock for accounting purposes.

1.3 The government continues to learn from COVID-19, including how best to prepare for future pandemics. This includes ensuring access to the right mix of emergency and clinical countermeasures to protect against future pandemic and emerging infectious disease threats. The department is working with SCCL to replenish the department's pandemic preparedness stockpile using products held in excess where appropriate. A final decision on volumes to transfer to a stockpile was taken from April 2023 onwards, once final available volumes were known. Discussions continue about how to ensure the most appropriate dynamic management system for each product type, thereby managing the risk that products expire before they are used.

1.4 The department's efforts to reduce its excess stock, and therefore reduce storage costs, are informed by a range of factors including the waste hierarchy. The department has 5.7 billion items of excess PPE (including do not supply products); representing 9% of the total stock purchased**.** This includes 3.7 billion items of excess PPE that is now ready for disposal, where every avenue has been exhausted to use or re-purpose the stock. The department will continue to assess products on a case-by-case basis to determine the most appropriate exit route. The department published statistics on volumes disposed, donated and sold on 30 March.

3: PAC conclusion: The Department remains in dispute on 176 contracts for PPE with £2.7 billion of taxpayer money at risk and has made little progress in tackling potential fraudulent supplies of goods.

3a: PAC recommendation: The Department should explain in its Treasury Minute response to the Committee its progress in resolving these cases and provide as full an update as is possible on the status of those negotiations.

3.1 The government agrees with the Committee's recommendation

Target implementation date: August 2023

3.2 Much of this information is commercially sensitive and could impact the department's ability to successfully pursue cases to completion. Therefore, the department will provide a summary update on the progress of negotiations as a whole in confidence to the Committee.

3.3 Through its Treasury Minute Sixth report, the department has already committed to providing regular updates on progress as part of the quarterly reporting cycle. The latest update on progress was provided to the Committee on 16 March 2023 for the Q5 report and included information about the amount that has been reclaimed against the 'value at risk'.

3.4 The department's PPE Dissolution Team has continued to work through the contracts in dispute to maximise the value obtained from taxpayer's money. The Dissolution Team had been commissioned until March 2023, with quarterly targets to achieve resolution of contractual matters, and the department has now agreed to extending its term.

5: PAC conclusion: The Department has handed back responsibility for the PPE programme to Supply Chain Coordination Limited (SCCL) with many issues still to be resolved.

5: PAC recommendation: The Department should release its PPE strategy in full as soon as possible, setting out how it will work with SCCL and what the respective roles and responsibilities of each organisation will be in the ongoing management of contracts and future procurement activities. If the strategy is not available by the end of September, the Department should write to the Committee to explain the reason for the delay.

5.1 The government agrees with the Committee's recommendation

Recommendation implemented

5.2 The department wrote to the Committee on 16 March 2023 outlining its activity against this recommendation.

5.3 The letter set out the strategic approach DHSC is taking covered by this recommendation, specifically, the transition to SCCL with regards to PPE procurement and distribution, lessons learned to inform a more resilient supply chain, future pandemic preparedness and ongoing actions being taken around contract dissolution.

Thirteenth Report of Session 2022-23

The Ministry of Justice

Secure training centres and secure schools

Introduction from the Committee

In England and Wales, children aged between 10 and 17 can be held criminally responsible for their actions. In April 2022, there were 432 children in custody, the latest monthly figure. Some groups of children are increasingly over-represented in custody, such as those from ethnic minority backgrounds and those with mental health or learning disabilities. Children are held in three types of setting: secure children's homes (SCHs) designed to accommodate the youngest and most vulnerable children in small establishments with high staff-to-child ratios; young offender institutions (YOIs), which are bigger establishments for older and less vulnerable children; and secure training centres (STCs), which were intended for children aged 12–14 who did not need an SCH but were too vulnerable for YOIs. In the year ending March 2021, almost three quarters (73%) of all children in custody were in YOIs. In response to the 2016 Taylor review, the Ministry has also committed to creating a new type of custodial establishment, secure schools – defined as "schools with security" rather than "prisons with education".

The Ministry of Justice (the Ministry) is responsible for overseeing the youth justice system and for commissioning youth custody services. The Youth Custody Service, part of HMPPS—an executive agency of the Ministry—is also responsible for commissioning youth custody services alongside managing the youth estate.

Relevant reports

- NAO report: Children in custody: secure training centres and secure schools – Session 2021-22 (HC 1257)
- PAC report: Secure training centres and secure schools – Session 2022-23 (HC 30)
- Treasury Minutes - September 2022 Session 2022-23 (CP 745)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 745 above), the remaining recommendations are updated below.

4: PAC conclusion: The first secure school has not yet opened, more than six years after it was recommended, and costs have spiralled.

4: PAC recommendation: The Ministry and HMPPS should provide assurance that they now have firm control over the remaining timetable and costs to delivering the first secure school. They should also provide an update to the Committee on progress against the timetable in six months' time.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 The CEO of His Majesty's Prison and Probation Service (HMPPS) wrote to Committee with an update on this recommendation in March 2023. This letter set out that the costs and timelines for the project remained within the contingency ranges as presented to the Committee in June 2022.

4.3 The project has stringent controls in place to monitor key deliverables and costs. Project status will be retained until at least spring 2024 and up to August 2024 to oversee any remaining spend, assure Oasis Restore's ability to achieve operational readiness and support a capacity ramp up to the maximum of 49 children.

5: PAC conclusion: The Ministry and HMPPS are relying on a provider to deliver the new secure school model, but the approach they are taking is untested and there are insufficient safeguards in place.

5: PAC recommendation: The Ministry / HMPPS should set out how the Funding Agreement will incentivise the secure school provider to deliver high-quality care for all children in custody, including how they would manage underperformance or children being refused a place.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Autumn 2023 (policy handbooks)/January 2024 (funding agreement)
Original target implementation date: December 2022

5.2 The CEO of HMPPS wrote to the Committee with an update on this recommendation in March 2023. This letter set out that the funding agreement and its accompanying policies will be published later this year.

5.3 Shortly after the letter was issued, the funding agreement was signed with Oasis Restore Trust in March 2023. The target implementation date was also moved to align with the anticipated publication date, rather than the funding agreement signature date, as the more pertinent date for the Committee.

5.4 The funding agreement will coincide with the formal registration of the school (now expected in January 2024), and the policy handbooks which set out the above mechanisms will be published in autumn 2023.

5.5 The assurance framework for the funding agreement aims to enable autonomy in delivery while having strong accountability for outcomes, with KPIs focused on education, safety, healthcare and resettlement. If there are performance issues, there will be a tiered approach to intervention that allows the Department to take action as appropriate following an assessment of the issue's severity.

5.6 The secure school will have a statutory duty to consider the appropriateness of each placement, but the funding agreement is clear that the school is funded to provide services for the whole range of children in custody. If it is unjustifiably unable to provide these services, intervention action may be taken.

5.7 HMPPS will write to the Committee again when these policies are publicly available and provide a more detailed summary of the mechanisms for managing underperformance and refusals of placements.

6: PAC conclusion: The Ministry and HMPPS do not know what works in terms of early intervention and custodial provision for children.

6: PAC recommendation: The Ministry and HMPPS should set out their evaluation strategy for youth custodial provision, including their specific evaluation plans for the Keppel Unit at HMYOI Wetherby and the first secure school.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: August 2023
Original target implementation date: June 2023

6.2 The CEO of HMPPS wrote to the Committee with an update on secure school evaluation in March 2023. This letter set out the plans to commission an evaluator and to set out the strategy six months before the school opens in February 2024.

6.3 The Youth Custody Service (YCS) Senior Leadership Team (SLT) have considered the findings and recommendations of the internal review of the Keppel Unit.

6.4 The YCS will use the Secure School evaluation strategy and the internal review of the Keppel Unit, alongside the Secure Children's Home Commissioning Project and findings of the COVID-19 Research and Evaluation Programme to review the use and configuration of the youth estate.

Fourteenth Report of Session 2022-23

Financial Conduct Authority

Investigation into the British Steel Pension Scheme

Introduction from the Committee

There are two main types of workplace pension, a defined benefit (DB) scheme, which provides a guaranteed income to members in retirement based on how many years they have worked and the salary they have earned, and a defined contribution (DC) scheme, which relies on contributions and investment choices made by each member. The British Steel Pension Scheme (BSPS) was a large DB pension scheme, sponsored by Tata Steel UK, with assets worth approximately £13.3 billion. The scheme was restructured in 2017 and 7,834 members chose to transfer out into a DC scheme. Almost all (95%) of these decisions were informed by independent financial advisers, and at least 46% of the advice provided was found to be unsuitable, causing significant financial detriment. The Financial Conduct Authority regulates over 50,000 financial services firms and is responsible for supervising independent financial advisers, including the estimated 369 firms who advised BSPS members. The FCA also oversees the redress process for consumers when things go wrong, through which the Financial Ombudsman Service resolves complaints between financial services firms and their consumers, and the Financial Services Compensation Scheme (FSCS) pays compensation to consumers in cases where firms have entered insolvency:

Relevant reports

- NAO report: Investigation into the British Steel Pension Scheme – Session 2021-22 (HC 1145)
- PAC report: Investigation into the British Steel Pension Scheme – Session 2022-23 (HC 251)
- Treasury Minute: September 2022 - Session 2022-23 (CP 745)

Update to the FCA’s response to the Committee

Updates to this report will be sent directly from the Financial Conduct Authority to the Committee and published on the Committee’s website.

Fifteenth Report of Session 2022-23

The Home Office

The Police Uplift Programme

Introduction from the Committee

In mid-2019 the Department created the Police Uplift Programme (the Programme) to deliver the government's manifesto pledge to recruit an additional 20,000 police officers by March 2023To deliver the Programme, the Department, in conjunction with the National Police Chiefs' Council (NPCC) and the College of Policing (CoP), created a joint team comprised of staff from each organisation and police forces. Police forces began recruiting the additional officers in September 2019, with the first new officers commencing training a month later. The Department has committed £3.6 billion over the three years of the Programme (2019–20 to 2023) to recruit the 20,000 additional officers by 31 March 2023. Over the next 10 years, the Programme is expected to cost £18.5 billion, which includes costs to the wider criminal justice system.

Relevant reports

- NAO report: The Police Uplift Programme – Session 2021-22 (HC 1147)
- PAC report Police uplift programme - Reports, special reports and government responses – Session 2022-23 (HC 261)
- Treasury Minute – September 2022 Session 2022-23 (CP 745)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 745 above), the remaining recommendations are updated below.

1. PAC conclusion: The Department has so far successfully met its objectives for the Programme.

1. PAC recommendation: The Department should systematically capture and disseminate lessons from what has worked with this programme to benefit its major programme portfolio and policing more widely. It should summarise and publish these lessons by April 2023 to support learning across government.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: August 2023

1.2 As is good practice under the government project delivery framework, the Police Uplift Programme captures lessons following key activity and periodically. Some of these lessons have already been shared across policing, the Home Office and with other government departments. As the programme works towards closure, it is conducting a final exercise where lessons are being captured for its log, which itself will form part of the closure report.

1.3 The sharing of lessons and what has worked well has been recognised by the Infrastructure and Projects Authority (IPA), recommending that the programme produce a 'best practice' document that can be shared with the IPA and across government. The Home Office, with the programme, will produce a lessons learned report and a best practice document for the Home Office, other parts of government and policing, as recommended by the committee and that of the IPA. For policing specifically, best practice will be shared across forces via the "uplift hub" which has been developed specifically as part of the programme closure. The uplift hub went live in 2023 and will support forces to practically share learning from uplift, allowing forces to collaborate and access knowledge and guidance captured by the programme once national support comes to an end.

1.4 In order to capture the lessons and best practice and to include programme closure, the document will be shared in August 2023, rather than the recommended April 2023 date.

2. PAC conclusion: The Programme has demonstrated the value of standardising recruitment practices across police forces

2. PAC recommendation: The Department and the NPCC should identify and pursue other opportunities for standardisation across policing (for example procurement and IT) to achieve better value for money while respecting operational autonomy. It should outline in its Treasury Minute response which other areas of policing have the potential to benefit from a more joined up approach across forces, and how and by when this could be achieved.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: Autumn 2023

2.2 The department has asked the National Police Chiefs' Council (NPCC) to conduct a Policing Productivity Review. This review will improve the department's understanding of effectiveness and productivity in policing, identifying the barriers and the most efficient operating models. The review will address issues which may impact the outcomes anticipated from the government's investment in policing.

2.3 Through the annual police funding settlement, the Home Office is supporting multiple interventions to drive efficiencies and standardisation across policing. The Police Settlement for 2023-24 provided significant investment in technology capabilities, and the Home Office continues to work with BlueLight Commercial Ltd, the Police Digital Service and the Office of the Policing Chief Scientific Advisor to identify further opportunities to drive productivity and efficiency.

2.4 BlueLight Commercial (BLC) have conducted a review of force corporate functions and the different operating models that are in place across the sector. The NPCC Finance Committee are working with the Chartered Institute of Public Finance and Accountancy (CIPFA) and BLC to assess opportunities to improve efficiency across IT, Estates, Facilities Management, Finance and HR.

3. PAC conclusion: We are not yet convinced that the new training routes introduced by the College of Policing best meet the needs of police forces.

3. PAC recommendation: The College of Policing should review the impact of the Police Education and Qualifications Framework to ensure it meets the needs of both new police officers and their forces. It should outline when it will publish the results of this assessment in the Treasury Minute response.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2024

3.2 In December 2022, the College of Policing shared a report with Police and Crime Commissioners (PCCs) and the Chief Constables' Council setting out the implementation of the Policing Education Qualifications Framework (PEQF) to date. This included a specific focus on the role of the joint NPCC and College PEQF Optimisation Group in addressing issues regarding the new entry routes. The Group has put together an Optimisation Plan to further improve new entry routes, maximise their potential and embed their effectiveness. The Optimisation Plan focuses on five broad areas – design, procurement, deployment, assessment and review, and engagement. Priority areas for the plan include examining the curriculum to streamline delivery inputs, an extensive focus on making assessment as work-based and practical as possible (including reviewing the end-point assessment) and a project looking at how abstraction is minimised. In early 2023, the plan, now in delivery, was presented to the NPCC Workforce Co-ordination Committee where it received strong support for tackling priority areas. The College and forces are continuing to accelerate this work.

3.3 The Home Secretary announced in November 2022 that the College of Policing would explore a fourth, non-degree entry route to complement the existing PEQF routes. Following early development work, in March 2023 the College presented a suite of design principles to shape a new route to be put to PCCs and the Chief Constables' Council. During this time, the College undertook significant engagement with a wide range of stakeholder groups to draw out areas of consensus and different perspectives on the principles. Following this engagement there was unanimous agreement at the Chief Constables' Council for the approach that should be taken. Chief Constables agreed to support the development of a Level 5 learning programme as the fourth, non-degree entry route into policing. The College continues to develop that route, which will be licensed to forces and quality assured by the College.

4. PAC conclusion: We are concerned that the distribution of new officers may not give police forces what they need to respond to the demands they face.

4. PAC recommendation: The Department should set out, as part of its Treasury Minute response, by when it will revise the funding formula and how it will support forces in transitioning to their funding allocation under the new approach

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: Autumn 2022

4.2 The government continues to recognise that the current police funding formula is out of date and no longer accurately reflects demand on policing. Timelines for consultation and implementation are subject to confirmation by Ministers, taking account of the wider context and the availability of Census 2021 data to inform a new formula.

4.3 Since the department's last update to the Committee in December 2022, the Police Funding Formula Review has continued to make progress and the government has been able to confirm that it is working towards the publication of a first phase public consultation. Both a Senior Sector Group (SSG) and a Technical Reference Group (TRG) have continued to meet on a regular basis to advise on developing specific components of the new formula, considering the demands facing each force and the impact of local factors (such as estates costs) on the resource required to meet demand. This is essential to give forces equal opportunity to deliver good policing services to their communities.

4.4 The Review is rightly considering all aspects of the funding formula. It will include an evidence-based assessment of policing demand and the relative impact of local factors on forces. The government has given assurances that any changes to funding arrangements will be well planned, with effective transition arrangements to allow sound financial management by Police and Crime Commissioners, or their equivalents, and Chief Constables.

4.5 In December 2022, the government reaffirmed their commitment to the Police Funding Formula Review and confirmed that it is working towards the publication of a first phase public consultation. While there have been delays to the publication of the first phase public consultation due to wider government pressures, officials continue to work towards publication in 2023 and the completion of this recommendation.

4.6 The government's priority is to deliver a robust, future-proofed funding formula that allocates funding in a fair and transparent manner. Although the department is working to introduce new funding arrangements as soon as possible, it continues to focus on the quality and longevity of the new formula in partnership with the sector and representatives within the SSG and TRG.

5. PAC conclusion: Despite their successes so far, the Department and its partners face a challenging final year to deliver the remainder of the Programme.

5a. PAC recommendation: The Department and its partners should assist forces in monitoring their workforce by including within each statistical release on progress a table setting out the diversity of individual police forces compared to that of their local populations.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: July 2023

5.2 Throughout the Police Uplift Programme, the government has assisted police forces in monitoring their workforce by providing, on a monthly basis, force level diversity data compared to local populations. This uses the Office for National Statistics (ONS) census data from 2021.

5.3 Police forces continue to work hard to improve equality and diversity, with the workforce now more diverse than ever before. The latest figures, as of 31 March 2023, shows the highest proportion of ethnic minority (excluding white minority) and female police officers in policing since records began. The government is committed to supporting efforts to achieve the diverse police workforce that communities need and to ensure progress is accelerated.

5.4 In order to ensure these improvements, and the upskilling of recruitment teams, remain beyond the Police Uplift Programme, the Home Office will continue working closely with policing and the National Police Chiefs' Council. A repository of tools and materials has been created (the "uplift hub"), and the improved oversight and collection of workforce data will continue, with information shared between the department and the policing sector.

6. PAC conclusion: Government has not yet set what impact the programme will have on forces' ability to tackle crime, the public's trust in policing or the wider Criminal Justice System.

6a. PAC recommendation: The department should:

- ***By April 2023, develop a framework to evaluate the medium to long-term impact of the Programme, so that it can demonstrate that the objectives to reduce crime and improve public confidence in policing have been achieved.***

6.1 The government agrees with the Committee's recommendation

Recommendation implemented

6.2 The Home Office is conducting an evaluation of the increased police officer workforce and wider investment into policing. This evaluation, which has received ministerial support, is currently underway. The evaluation will seek to determine where, and to what extent, the increase in workforce capacity has contributed to changes in policing and the impact that may have on policing and crime outcomes. The main evaluation will run until March 2024, and monitoring of key metrics will continue beyond this date.

6.3 Alongside the Police Uplift Programme evaluation framework, the Home Office has developed a performance framework to reduce crime and improve public confidence in policing. This framework sets out priority crime types this government wants the police to focus on and is overseen by a governance board which brings together policing partners to discuss progress and delivery issues; this work is underpinned by a data tool which provides comparative force level data for priority crime types, enabling performance assessments. The Home Office has also developed, working with policing, a process where support will be offered to forces to help improve performance in reducing homicide, serious violence and neighbourhood crime.

6b PAC recommendation: The department should:

- ***In its Treasury Minute response, set out how it is working with partners in the Criminal Justice System to provide regular and ongoing analysis on the downstream impacts of the new officers to support better planning and demand management.***

6.4 The government agrees with the Committee's recommendation.

Recommendation implemented

6.5 From the outset of the Police Uplift Programme the Home Office has worked closely with partners at the Ministry of Justice and Crown Prosecution Service to better understand the downstream impact of new officers, alongside the totality of the workforce, and other factors contributing to demand trajectories. The Home Office is finalising research on factors that impact downstream demand across the CJS, and will be working with the Ministry of Justice and Crown Prosecution Service as this completes in the coming months. The Home Office shares relevant analysis from the Police Uplift Programme on a regular basis with CJS partners, including projections on the recruitment profile and assumptions around the contribution of new officers, in support of ongoing broader analytical work to predict future criminal justice system (CJS) demand through downstream impact modelling. The Home Office will continue to share information on new officers' growth in experience and increased contribution in the future.

6.6 The Home Office is also developing its own framework to evaluate the medium to long-term impact of the Programme, as outlined in its response to recommendation 6a above. This will include building its understanding on the deployment choices that police forces are making with new officers, particularly in areas such as detective capacity, and how this filters through to downstream impact. This will be complemented by the work of other partners such as information around prosecutorial capability and activity by the Crown Prosecution Service and courts capacity via the Ministry of Justice.

Sixteenth Report of Session 2022-23

Cabinet Office, Department of Health and Social Care and HM Treasury

Managing cross-border travel during the COVID-19 pandemic

Introduction from the Committee

The UK government introduced health measures at the border from 2020 as part of its wider response to the COVID-19 pandemic, which were intended to balance protecting public health with other considerations, such as maintenance of critical supply chains and allowing people to resume international travel. It implemented controls in four main phases, and from early 2021 operated a new 'traffic light system' that broadly remained in place, with modifications, until March 2022, when all government travel measures were removed. The National Audit Office estimates that government spent £486 million on the traffic light system in 2021–22.

Government requirements under the 'traffic light system' varied depending on the country that people had travelled from, with countries placed on red, amber, or green lists depending on their level of assessed risk. These measures included: requirements for people to submit data in Passenger Locator Forms; take tests after entering the UK; and, if entering from high-risk countries, to stay in managed quarantine hotels, provided by the Managed Quarantine Service (MQS), for at least 10 days after arrival. Ministers changed the rules of the traffic light system at least 10 times between February 2021 and January 2022. From 15 February to 15 December 2021, 214,000 people used quarantine hotels provided by the MQS. From February to September 2021, five million people in England started self-isolating at home after travel. The Home Office, the Department of Health & Social Care (DHSC), and the Department for Transport (DfT) were responsible for implementing the main measures, working with the Foreign, Commonwealth & Development Office which provided travel advice. The Cabinet Office acted as the central coordinator for decision-making.

Relevant reports

- NAO report: Managing cross-border travel during the COVID-19 pandemic – Session 2021-22 (HC 1148)
- PAC report: Managing cross-border travel during the COVID-19 pandemic – Session 2022-23 (HC 29)
- Treasury Minute: Managing cross-border travel during the COVID-19 pandemic – Sixteenth Report of Session 2022-23 (CP 745)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 745 above), the remaining recommendations are updated below.

2: PAC conclusion: Government does not know whether it achieved value for money from the £486 million that it spent implementing measures.

2: PAC recommendation: Cabinet Office, working with HM Treasury, should set out and publish, within six months, how cross-government portfolios should report and track their overall cost, including:

- ***Setting out the expected costs at the outset; and***
- ***A requirement to amend and update assessments as the situation changes, for instance if demand for services diverges from what was expected.***

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 As outlined in the Treasury Minute, the government collates and publishes a wide range of expenditure data, which includes tracking of large cross-government portfolios providing oversight of areas of significant cross-government spend, many of which are published.

2.3 Existing government guidance already sets out the expectation that all spend should be viewed at a cross-government perspective. This includes:

- Managing Public Money sets out the requirement that value for money is considered to the Exchequer as a whole.
- Consolidated Budgeting Guidance includes guidance on policies that affect other departments' spending.
- The Green Book provides high level guidance on ensuring good working across organisations with government to ensure delivery of joined up public services when appraising policies, programmes and projects.

2.4 In weighing the need for additional bespoke guidance, consideration was given to the need for spend reporting to be compatible with governance and accountability requirements. Tracking and reporting of cross-government spend should happen at the right level to inform decision-making and this should build on and enhance existing guidance on portfolio management, project delivery and better joint working across government. To that end:

- In March 2023, the Infrastructure and Projects Authority issued new draft guidance on the Principles of Portfolio Management to all departments which is currently subject to a 6-month consultation period. Amendments will be made to update the guidance to make explicit that reporting and tracking requirements also apply to cross-government portfolios in the finalised draft.
- Further clarifications will also be made to the relevant Functional Standards at the next regular update (usually every 2-3 years) to explicitly confirm that the current requirements on spend tracking and reporting for organisational portfolios also apply to cross-government portfolios.
- Best practice resources on joint working including those related to enhancing governance and accountability have been included in a new dedicated hub to support cross-government working more broadly.

2.5 Having reviewed the available guidance, and following the changes above, there is sufficient guidance on reporting and tracking costs within the wider management of a cross-government portfolio to not require further, bespoke guidance.

2.6 HM Treasury has written to all departments to raise awareness of the changes, requesting that they review the current reporting arrangements for their cross-government portfolios.

7: PAC conclusion: The Cabinet Office failed to bring together how risks were identified and managed across the portfolio of programmes for implementing health measures at the border.

7: PAC recommendation: The Cabinet Office should produce, within six months, guidance to accompany the Orange Book setting out how cross-government portfolios of programmes should aggregate and manage risks at a portfolio-level so that effective whole-system governance processes are in place.

To the same timescale, it should review whether other cross-government portfolios have effective whole-system governance and risk management processes in place.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented

7.2 HM Treasury made a commitment to work with Cabinet Office to develop guidance, consistent with the principles-based approach in the Orange Book, on aggregating and managing risks at a portfolio level, and undertake a review of approaches taken on some cross-government portfolios to understand the types of portfolios where there could be opportunities to use the new guidance.

7.3 The Risk Profession / Centre of Excellence has worked with the Cabinet Office, IPA and Heads of Risk across government to develop guidance, consistent with the principles-based approach in the Orange Book, on aggregating and managing risks at a portfolio level. The guidance has been published as an annex to the Orange Book.

7.4 As part of this work, approaches taken on various types of portfolios were reviewed and the guidance contains relevant examples of where it could be used.

Eighteenth Report of Session 2022-23

Department for Environment, Food and Rural Affairs, HM Treasury and HM Revenue and Customs

Government actions to combat waste crime

Introduction from the Committee

Waste crime covers several types of crime, including fly-tipping, illegal waste sites, illegal export of waste, breaches of waste permit conditions and breaches of exemptions to the requirements for waste permits. Evasion of landfill tax or other charges for disposing of waste underlie many of these crimes. Recent data indicate that in general waste crime is increasing, but the true scale of waste crime is uncertain as the available data are not comprehensive, for example because of under-reporting of fly-tipping incidents and undiscovered activity such as illegal waste sites. Barriers to operators entering the waste sector are low, and the large real-terms increase in landfill tax rates after 2004–05 increased the potential financial return to criminals.

Defra has policy responsibility for waste, including waste crime. The Agency is the principal body responsible for regulating the waste sector, for investigating certain types of waste crime and taking action against the perpetrators, including illegal waste sites, illegal dumping (the most serious fly-tipping incidents) and breaches of environmental permits and exemptions. HMRC has responsibility for pursuing the evasion of landfill tax in England. Local authorities have powers and duties relating to fly-tipping, and deal with the majority of smaller incidents. Responsibility for clearing waste ultimately sits with the landowner or land manager, including local authorities and public bodies such as National Highways.

Relevant reports

- NAO report: Investigation into the government's actions to combat waste crime in England – Session 2021-22 (HC 1149)
- PAC report: Government actions to combat waste crime – Session 2021-22 (HC 33)
- Treasury Minutes – Session 2021-22 (CP 774)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 774 above), the remaining recommendations are updated below.

3. PAC conclusion: Over recent years the landfill tax regime has successfully encouraged recycling but has increased the incentives to commit waste crime, and HMRC has been slow to prosecute offenders.

3b: PAC recommendation: HMRC should report by the end of the year on how it has improved its approach to landfill tax prosecutions.

3.1 The government agrees with the Committee's recommendation

Recommendation implemented

3.2 HM Revenue and Customs wrote to the Committee in December 2022 outlining their role in the criminal justice system with law enforcement partners, its overall approach to tackle tax fraud and the increased resources being deployed to investigate landfill tax non-compliance.

5. PAC conclusion: Defra is not doing enough to support local authorities to tackle fly-tipping.

5. PAC recommendation: Defra should work with local authorities to set a clear national framework for tackling fly-tipping, setting overall expectations and promoting good practice, while allowing local authorities the flexibility to respond to local circumstances.

5.1 The government agrees with the Committee's recommendation

Target implementation date: December 2023

5.2 The government is on track to implement this recommendation.

5.3 Since the last update, the government has outlined how it will support councils to take tougher action against fly-tippers through its Anti-social behaviour Action Plan. This includes significantly raising the upper limit on fixed penalties to £1000, giving councils more freedom to set the rates offenders will pay.

5.4 The Department for Environment Food & Rural Affairs has appointed Resource Futures to carry out a review into effective enforcement against littering and fly-tipping. The project is due to complete by summer 2023. Once published, councils may find it a helpful resource when determining local enforcement strategies.

5.5 The department continues to work with the National Fly-tipping Prevention Group (NFTPG), which includes several local authorities, to develop a fly-tipping toolkit to help share best practice. The group has now published the second part of the toolkit on how councils and others can set up effective partnerships to tackle fly-tipping. This builds on a range of materials already produced by the group.

5.6 The department has committed to providing a further £800,000 in grant funding to help more councils purchase equipment to tackle fly-tipping, building on the success of the first round of grants in 2022. This brings the total committed to £1.2 million, benefiting more than 30 councils. Case studies from the first round are being developed and will be shared on the NFTPG website in due course (as will case studies from the second round) so that others can learn which interventions were most successful.

7. PAC conclusion: The digital waste tracking system is still in development after four years despite its implementation being core to combatting waste crime.

7. PAC recommendation: Defra should write to the committee when the IT contract is let to confirm that it has happened and what the plan is for full implementation.

7.1 The government agrees with the Committee's recommendation

Recommendation implemented

7.2 The Department for Environment Food & Rural Affairs wrote to the Committee on the 21 December 2022 to inform them that a contract with an IT supplier to build the service had been let.

7.3 The next steps for digital waste tracking include:

- Autumn 2023 - the Green List Waste part of the service should be entering private beta testing with defined groups of industry users.

- In 2024 - testing of other elements of the service will commence with defined groups of industry users.
- Following successful testing, the service features will gradually be made publicly available on a voluntary test basis.
- From 2025 - assuming public testing is successful, it is intended that use of the waste tracking service will become mandatory through secondary legislation that we are aiming to lay in Summer 2024. From this point regulatory and service charges will apply.

7.4 The department will further outline its implementation timeframes in the government response to the consultation in Spring 2023.

Nineteenth Report of Session 2022-23

Food Standards Agency, Competition and Markets Authority and Health and Safety Executive

Regulating after EU Exit

Introduction from the Committee

On leaving the EU, UK regulators took on a range of new and expanded responsibilities previously carried out by the EU and its institutions. The Food Standards Agency (FSA) has an expanded role in the regulation of food imports and regulated products; the Competition and Markets Authority (CMA) is expanding its role in competition enforcement and taking on new functions in the Office for the Internal Market and the Subsidy Advice Unit; and the Health and Safety Executive (HSE) is operating an independent chemicals regulatory regime.

EU Exit has created both challenges and opportunities for UK regulators. In the short-term, they must build their regulatory capacity and capability; address the loss of EU data sharing and cooperation arrangements; and find new ways of influencing internationally. In the long-term they may have greater scope to tailor the regulatory regimes to the UK context and regulate more efficiently and effectively.

Relevant reports

- NAO report: Regulating after EU Exit – Session 2022-23 (HC 61)
- PAC report: Regulating after EU Exit – Session 2022-23 (HC 32)
- Treasury Minute: December 2022 (CP 774)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 774 above), the remaining recommendations are updated below.

1. PAC conclusion: Progress on developing long-term regulatory strategies post-EU Exit has been slow and the future direction remains unclear.

1. PAC recommendation: The regulators should write to the Committee in six months setting out progress in developing long-term strategies with relevant policy departments (including which reforms would require primary legislation and estimated timescales for implementation).

1.1 The regulators agreed with the Committee's recommendation.

Recommendation implemented

1.2 The Food Standards Agency (FSA) wrote to the Committee on 18 April 2023 in response to this recommendation.

1.3 The Competition and Markets Authority (CMA) wrote to the Committee on 6 April 2023 with an update on this topic and a number of the Committee's other recommendations.

1.4 The Health and Safety Executive (HSE) wrote to the Committee on 22 March 2023 in response to this recommendation.

2. PAC conclusion: The regulators are struggling to recruit and retain the skills they need to regulate effectively after EU Exit.

2a. PAC recommendation: The regulators should work together to identify common skills shortages, and develop long-term strategies for recruiting, retaining, and training staff to ensure they have the skills they need in the future.

CMA Response

2.1 The CMA agrees with the Committee's recommendation.

Recommendation implemented

2.2 The CMA wrote to the Committee on 6 April 2023 with an update on this topic and a number of the Committee's other recommendations.

3. PAC conclusion: Potential large-scale reductions in staffing levels in regulators will not be achieved without fundamental changes in regulatory approaches.

3. PAC recommendation: The regulators and policy departments should identify the impact of potential cuts on regulatory risk and set out where significant changes in the regulatory model would be needed to balance the two.

CMA Response

3.1 The CMA agrees with the Committee's recommendation.

Recommendation implemented

3.2 When the Executive Director of Enforcement at the CMA gave evidence to the Committee in June 2022, he talked about the impact of the proposed Civil Service 2025 programme. Although the planned headcount reduction for Civil Service 2025 (CS25) was cancelled in Autumn 2022, the CMA modelled the impact of reductions in headcount of 20%, 30% and 40% by the end of March 2025 – using a baseline of the CMA March 2022 staffing position as directed. The process of mapping the CMA's priorities to different resourcing levels has been helpful in planning our future focus and needs.

3.3 At Spending Review 2021 (SR21), resource was agreed to deliver CMA growth, including new functions in the Office for the Internal Market, Subsidy Advice Unit and Digital Markets Unit, as well as to help meet the Government levelling up and places for growth program by expanding its presence across the UK.

3.4 The Autumn Statement in November 2022 confirmed that departments would have their SR21 settlements honoured, and that HM Treasury (HMT) would be launching an Efficiency and Savings Review where departments would need to demonstrate how they would make efficiency savings to reprioritise spending and meet inflationary pressures. The CMA fully engaged with this process with HMT colleagues, outlining where key pressures would be (for example new resourcing pressures arising from the governments Digital Markets, Competition and Consumer Bill), how the CMA will continue its growth plan to meet its strategic objectives and government programs, and where it would reprioritise spending to meet these.

3.5 The CMA continues to have open, constructive and regular dialogue with HMT. As the period of SR21 funding ends in March 2025, early engagement on the CMA's future budgets will be important. The CMA's own internal processes are forward-looking and linked to the CMA's strategic planning. This helps the CMA to manage future cost requirements and ensure it can most effectively decide how to prioritise use of its funding. It also helps ensure that resources are aligned across strategic financial planning, workforce planning and case resourcing. Mitigating against future cuts will also involve making best use of digital skills and tools, as well as automating processes – this is an area the CMA is actively investigating.

4. PAC conclusion: The loss of access to EU systems and lack of progress in taking forward the regulatory cooperation provisions set out in the Trade and Cooperation Agreement increase regulatory risks and costs.

4. PAC recommendation: The regulators should work together to share good practice on mitigations to address the loss of regulatory cooperation arrangements with the EU and write to the Committee in six months setting out progress in taking forward the cooperation arrangements set out in the Trade and Cooperation Agreement.

4.1 The regulators agreed with the Committee's recommendation.

Recommendation implemented

4.2 The FSA wrote to the Committee on 18 April 2023 in response to this recommendation.

4.3 The CMA wrote to the Committee on 6 April 2023 with an update on this topic and a number of the Committee's other recommendations.

4.4 The HSE wrote to the Committee on 22 March 2023 in response to this recommendation.

6. PAC conclusion: It will be vital for regulators to continue to develop their engagement on the world stage.

6. PAC recommendation: The regulators should write to the Committee in six months setting out their plans for further international engagement including their objectives and timescales for action.

6.1 The regulators agreed with the Committee's recommendation.

Recommendation implemented

6.2 The FSA wrote to the Committee on 18 April 2023 in response to this recommendation.

6.3 The CMA wrote to the Committee on 6 April 2023 with an update on this topic and a number of the Committee's other recommendations.

6.4 The HSE wrote to the Committee on 22 March 2023 in response to this recommendation.

Twentieth Report of Session 2022-23

HM Treasury

Whole of Government Accounts 2019-20

Introduction from the Committee

The Whole of Government Accounts (WGA) is a set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and the Government Financial Reporting Manual (FReM). It brings together information on the financial performance and position of over 10,000 organisations across the UK public sector including central government departments, local authorities, public corporations and devolved administrations. The WGA is therefore in a unique position to provide an overview of the public sector financial landscape and how it is evolving; offering an important tool for managing public finances and helping to ensure transparency and accountability. The 2019–20 WGA was published on 6 June 2022, 26 months after the reporting year-end. The Comptroller & Auditor General qualified his opinion on the 2019–20 accounts for the 11th consecutive year since 2009–10 when they were first produced.

Relevant reports

- HM Treasury report: Whole of Government Accounts 2019-20 – Session 2021-22 (HC 246)
- Report of the Comptroller and Auditor General on the Whole of Government Accounts 2019-20
- PAC report: Whole of Government Accounts 2019-20 – Session 2022-23 (HC 31)
- Treasury Minute December 2022 (CP 774)
- Correspondence to the Committee: 20 December 2022

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 774 above), the remaining recommendations are updated below.

4. PAC conclusion: Inconsistent presentation of data between years, and lack of reflection of current Government policies and economic context, reduce the usability of the Whole of Government Accounts.

4. PAC recommendation: The Treasury should ensure that analysis in the WGA supports comparability and reflects developments since the reporting date such as the impact of high inflation.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: July 2023

4.2 HM Treasury (the department) remains on track to meet the planned July 2023 publication date for the 2020-21 Whole of Government Accounts (WGA) and has delivered the draft accounts to the National Audit Office. The publication will present data consistently between years, though a substantial number of entities did not submit data for consolidation for the 2020-21 WGA, which creates a qualification risk. There will be full disclosure of this in the accounts, including extensive narrative and commentary.

4.3 The Treasury will also continue to reflect areas of topical interest and include commentary to reflect developments in the public sector since the reporting date and will ensure clear prior year data is included to aid comparability. The performance report in the 2020-21 WGA will include commentary on inflation and the cost of fraud to central government.

5. PAC conclusion: The content of the Whole of Government Accounts has improved but does not transparently report against all key areas of government spending.

5. PAC recommendation: The Treasury should continue to improve the content of the WGA, with specific reference to the following:

- ***Spending on net zero***
- ***Government emissions***
- ***Fraud across government***
- ***Long term costs of COVID interventions***
- ***Inclusion of the equivalent of a viability statement***

5.1 The government agrees with the Committee's recommendation.

Target implementation date: July 2023

5.2 HM Treasury is committed to continuous improvement and will ensure that the Whole of Government Accounts brings together the best available published information on topics of interest. However, the department will remain mindful that the WGA financial statements are a record of past financial performance and so will only include relevant published information where appropriate. The WGA should be seen as a component of a range of government reporting and analysis, including forecasts of the Office for Budget Responsibility that provide insights into the overall fiscal position. The 2020-21 WGA will include content on climate change, fraud across government and COVID-19 costs using the sources detailed below. In the government's response to the Committee's Twentieth Report on the Whole of Government Accounts 2019-20, the Treasury confirmed that in addressing the request for a viability statement the WGA commentary will make clear that, in line with accounting standards, WGA recognises certain liabilities but not a corresponding asset. This is to reflect the government's ability to fund these liabilities through future taxation.

5.3 In the government's response to the Committee's Thirty-Eighth report of Session 2021-22, it committed to conducting a routine review of the costs of COVID-19. The department will publish annual updates for at least the next two years, each update will include the latest spend data and the estimated lifetime cost of each measure where there have been material changes that can reliably be attributed to COVID-19. The first of these annual updates will be published on GOV.UK in summer 2023.

5.4 Since the department's last update to the Committee in December 2022, The Public Sector Fraud Authority (PSFA) have published the latest Fraud Landscape Report on fraud and error losses for departments and their ALBs, and the total estimated fraud cost to government. Following the release of the updated Fraud Landscape report, which also includes an updated estimate for total estimated fraud and error loss per year, these figures will be included in WGA 2020-21.

5.5 The Climate Change Committee (CCC) has a statutory duty to monitor and report on progress made in reducing emissions. Since the department's last update to the Committee in December 2022, the Department for Business, Energy and Industrial Strategy (now the Department of Energy Security and Net Zero) have responded to the CCC's recommendations and outlined progress against a set of key indicators for achieving the UK's climate goals. Information from the response to the CCC annual progress report 2022 recommendations will be brought into WGA 2020-21.

Twenty-First Report of Session 2022-23

Ministry of Justice

Transforming electronic monitoring services

Introduction from the Committee

Electronic monitoring ('tagging') allows the police, courts, probation and immigration services to monitor offenders' locations and compliance with court orders, and act if offenders breach their requirements. HM Prison & Probation Service (HMPPS), an executive agency of the Ministry of Justice (the Ministry) is responsible for tagging. It delivers the service through four suppliers, including Capita which runs the live service and G4S which supplies tags. As at March 2022, around 15,300 offenders were tagged.

In 2011, HMPPS launched a transformation programme to improve efficiency and capability in tagging, mainly by introducing new technology such as a new case management system called Gemini and new GPS tags. However, after significant setbacks and delays, HMPPS reset its transformation programme and restarted it in June 2017, expecting to transform services by the end of 2018. After further delays, in May 2021 HMPPS suspended development of Gemini and a linked user portal for stakeholders to access information, before terminating the contract for Gemini in December 2021 and closing the programme in March 2022. This resulted in £98 million of losses to the taxpayer.

HMPPS is expanding its use of tagging and expects to increase the number of people who are tagged by around 10,000 over the next three years. Between 2021–22 and 2030–31, it expects to spend £1.2 billion on an enhanced electronic monitoring service, extending tagging to wider groups of offenders. It has launched three new tagging expansion projects, with further schemes planned. It is also reprocuring the contracts to run the service.

Relevant reports

- NAO report: Electronic monitoring: a progress update – Session 2021-22 (HC 62)
- PAC report: Transforming electronic monitoring services – Session 2021-22 (HC 34)
- Treasury Minute: December 2022 – Session 2022-23 (CP 774)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 774 above), the remaining recommendations are updated below.

2: PAC conclusion: HMPPS remains reliant on outdated technology which puts the tagging service at risk of failing.

2: PAC recommendation: To provide assurance that the risk of system failure will not materialise, HMPPS should explain the following in its Treasury Minute response:

- ***what progress it has made in delivering planned remediation work on its case management system;***
- ***how well its systems are coping with caseload increases; and***
- ***how it will ensure that future digital contracts will factor in routine IT upgrades and maintenance.***

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: July 2023
Original target implementation date: March 2023

2.2 As referenced in the letter to the Committee in its Electronic Monitoring (EM) PAC Update dated 30 March 2023 updating the Committee of the position as at the end of March 2023, the timeline to deliver the remediation of the existing case management system and the new telephony system has extended to end July 2023. The primary causes for this extension are:

- introduction of phased migrations to mitigate risks;
- supplier resource constraints; and
- prioritisation calls on different objectives made by the department.

2.3 The replacement stock management system will be delivered in June. The first two of four tranches of the new telephony system have been rolled out with the final two tranches following in July. The replacement field team tasking solution will go live in early July.

2.4 All the supporting systems that comprise the overall case management system have been migrated to the Cloud hosting apart from two systems which will migrate in June. One is the location monitoring system, the other provides staff with access to desktops and applications remotely and securely.

2.5 Patching of the underlying system components of the case management system will run through June and complete in July 2023.

3: PAC conclusion: HMPPS has failed to provide police forces and the Probation Service with timely access to the tagging information they need to effectively supervise offenders and protect the public.

3: PAC recommendation: Before starting future contracts in January 2024, HMPPS should explore how it can provide police forces and other law enforcement agencies with real-time access to location monitoring data across all GPS tagging cohorts — taking account of data protection considerations—and update us on its plans.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: September 2023
Original target implementation date: March 2023

3.2 The letter to the Committee on its Electronic Monitoring (EM) PAC Update dated 30 March 2023 confirmed that in February 2023 the Agency implemented a revised process for law enforcement agencies accessing location monitoring data. As the letter explained, the Agency is also working to improve access to location monitoring data for probation practitioners. With the agreement of probation stakeholders, the planned implementation for this change has been moved back to end September 2023 to accommodate higher priority activity within change plans. This improvement is expected to be delivered by the end of September 2023.

4: PAC conclusion: It is unacceptable that HMPPS still does not know if or how tagging reduces reoffending, and it has been too slow to improve data.

4: PAC recommendation: Within one year, HMPPS should publish a comprehensive plan outlining what it has achieved so far and remaining work required in:

- ***improving data collection and analysis in tagging services;***

- ***monitoring the delivery of benefits in its expansion programme; and***
- ***building the evidence base for the impact of tagging on reoffending and offenders' diversion from prison.***

4.1 The government agrees with the Committee's recommendation.

Target implementation date: August 2023

4.2 A governance board has been established to manage the use of all EM data, including approval of EM data documentation.

4.3 A data improvement plan has been issued and aligned with a digital roadmap to improve data access, collection and quality.

4.4 A new "Create an EM Order" process to improve the accuracy and efficiency of information collected to support installation of tagging equipment is being developed and will be ready for deployment by technical service commencement with the new supplier which is planned to take place by July 2024.

4.5 A Benefit realisation plan is under development and will be launched by August 2023.

4.6 An evaluation strategy is being developed for all EM expansion programmes, informed by regular consultation with the Cabinet Office's Evaluation Task Force. This will ensure that evaluation activity is fit-for-purpose. Where possible, experimental/quasi-experimental impact evaluation approaches are being employed to build a robust evidence base.

4.7 Evaluation activities will include qualitative interviews with stakeholders and tag-wearers, quantitative EM caseload, compliance and recall data, and partner agencies' data on reoffending. All evaluations are cohort-specific assessing whether EM, applied at specified points, has identifiable benefits.

5: PAC conclusion: HMPPS's innovative use of technology in its expansion projects has yielded some encouraging early results.

5: PAC recommendation: In its Treasury Minute response, HMPPS should explain how it will apply lessons from its tagging expansion projects to future schemes, including the forthcoming project for tagging domestic abusers.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 A lessons learned strategy was implemented in February 2023. This approach has embedded the strategy in 3 phases:

- an EM consolidated lessons learned log has now been in place since April 2023 with reporting functionality;
- lessons learned awareness sessions have been held throughout April and May 2023; and
- reporting and application of key lessons will further be embedded throughout the rest of the fiscal year 2023-24.

6: PAC conclusion: HMPPS's poor track record in its transformation programme does not inspire confidence that it will be well-equipped to handle risks in its £1.2 billion expansion programme.

6: PAC recommendation: HMPPS should write to the Committee in 2023, once the procurement of new contracts to run electronic monitoring is complete, on how it is handling risks in the programme. As part of this, it should explain how it will oversee suppliers' work effectively and ensure clear lines of responsibility and accountability between the integrator and its other suppliers in the programme.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: October 2023
Original target implementation date: August 2023

6.2 The target implementation date has been amended to align with the revised planned contract signature date of October 2023 (this has moved back by two months since the department's original response). Until contracts have been signed, risks in the programme will be managed by a risk board which is held monthly and an escalation framework is in place.

6.3 The Ministry of Justice has established clear lines of responsibility and accountability between the agency and the Service Integrator (Field and Monitoring Services Supplier). Lines of responsibility and accountability between the authority and the Monitoring Devices and Systems Services Supplier (MDSS) is also clearly articulated as is the relationship between the two suppliers. This has been extensively tested through competitive dialogue to ensure:

- robustness in the approach;
- that bidders have clarity on roles/responsibilities in Implementation and Service Delivery; and
- that this is reflected in their solutions to ensure a coherent service from Contract Award.

6.4 The responsibilities/accountabilities are reflected in each supplier's contracts, which govern service delivery. This is underpinned by a Collaboration Agreement setting out the department's collaborative working expectations.

6.5 As Service Integrator the running and management of the Service and rectification of delivery issues will initially be the responsibility of the Field & Monitoring Services (FMS) Supplier.

6.6 The department's Contract Management Team, who have been involved throughout the service design and procurement process, will be responsible for managing each Supplier's contract against implementation deliverables and service performance contractual expectations. The team will also oversee the Service Integrator role as the point of escalation for the FMS Supplier to support and manage the rectification of service issues where they cannot be resolved between FMS and MDSS Suppliers.

Twenty-Second Report of Session 2022-23

Department for Environment, Food & Rural Affairs and Department for Transport (Joint Air Quality Unit)

Tackling local air quality breaches

Introduction from the Committee

The UK has legal air quality limits for major pollutants at a local and national level. The UK complied with most of these legal limits between 2010 and 2019 with the exception of the nitrogen dioxide (NO_2) annual mean concentration limit, for which there have been longstanding breaches. The Department for Environment, Food & Rural Affairs (Defra) and the Department for Transport (DfT) have established the Joint Air Quality Unit (JAQU) to oversee delivery of government's plans to achieve compliance with air quality targets.

Measures to tackle NO_2 pollution include bus retrofit and traffic management schemes, and in some areas, Clean Air Zones (CAZs) where vehicle owners are required to pay a charge if their vehicle does not meet a certain emissions standard. The government has, through its NO_2 programme, directed 64 local authorities to take action to improve air quality. It has also commissioned National Highways to examine breaches on the Strategic Road Network in England. As at May 2022, a lifetime budget of £883 million has been committed to the Programme to support local authorities. Separately government has spent £39 million to improve air quality on the Strategic Road Network from 2015–16 to 2019–20.

Government published a Clean Air Strategy in January 2019 outlining its approach to air quality more broadly. At the time we took evidence government expected to publish an update of its National Air Pollution Control Programme in September 2022 to set out the measures that will be required for the UK to meet its 2030 national emissions limits.

Relevant reports

- NAO report: Tackling local breaches of air quality – Session 2022-23 (HC 66)
- PAC report: Tackling local air quality breaches – Session 2022-23 (HC 37)
- Treasury Minutes – Session 2022-23 – (CP 774)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 774 above), the remaining recommendations are updated below.

1. PAC conclusion: It is far too difficult for the public to find information about the air quality in their local area and what is being done about it.

1. PAC recommendation: The government should, as part of its Treasury Minute response, set out a timetable for improving the accessibility of public information about local air quality. This should include making it easy for people to find out if they live near a site that breaches legal air quality limits, and if so, what progress is being made on bringing it into compliance.

1.1 The government agrees with the Committee’s recommendation.

Target implementation date: March 2025

1.2 The government recognises that more can be done to ensure that air quality information is effectively communicated to the public. The government has launched a comprehensive review of its Air Quality Information System (AQIS), which will ensure members of the public have the information they need to protect themselves and understand their impact on air quality, is ongoing.

1.3 The government will publish a one-year progress report on UK-AIR by the end of June 2023, and expects to publish its final recommendations in early 2024.

1.4 Alongside this review, a major overhaul of the UK-AIR website and other air quality web services is also ongoing. The government continues to aim to complete the whole web system review and have a clear vision for future web service provision by March 2025, with improvements being made on an ongoing basis. Progress since the review began includes improvements to the air quality compliance map, and additional content on the Environment Act Targets web page.

1.5 National Highways have engaged with local authorities and local MPs in areas where there are roads with no measures to bring forward compliance. National Highways also engage with local authorities where there are NO_2 exceedances and where they are considering measures to be implemented to meet limit values as quickly as possible. The Joint Air Quality Unit is continuing to work with local authorities and National Highways to consider how best to ensure this information is made available via their established public engagement channels.

3. PAC conclusion: Central government has not always got the balance right in how it works in partnership with local government, having been prescriptive in some respects, while seeming to avoid responsibilities that naturally sit at a national level in others

3b. PAC recommendation: The government should review its approach to working with local authorities on air quality, to make it a more effective partnership. In particular, it should:

- ***Ensure that local authorities have sufficient flexibility to determine the approach to be taken in their local area. In addition, government should provide a further update to the committee by the end of this year outlining what further steps are being taken to improve its working relationship with local authorities.***

3.1 The government agrees with the Committee’s recommendation.

Recommendation implemented

3.2 The government wrote to the Chair of the Committee in February 2023 with a further update on how it is engaging with local authorities.

3.3 The Defra/DfT Joint Air Quality Unit (JAQU) has continued working in close collaboration with each local authority within the NO_2 programme, alongside their dedicated account manager and specialist science, economist, and transport modelling support.

3.4 Local authorities with high levels of NO_2 exceedances are required to model a Clean Air Zone (CAZ) as a benchmark option to measure the impact of less stringent measures. The government has assessed local authority plans to ensure they are effective, fair, good value and will deliver improvements to air quality in the shortest time possible.

3.5 Since the last hearing, the government has made significant progress in tackling NO_2 pollution, including support for the delivery of CAZs by local authorities in Bradford, Bristol, Tyneside (Newcastle and Gateshead), and Sheffield. The NO_2 Programme has now largely moved into a delivery and evaluation phase with most plans now approved and many are now fully delivered. We therefore have focused on supporting local authorities with the implementation of their schemes.

3.6 On 28 April the government also published its revised Air Quality Strategy, which provides a framework to enable local authorities to make the best use of their powers and make improvements for their communities.

Twenty-Third Report of Session 2022–23

Department for Business, Energy & Industrial Strategy

Measuring and reporting public sector greenhouse gas emissions

Introduction from the Committee

In June 2019, Parliament passed an amendment to the climate Change Act 2019, committing the UK to achieving net zero emissions by 2050. This will require the UK to substantially reduce its emissions from current levels. The government estimates that direct emissions from public sector buildings account for around 2% of the UK's total emissions, although this does not include emissions from other sources, such as the electricity it uses, business travel and emissions arising from the goods and services it procures, which could all be significant. It has set a target for the public sector to halve its direct emissions from public sector buildings by 2032 and to reduce them by 75% by the 2037, both against a 2017 baseline. It has made £1.425 billion of funding available through Phase 3 of the Public Sector Decarbonisation Scheme for 2022–23 to 2024–25. In its 2017 *Clean Growth Strategy*, government committed the public sector to lead by example in both reducing emissions and in transparent reporting.

Relevant reports

- NAO report: Measuring and reporting public sector greenhouse gas emissions - Session 2022-23 2022 (HC 63)
- PAC report: Measuring and reporting public sector greenhouse gas emissions - Session 2022-23 (HC 39)
- Treasury Minutes: January 2023 (CP 781)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 781 above), the remaining recommendations are updated below by The Department for Energy Security and Net Zero.

1: PAC conclusion: BEIS is not communicating progress on decarbonisation in the public sector clearly enough and does not hold individual departments to account.

1: PAC recommendation: BEIS should regularly publish data setting out the progress the public sector is making on decarbonisation and how this compares to the required trajectory. It should also set out what it will do if individual departments and parts of the public sector are under-performing in this area.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 In March 2023, the Department for Energy Security and Net Zero (previously the Department for Business, Energy and Industrial Strategy) published the Carbon Budget Delivery Plan, which set out the proposals and policies to enable the delivery of Carbon Budgets 4, 5 and 6. This included information on the public sector. The department will continue to regularly publish data on decarbonisation through updates to the Greenhouse Gas Inventory (GHGI), associated official statistics, and other publications.

1.3 Following the publication of updated statistics on 30 March 2023 the department can also update its previous response to the Committee's recommendation with the latest figures. This should now read: "The Greenhouse Gas Inventory (GHGI) and associated official statistics are published annually, providing a robust estimate of emissions from fuel combustion within public sector buildings. Latest statistics show UK territorial GHG emissions from public sector buildings decreased by 53% between 1990 and 2021. Taking into account the emissions from energy supply (for example, electricity generation at power stations) to the public sector buildings where the energy is used, this reduction is 68%."

2. PAC conclusion: The public sector as a whole lacks clear standards for measuring and reporting emissions.

2. PAC recommendation: BEIS and HM Treasury should set a timetable for issuing consistent standards for measuring and reporting emissions that is applicable to the entire public sector.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

2.2 The government is on track to publish in summer 2023 a timetable for further work towards a measurement and reporting framework, as set out in the original response to the Committee in December 2022.

3. PAC conclusion: Leadership and oversight of emissions measurement and reporting in central government is fragmented and ineffective.

3. PAC recommendation: BEIS, HM Treasury and Defra should work together to consolidate, simplify and clarify current measuring and reporting guidance. This should set out clear expectations for reporting across central government as well as the processes that will be followed in addressing non-compliance.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

3.2 The government remains on track to publish an update on cross-cutting public sector guidance as part of the timetable to be published in summer 2023, as set out in the department's original response to the Committee in December 2022.

5. PAC conclusion: The public sector risks falling behind on the reporting of its emissions but could learn from developing practice in private sector and the devolved administrations.

5. PAC recommendation: BEIS and HM Treasury should ensure that the reporting requirements placed on the public sector are aligned with their objective to lead by example in delivering net zero. This should include consideration of which bodies should report their scope 3 emissions and how best this should be done.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: Autumn 2025

5.2 The public sector has ambitious emissions reduction targets to reduce its direct emissions by 50% by 2032 and by 75% by 2037 against 2017 levels. Scope 3 emissions are already partially reported in central government annual reports, and guidance to support voluntary reporting of other scope 3 emissions is provided in the Sustainability Reporting

Guidance (SRG) for central government. However, it is important to note that there are challenges and considerations around scope 3 reporting, and the potential impact and value of scope 3 emissions measurement, as well as the ability to provide the necessary resource to comply with any requirements, will vary between organisations and across the public sector.

5.3 Work to develop the next set of Greening Government Commitments (GGCs) targets will consider if, and how further, scope 3 reporting requirements should be included. This work will take place throughout 2023-25 with requirements set out in the 2026-30 GGCs and amendments made in SRG updates as soon as possible.

Twenty-Fourth Report of Session 2022-23

Department for Environment, Food and Rural Affairs

Redevelopment of Defra's animal health infrastructure

Introduction from the Committee

Animal disease outbreaks have major impacts on farmers and rural communities, and the UK food industry and trade. This has been demonstrated by outbreaks such as Bovine Spongiform Encephalitis (BSE), Foot and Mouth disease and most recently Avian Influenza. The National Audit Office estimated that the 2001 Foot and Mouth Disease outbreak cost the public sector over £3 billion and the private sector over £5 billion based on prices at that time (respectively over £4.6 billion and £7.7 billion in 2020–21 prices). Some impacts are not quantifiable such as the mental health effects in rural communities. COVID-19 has highlighted the breadth of impact a zoonotic disease outbreak (diseases that can be transmitted from animals to humans) can have.

The Department for Environment, Food & Rural Affairs (Defra or the department) leads government policy on animal health in England. The Animal and Plant Health Agency (APHA) is an executive agency of the Department and is responsible for the delivery of the Department's policy objectives in this area. The APHA investigates and responds to emerging animal disease outbreaks, as well as undertaking long-term research into animal diseases. The APHA's Weybridge site is the UK's primary science capability for managing threats from animal diseases. Following a long period of inadequate management and under investment in the Weybridge site, the Department has put in place its Weybridge redevelopment programme. The Department's current estimate is that the Programme will cost £2.8bn over 15 years.

Relevant reports

- NAO report: Improving the UK's science capability for managing animal diseases – Session 2022-23 (HC 64)
- PAC report: Redevelopment of Defra's animal health infrastructure – Session 2022-23 (HC 42)
- Treasury Minutes: Government Response to the Committee of Public Accounts on the Twenty-third to the Twenty-sixth reports from Session 2022-23 (CP 781)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 781 above) the remaining recommendations are updated below.

1. PAC conclusion: We are greatly concerned that the UK government is not sufficiently prioritising the threat from animal diseases.

1b. PAC recommendation: The Department should also write to the Committee after the next National Risk Register update and explain the rationale behind the new ranking for animal diseases.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: June 2023

1.2 The National Risk Register (NRR) will be updated in June 2023. It covers all possible biological threats, risks to infrastructure and security and deliberate threats, including animal health. A scoring methodology is applied to all threats with weighted to prioritise public health and environmental impact. The NRR includes the risk of human pandemic and emerging infectious diseases, which could be zoonotic. Specific animal diseases are scored individually based on the impact of each, with the most significant risk being a major outbreak of Foot and Mouth Disease.

1.3 The published NRR includes a detailed analysis of the scenario, assumptions, variations, response required and how recovery would be handled for pandemic, emerging infectious diseases and specific animal diseases, as well as other national risks. The facilities at Weybridge play a key role in mitigating the risk through surveillance to prevent outbreaks happening and contain them when they do and in testing during recovery stage to demonstrate disease-free status for international trade.

1.4 The Department for Environment, Food & Rural Affairs (the department) will write with a more detailed explanation of the NRR approach to planning for reasonable worst-case scenarios and the methodology for scoring different risks.

2. PAC conclusion: The Department has allowed the Weybridge site to deteriorate to a completely unacceptable degree, through a combination of inadequate management and under investment.

2. PAC recommendation: The Department and HM Treasury must learn lessons from Weybridge and ensure that the situation is not repeated with the Department's other key infrastructure or more widely across the UK's important national infrastructure. The Department's Treasury Minute response must include details of how it is implementing an asset management strategy for the Weybridge site and how it is implementing lessons learned in developing its new facilities management contract.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented

2.2 The department identified an urgent need for investment in the site and began a programme of Critical Works to address these needs, in 2015-16. The extent of this need became clearer in 2018-19 and the SCAH programme was initiated to secure the long-term resilience of the site. The Asset Management Policy, Asset Management Plan, Weybridge Campus Strategy, (including Development Control Plan), were adopted in January 2023. Asset Management lessons learnt have been included in the procurement for the new Workplace and Facilities Management contract. These include a Target Operating Model delivering an operational asset strategy from a bespoke blend of industry standard maintenance standards. Maintenance is driven by the industry definitive standard specifications. Asset data and condition information is used to create the forward maintenance register and replacement plans.

3. PAC conclusion: The Weybridge site is continually vulnerable to a major breakdown which would severely impact the APHA's operations including responding to disease outbreaks.

3. PAC recommendation: As a matter of urgency, the Department and the APHA need to stress test their contingency plans for a major breakdown at the Weybridge site and how they would cope with a significant animal disease outbreak which coincided with a major breakdown. In its Treasury Minute response, the Department should provide assurance about the strength of its contingency plans.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 The Weybridge Development Control Plan was approved in December 2022 and business continuity plans have been reviewed to reflect the planned redevelopment of the site. The plans are based on a detailed, facility-by-facility understanding of vulnerabilities for each building/facility and understood by science capability at Weybridge site, with contingencies identifying how capabilities might be delivered from alternate locations in the event of loss of any individual facility. There is a limit to the degree that current capability can be maintained in this way and multiple failures would ultimately lead to loss of capability.

3.3 The Disease Emergency Response Committee (DERC) has assessed APHA as capable of handling a Category 3 outbreak, which is defined by concurrent outbreaks on up to 35 properties across several regions, lasting 6-12 months. In the event of significant outbreaks, such as the recent Avian Influenza outbreaks, APHA prioritises operations to meet demand. This might include pausing or stopping non-outbreak research to address greater need. In extreme cases, capacity would be prioritised and combined across the UK's high-containment estate.

3.4 In the event of facilities failing, as well as stopping non-outbreak work where necessary, it may also be possible to implement emergency temporary derogations to manage specific functions differently to ensure science capability is maintained. Support from the UK's high-containment estate elsewhere (The Defence Science & Technology Laboratory/ UK Health Security Agency/ The Pirbright Institute) may be possible in limited situations and/ or where short-term relocation of low containment activities may be required. In the event of any simultaneous significant outbreak and major facility breakdown event, the same prioritisation process would be applied. The detail of how any specific combined scenario would be managed is entirely dependent on the nature, extent, duration and interaction of the events.

3.5 The business continuity plans will continue to be reviewed and exercised regularly alongside critical incident exercises. These exercises test business response and readiness for a wide variety of scenarios from fire through power and water supply interruptions and potential loss of facilities. Cross-government animal, zoonotic and public health emergency exercises are undertaken every six months.

3.6 Conversation with other high-containment facilities across the UK has been commissioned to identify opportunities to co-ordinate, utilise and support capability in the event of multiple critical events, such as coincident animal disease outbreaks, cascade events, new and exotic zoonotic threats and pandemics and so on.

4. PAC conclusion: It is not yet certain that there will be sufficient investment in developing the Weybridge site capacity to ensure the UK's long-term resilience to animal diseases.

4. PAC recommendation: The Department needs to work with HM Treasury to establish a more certain funding position for the Weybridge redevelopment programme. In doing this, the Department will need to improve its understanding of the benefits of the programme to support the investment case. In addition to its Treasury Minute response, the Department should provide the Committee with a further update on the status of Weybridge's funding shortfall by Summer 2023.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2024

4.2 The department is engaged with HM Treasury to refine a shared understanding of the costs and benefits to inform the investment decision required in summer 2024, and the subsequent main build phase for Science Capability for Animal Health Programme (SCAH). The approved funding for the first tranche of the programme (through to 2024-24) is delivering preparatory works and developing the business case to support the investment decision. Funding of this scale will always require careful scrutiny alongside other fiscal pressures and the department will submit a robust case to resolve the scope and investment.

5. PAC conclusion: There remains substantial uncertainty over the costs of the Weybridge redevelopment programme.

5. PAC recommendation: The Department needs to continue to develop its cost estimate and be clear where, and how much, uncertainty remains. This should include the use of cost ranges to illustrate the level of uncertainty.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2024

5.2 As the department's previous update to the Committee, the cost estimate will continue to be developed over the current tranche, through to the main investment decision in 2024, including how uncertainty is reflected in those costings. It is the intention of the department to introduce cost ranges.

6. PAC conclusion: There is a risk that the Weybridge redevelopment programme will not have sufficient staff capability and capacity to manage the Programme effectively.

6. PAC recommendation: The Department needs to ensure that it has the right staff capability and capacity to deliver the Weybridge redevelopment programme. It should report back to us once it has finalised its wider plans for staff reductions setting out how it plans to ensure it has the staff it needs to deliver the Programme.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented

6.2 The SCAH programme continues to recruit to its agreed role profile for the current Tranche through to 2024-25 and this has been safeguarded within departmental control totals. The department continues to use all available levers to secure expert resources including specialist allowances and via its supply chain.

7. PAC conclusion: The redevelopment of Weybridge is a large construction programme with a range of commercial risks that will need careful management.

7. PAC recommendation: The Department should report back to us in six months on progress in developing its commercial strategy and specifically on how it:

- ***Intends to structure its contracts and manage their integration effectively; and***
- ***Will ensure there is adequate competition for the main construction contracts.***

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented

7.2 The Commercial Strategy, adopted in in November 2022, continues to be matured in line with the programme. Technical professional services expertise has been mobilised to mature the requirements and progress design of the Weybridge scheme. A Delivery partner will be procured in Autumn 2023 to develop the reference design underpinning options for the main investment decision in Summer 2024. Other professional services will be mobilised over the summer and autumn of 2023 – this will include capability to support the effective integration of the supply chain during this initial stage.

7.3 An Engineering and Delivery Framework has been put in place for Weybridge, which is supporting the programme to make progress in mobilising suppliers to complete the early stage work clearing and preparing the site, with assurance of quality and value for money. The business case decision in 2024 will be critical in framing the scope of the main construction contracts – early work is underway to develop this approach and it will continue across tranche 1.

Twenty-Fifth Report of Session 2022-23

Department for Business, Energy & Industrial Strategy

Regulation of energy suppliers

Introduction from the Committee

Most households and businesses in Great Britain are supplied with gas and electricity through the energy system. These are four main components of this system: generation; transmission; distribution; and retail. Energy retailers (known as suppliers) purchase gas and electricity from the wholesale market and sell it to homes and businesses. The Department for Business, Energy & Industrial Strategy (the Department) is responsible for setting and developing energy policy in the UK. The Office of Gas and Electricity Markets (Ofgem) regulates gas and electricity markets in Great Britain. Ofgem's principal objective is to protect the interests of existing and future consumers. Ofgem and the Department have two main processes for maintaining continuity of supply when a supplier fails: the supplier of last resort (SOLR) process and the special administration regime (SAR). Under the SOLR process, Ofgem transfers customers from a failed supplier to an existing supplier. In cases where SOLR is not viable, such as where it has too many customers to transfer to another supplier in one go, a SAR is where a temporary administrator continues running the failed company until it can be sold, or the customers transferred to other suppliers.

Between mid-2021 and spring 2022, the wholesale price that suppliers paid for gas and electricity increased to unprecedented levels. Between July 2021 and July 2022, the lack of financial resilience within many energy suppliers and the rise in wholesale prices, led to the failure of 29 energy suppliers. Ofgem transferred the customers of 28 of these failed suppliers to new suppliers through the SOLR process. The Department took Bulb Energy into SAR because, with 1.6 million customers, it was too big to go through SOLR. In May 2022 the government announced that all households in the UK would receive £400 of support with their energy bills through the Energy Bills Support Scheme.

Relevant reports

- NAO report: The energy supplier market – Session 2022-23 (HC 68)
- PAC report: Regulation of energy suppliers – Session 2022-23 (HC 41)
- Treasury Minute: January 2023 (CP 781)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 781 above), the remaining recommendations are updated below by the Department for Energy Security and Net Zero.

1. PAC conclusion: Ofgem's failure to effectively regulate the energy supplier market has cost households an estimated £2.7 billion, with further costs expected.

1. PAC recommendation: Ofgem and the Department should review the SOLR and SAR processes to ensure that they have learned the lessons from recent experiences and report back to the Committee as part of their Treasury Minute response on what action they are taking as a result.

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: May 2023

1.2 The Office of Gas and Electricity Markets (Ofgem) and the Department for Energy Security and Net Zero (DESNZ or the department – (formerly known as Department for Business, Energy and Industrial Strategy) continue to work closely to ensure consumers are protected in the event of energy supplier failures.

1.3 Following the results of their statutory consultation launched in November 2022, on 5 April 2023 Ofgem announced their intention to introduce ringfencing of Renewables Obligation (RO) receipts and implement an enhanced Financial Responsibility Principle (FRP), imposing a positive obligation on all suppliers to evidence that they have sufficient business-specific capital and liquidity so that their liabilities can be met on an ongoing basis. Also on 5 April 2023, Ofgem launched a further statutory consultation on introducing a common minimum capital requirement (as part of a wider capital adequacy regime) and powers to direct suppliers to ringfence customer credit balances, having refined these proposals based on the results of the November consultation. Both the announced and proposed changes are aimed at making supplier failures less likely and reducing the burden of mutualised costs on consumers where failures do occur, particularly where the SoLR mechanism is employed.

1.4 On 30 March 2023 the government published its Energy Security Plan, in which it committed to examine whether there are changes to SAR and Supplier of Last Resort (SoLR) that could improve the processes for managing supplier exits in the future retail market. This topic will be covered in a planned policy Call for Evidence, and Ofgem and the department will continue to review the impact of steps taken in this space to ensure that the tools used to protect customers are proportionate and effective.

1.5 As per the Committee's recommendation the government will be conducting lesson learned exercises with other government departments and energy administrators to ensure the government's role in Special Administration Regime (SAR) process is robust and efficient for any potential future SARs.

2. PAC conclusion: Ofgem did not strike the right balance between promoting competition in the energy suppliers' market and ensuring energy suppliers were financially resilient.

2. PAC recommendation: Ofgem should write to the Committee within six months setting out how it will monitor and balance levels of competition and resilience in the energy supplier market, particularly once government intervention in the energy market recedes, which could enable greater competition than is currently possible.

2.1 The government agrees with the Committee's recommendation**.**

Recommendation implemented

2.2 Ofgem published its decision in early April 2023 to introduce new requirements for suppliers that will strengthen the financial resilience of the retail sector, including the enhanced FRP and ringfencing of RO receipts. Ofgem considered the diverse range of stakeholder views on this intervention and revised the initial proposals in the consumer interest to promote sustainable competition in a retail market that is attractive for innovation and investment. The Gas and Electricity Markets Authority's decision was informed by an extensive impact assessment of the impact on competition and resilience of the various options considered.

2.3 Ofgem also published a further statutory consultation on proposals to introduce a common minimum capital requirement and powers to direct ringfencing of customer credit balances in individual suppliers.

2.4 Ofgem's intention is to retain flexibility to adjust the regime in consumers' interests to ensure it is maintaining the right balance in its financial regulations. With that in mind, if there are reforms to the sector that change the common risks facing suppliers, Ofgem would consult to amend the capital requirements.

2.5 Ofgem continues to monitor the financial situation of all suppliers through monthly requests for information and quarterly stress-testing exercise. Alongside this, through the enhanced FRP, Ofgem has clarified those circumstances when suppliers should notify the regulator.

2.6 Ofgem is developing a competition framework to provide a consistent means of assessing competition-related trade-offs involved in policy decisions, as well as enabling a more comprehensive assessment of how retail competition evolves over time. The framework is being developed in tandem with a policy review of the Market Stabilisation Charge to provide an early demonstration of how it can be used in practice.

3. PAC conclusion: We are not convinced that Ofgem yet has the skills and capacity it needs to take a more proactive role in regulating the energy supplier market.

3. PAC recommendation: Ofgem should write to the Committee as part of its Treasury Minute response setting out how much it has increased its capacity to regulate the energy supplier market and what additional activities it is undertaking as a result. As part of this, Ofgem should also set out which suppliers have customer continuity plans in place and its assessment of the quality of these.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented

3.2 Since the start of the gas crisis, Ofgem has restructured and expanded its retail monitoring, compliance and enforcement functions to improve the ability to identify and take action against poor behaviour and rule breaking.

3.3 To give greater oversight and strategic focus Ofgem has separated out its retail monitoring and compliance activity, including compliance with the price cap, with two senior leaders in place instead of one.

3.4 Ofgem has additionally created a new role of Director for Financial Resilience and Controls. Ofgem has appointed a senior leader into this post, seconded from the Bank of England, who brings specialist expertise, including on stress-testing strategy from their time leading on this – among other matters – at the Bank, over the past decade.

3.5 The regulator has expanded the agreed headcount in retail monitoring and compliance by around 40% and numbers in the enforcement function by around 20% since the start of the gas crisis.

3.6 Ofgem continues to recruit in these directorates and as part of Ofgem's business planning for 2023-24 it was agreed that both the Compliance and the Enforcement teams would receive further additional funding and would see a considerable increase in staff numbers; this will allow Ofgem to expand its compliance and enforcement casework with both the existing and new regulations.

3.7 As part of Ofgem's Market Compliance Review into customer service, all 17 suppliers within the scope provided their Customer Supply Continuity Plan (CSCP). Two suppliers have improved their CSCPs as a result, and Ofgem continues to engage with a further five.

4. PAC conclusion: The price cap is providing only very limited protection to households from increases in the wholesale price of energy.

4. PAC recommendation: Within the next six months, the Department and Ofgem should review the costs and benefits of the price cap from a consumer's perspective to inform decisions about the future of the price controls in the supplier market, including the energy price guarantee.

4.1 The government agrees with the Committee's recommendation**.**

Target implementation date: April 2024

4.2 As set out in the Autumn Statement 2022, the government is developing a new approach to consumer protection in energy markets, which will apply from April 2024 onwards. The government is committed to work with consumer groups and industry to consider the best approach, including options such as social tariffs, as part of wider retail market reforms. The objectives of this new approach will be to deliver a fair deal for consumers, ensure the energy market is resilient and investable over the long-term, and support an efficient and flexible energy system. Ofgem supports this approach and will work closely with the government on future measures. The government will consult on the future of market-wide price protections, like the price cap and targeted price supports this summer, as set out in the Energy Security Plan.

5. PAC conclusion: It is unacceptable that many vulnerable customers, on top of having to pay higher energy prices, face extra challenges working with energy suppliers and accessing benefits designed to help people with their energy bills.

5. PAC recommendation: The Department and Ofgem should urgently review the support that government has committed to providing to vulnerable households in relation to energy supplies and assess where administrative issues might prevent support being provided in a timely manner. It should, as part of the Treasury Minute response, update the Committee on their findings and how they are addressing them.

5.1 The government agrees with the Committee's recommendation**.**

Revised target implementation date: Summer 2023
Original target implementation date: May 2023

5.2 Households continue to be supported by the Energy Price Guarantee (EPG) between October 2022 – June 2023 and the Energy Bills Support Scheme (EBSS) between October 2022 – March 2023 and Alternative Fuels Payment (AFP) where eligible customers receive the discount automatically.

5.3 Households in Great Britain with a domestic electricity connection were eligible for £66 per month in October and November 2022 and £67 per month between December 2022 and March 2023, totally £400, via EBSS. The six instalments were delivered via domestic electricity suppliers.

5.4 99% of all expected payments (totalling £11,409,066,400) were issued to electricity customers in the six months to 31 March 2023, via 171,138,690 payments. Monthly transparency data is published on GOV.UK.

5.5 Up to 31 March 2023, 98% of vouchers have been issued to customers with traditional pre-payment meters, and of these 79% have been redeemed.

5.6 The government continues to monitor voucher redemption rates through supplier reporting and works with suppliers to ensure they are contacting those with unredeemed vouchers and to reissue lost vouchers. The government is also working with the Post Office, PayPoint, consumer groups and charities to ensure that they carry and transmit accurate information about EBSS. The Minister for Energy Consumers and Affordability is engaging with suppliers on this.

6. PAC conclusion: We are concerned that the Department and Ofgem do not yet have a clear vision of how the energy retail market will work in the best interests of customers during the transition to net zero.

6. PAC recommendation: The Department and Ofgem should, within six months, write to us to outline how they will, on an ongoing basis, ensure that they put the short and long-term interest of customers at the heart of their thinking around the transition to net zero, and how they will manage any trade-offs.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2023
Original target implementation date: May 2023

6.2 As set out in the Energy Security Plan 2023, the government will deliver an energy retail market that works better for consumers, is more resilient and investable, and supports wider energy system transformation. That means:

- Energy that is affordable for all consumers, and consumer standards that are upheld and improved.
- A market that is better prepared for future wholesale price volatility and better able to shield consumers from the costs of supplier failure. At the same time, a return to competition and profitability for well-run suppliers that offer value for consumers.
- Unlocking greater innovation within the retail market by tackling regulatory barriers.

6.3 Work is already underway to deliver these objectives, and as a next step the government will be launching public consultations in summer 2023 to seek views from stakeholders on the most fundamental questions for reform. These consultations will consider what reforms are needed holistically, including how consumer protections will need to adapt as the retail market evolves to support the transition to net zero. The government will write to the Committee following the conclusion of the public consultations this summer.

6.4 Ofgem has developed a consumer interest framework (CIF) as a basis for any future policy development. The CIF has four main objectives relating to fair prices, quality and standards, low-cost transition, and resilience. The framework is already embedded in Ofgem's decision making processes and enables the regulator to identify key policy trade-offs and ensure policies are designed to meet the best interests of consumers. The framework is being consulted on as part of the Ofgem's forward work plan and is currently undergoing user research to confirm that the CIF resonates with consumers and is fit for purpose.

Twenty-Sixth Report of Session 2022-23

Department for Work and Pensions

The Department for Work and Pensions' Accounts 2021-22 – Fraud and error in the benefits system

Introduction from the Committee

The Department for Work and Pensions (the Department) is responsible for the delivery of work, welfare, pensions, and child maintenance policy. It administers the State Pension and a range of working age, disability and ill health benefits to around 20 million claimants and customers. In 2021–22, the Department spent £104.1 billion on State Pension and £113.1 billion on all other benefit payments.

Benefit payments are susceptible to both deliberate fraud by organised crime groups and opportunistic individuals, and unintended error by claimants and the Department. The Comptroller & Auditor General (C&AG) qualified the Department's 2021–22 accounts for fraud and error in all benefits except State Pension, which has relatively simple conditions of entitlement and a lower level of fraud and error. While the C&AG has qualified the Department's accounts every year since 1988–89 due to material levels of fraud and error in benefit expenditure, the 2021–22 accounts show the highest level of fraud and error on record. The estimated overpayment rate across all benefits excluding State Pension was 7.6% (£8.5 billion) and the estimated underpayment rate was 1.9% (£2.1 billion). The Department often refers to the level of overpayment due to fraud and error across all benefits, including State Pension, which was 4.0% in 2021-22.

The number of benefit cases that the Department administers increased significantly as a result of the COVID-19 pandemic. The number of people on Universal Credit increased from 2.9 million in February 2020 to 5.6 million in August 2020 and remained at 5.6 million in June 2022. The Department has reinstated most of the controls to prevent fraud and error that were paused at the start of the pandemic. It has also significantly reduced the backlogs in counter-fraud activity that built up because of the surge of new claimants. However, the level of fraud and error in benefit expenditure remains at a record high compared with before the pandemic.

Relevant reports

- DWP report: DWP Annual Report & Accounts 2021-22 – Session 2021-22 (HC 193)
- NAO report: Report on Accounts
- PAC report: The Department for Work and Pensions' Accounts 2021-22 – Fraud and error in the benefits system – Session 2022-23 (HC 44)
- Treasury Minutes: January 2023 (CP 781)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 781 above), the remaining recommendations are updated below.

1. PAC conclusion: Benefit fraud and error remains at a record high and is yet to show any sign of falling back to pre-pandemic levels.

1b. PAC recommendation: The Department should, by the publication of its next Annual Report & Accounts:

- ***Set a target for fraud and error, working with the NAO to develop commentary alongside it to explain the context in the absence of a stable baseline.***

1.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

1.2 The Department for Work and Pensions (the department) remains committed to the recommendation given by the Committee to set a fraud and error target across the welfare system, and a separate target for Universal Credit. The department will set out its progress for setting a target in its Annual Report and Accounts to be published in Summer 2023. The department will continue to work on this with the National Audit Office.

4. PAC conclusion: The Department has not set out in sufficient detail how it will assess whether it is achieving what it wants from its investment in fraud prevention measures.

4. PAC recommendation: We again recommend that the Department work with the NAO to ensure that by the time of its 2022–23 Annual Report and Accounts it has in place an agreed framework to report on the impact and cost-effectiveness of its counter-fraud activities.

4.1 The government agrees with the Committee's recommendation**.**

Target implementation date: Summer 2023

4.2 The Department for Work and Pensions (the department) is continuing to work closely with the National Audit Office (NAO) to agree a reporting framework with a view to publishing evidence in the Annual Report and Accounts in summer 2023.

5. PAC conclusion: The Department's lack of transparency over its use of data analytics risks eroding public trust in the benefit system.

5a. PAC recommendation: The Department should report annually to Parliament on its assessment of the impact of data analytics on protected groups and vulnerable claimants.

5.1 The government agrees with the Committee's recommendation**.**

Target implementation date: November 2023

5.2 The department will provide an update on the progress of this work in the Annual Report and Accounts 2022-23. Further monitoring will continue in the coming months. By November 2023, the department will decide on the content to be published to Parliament and future reporting via the Annual Report and Accounts. The department continues to work closely with its Data Protection Office and NAO to ensure appropriate safeguards are in place for the proportionate, ethical, and legal use of data with internal monitoring protocols adhered to.

5.3 The department is also pleased that the Information Commissioners Office have recently commented on their independent review into the use of Artificial Intelligence (AI) and algorithms within the Welfare System. This confirmed they found "no evidence claimants are subjected to any harms or financial detriment" and "there was sufficient and meaningful human involvement in the process of benefit entitlement, and that the algorithm they deployed was to reduce administrative burdens, rather than to make decisions of consequence."

6. PAC conclusion: The Department's efforts to correct the systemic underpayment of State Pension are too slow to meaningfully put things right.

6c. PAC recommendation: The department should as part of its Treasury Minute response, work with HMRC to fully evaluate the extent of the HRP underpayment as soon as possible and provide a timetable of when it expects each phase of this process will be completed.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

6.2 The department is on track to meet the target implementation date of Summer 2023 to announce the estimated costs and next steps in remedying underpayments arising from historic Home Responsibilities Protection (HRP) errors.

6.3 The investigation stage of the exercise has progressed according to plan. Alongside investigation work, the department has worked with HM Revenue and Customs to understand their requirements to correct National Insurance records and the subsequent updating of State Pension awards.

6.4 Both HM Revenue and Customs and the department are currently working on proposals for delivery and its associated timetable. Work on the estimated volumes, costs and proposed correction activity approach is on track to report in mid-2023.

6d. PAC recommendation: By the publication of its next Annual Report & Accounts, set out a plan and timetable for introducing a measure to report the total value of arrears payments that arise due to underpayments, and how it will review individual arrears payments to assess whether they are indicative of a systemic underpayment issue.

6.5 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

6.6 The department will publish its latest estimate of the arrears due in relation to the State Pension Underpayment exercise in the Annual Report and Accounts in Summer 2023. Work continues on looking at introducing a mechanism for utilising data to identify potential errors.

Twenty-Seventh Report of Session 2022-23

The Department for Education

Evaluating innovation projects in children's social care

Introduction from the Committee

Local authorities in England spend around £9 billion per year on children's social care. The Department for Education (the Department) has overall policy responsibility for children's services, and in 2014 it reported on the challenges achieving innovation in the sector, and variations in the pace of improvement of outcomes for children in the care system. It subsequently launched its Children's Social Care Innovation Programme (the Innovation Programme), aiming to stimulate innovation, replicate successful approaches, improve life chances for children and support value for money. Between 2014–15 and 2019–20 the Department committed £212.8 million to 94 projects.

The Department made it a condition of Innovation Programme funding that projects would be subject to external evaluation. By September 2020 the Department had published over 100 evaluation reports covering projects funded by the scheme. The Department built on the learning from these schemes, providing a further £120.2 million across successor schemes intended to test the wider adoption of six promising Innovation Programme projects across a wider range of local authorities. The Department has committed to evaluate the effectiveness of these successor schemes using more sophisticated techniques with higher standards of evidence. The Department is due to receive evaluations from the first of these schemes in Autumn 2022, though the largest evaluations are not due until 2026 and 2027.

Relevant reports

- NAO report: Evaluating innovation in CSC – Session 2022-23 (HC 70)
- PAC report: Evaluating innovation projects in CSC – Session 2022-23 (HC 38)
- Treasury Minutes: February-2023 (CP 708)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 708 above), the remaining recommendations are updated below.

1. PAC conclusion: The Department has further to go to embed a culture of evaluation in children's social care.

1. PAC recommendation: The Department should set out how it intends to further its aim to develop a culture of evaluation as its dedicated funding for innovation schemes comes to an end.

1.1 The government agrees with the Committee's recommendation**.**

Recommendation implemented

1.2 The Department for Education (the department) agrees that it should continue to promote and nurture a culture of evaluation, which builds on the evaluation it routinely conducts on programmes across children's social care to monitor the impact of policies, including the Adoption Support Fund, Virtual School Heads and Pupil Premium+.

1.3 The department published an implementation strategy responding to the Independent Review of Children's Social Care, entitled Children's Social Care: Stable Homes, Built on Love on 2 February 2023. which is responds to the Independent Review of Children's Social Care, the National Child Safeguarding Practice Review into the murders of Arthur Labinjo-Hughes and Star Hobson, and the Children's social care market study report by the Competition and Markets Authority. The department will evaluate new proposals set out in its strategy, including through its funding and support for a Children's social care evidence centre which seeks to improve the lives of children and families through setting standards in research and generating the best evidence into what works in children's social care.

1.4 The Early Intervention Foundation and What Works for Children's Social Care recently merged. The new organisation, operating initially under the working name of What Works for Early Intervention and Children's Social Care (WWEICSC), will make use of its collective expertise. WWEICSC will cover the full range of support for children and families from preventative approaches, early intervention and targeted support for those at risk of poor outcomes, through to support for children with a social worker, children in care and care leavers. Continued support and funding for WWEICSC is also critical to delivering this recommendation. These interventions have reached over 1,100 schools and 129 local authorities.

1.5 Central to the strategy is a series of pathfinders which look to develop and operationalise new approaches to Family Help, Child Protection and Family Network Plans in individual areas. This includes a Families First for Children pathfinder, and a pathfinder for the planning, commissioning and delivery of care placements for looked after children through Regional Care Co-operatives. These programmes will test how best to implement and manage these approaches, and the associated risks, before wider roll-out. This will ensure evaluation is embedded within children's social care reform specifically and the Department generally.

1.6 The department is working with counterparts in the Evaluation Task Force, HM Treasury and with local authority practice leaders to ensure evaluation and learning is at the heart of reform. The Department is building in robust evaluation plans at the design stage of the reform programme, and policy teams continue to work with Departmental analysts to develop evaluation proposals ahead of commissioning supplier(s) to undertake independent evaluations.

1.7 The department will build on its prior knowledge and expertise in evaluation, as identified in the National Audit Office report, and is working to nurture and support the culture of evaluation within the Department.

2. PAC conclusion: We are not yet convinced the Department's dissemination of learning from the programme is delivering widespread improvement.

2a. PAC recommendation: The Department must set out a coherent set of outcomes it expects from the sector in its response to the Independent Review of Children's Social Care, and further report on the impact of the innovation programme and successor schemes in supporting these outcomes.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: January 2024
Original target implementation date: Autumn 2023

2.2 The department recently closed consultations on the strategy, National Framework, and Dashboard. Through these consultations, the department led over 50 events to hear from the sector, including general access events open to the public, events with lived experience groups, events in all regions of England for Local Authority leaders and practitioners, and events for leaders and practitioners in agencies that work closely with children's social care, such as Health, the Police and Education.

2.3 The department is also engaging with children and young people with lived experience of children's social care to inform the development of the National Framework and Dashboard. The Department is analysing the feedback it received, and a response to this consultation will be published in September 2023. The National Framework will set out the outcomes that children's social care should achieve, and the expectations for what leaders and practitioners in local authorities should do. It will be issued as statutory guidance by the end of 2023. It will be supported by the dashboard, which will become a routine data publication.

2b. PAC recommendation: The Department should set out how it will secure a better understanding of the take-up of learning by local authorities across the country.

2.4 The government agrees with the Committee's recommendation.

Revised target implementation date: March 2024
Original target implementation date: Autumn 2023

2.5 Across its strategy for children's social care, the department is promoting use of well-evidenced models – for example, expanding the evidence-based Mockingbird model to support foster carers, or using learning from the Strengthening Families Protecting Children programme in its Family Help and Child Protection reforms. As noted in previous minutes, the department will develop Practice Guides to support leaders and practitioners with the best available evidence on practice issues identified in the framework, and establish learning which bring together leaders and practitioners to provide opportunity to disseminate and promote learning.

2.6 The department will have oversight of the reform programme through its reform governance and the data dashboard. The department will work closely with the sector to establish learning events that bring together leaders and provide an opportunity to disseminate the latest good practice and for areas to learn from each other about progress implementing reform and embedding best practice. It will also help the department to understand how learning is being taken up across the country.

2.7 The department's Regional Improvement and Support Leads will also continue to hold regular informal conversations with areas to understand how reforms are being implemented and where there are barriers to best practice. The department funds nine Regional Improvement and Innovation Alliances (RIIAs) that bring together key partners in each region to identify and resolve collective challenges facing children's social care services. All local authorities will eventually be part of a RIIA, making them an important network to help disseminate learning and best practice across areas.

3. PAC conclusion: The Department does not yet have the data it needs to understand the impact of the innovation programme.

3. PAC recommendation: The Department should set out the standards it expects for local data collection, and make clear the benefits for local authorities of collecting good quality data. The Department should also use its new outcomes framework to shape its own data collection strategy.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2023

3.2 Through Children's Social Care: Stable Homes, Built on Love the department committed to publish a children's social care data strategy, which will ensure timely, meaningful, proportionate data is efficiently collected, used to develop policies, and deliver high quality services for children and families. This will be developed with local authorities and sector experts for publication by the end of 2023, when the department will publish a statement of strategic intent, and roadmap for transforming data in children's social care.

5. PAC conclusion: A challenging funding environment requires that government maintains its commitment to evaluation and applies its learning to secure better outcomes.

5. PAC recommendation: The Department should set out how it will demonstrate the benefits of its spending on innovation and evaluation for local authorities and other Departments to secure the full benefits of this spending.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2023

5.2 The Early Intervention Foundation guidebook, which provides information about early intervention programmes that have been evaluated and shown to improve outcomes for children and young people, receives 3,000 unique downloads a month. It has also influenced schools across the country, particularly its evidence review of adolescent mental health and school-based interventions.

5.3 The Dashboard will also embed the use of evidence and learning across local authorities, helping to raise the quality of practice and deliver better services to children and families, and will increase transparency and support local, regional and national learning.

Twenty-Eighth Report of Session 2022-23

HM Treasury, Cabinet Office, Infrastructure and Projects Authority

Improving the Accounting Officer Assessment process

Introduction from the Committee

Central government bodies must exercise effective stewardship over their use of public money. A body's accounting officer, normally the permanent secretary as the most senior civil servant, is personally responsible and accountable to Parliament for managing the use of public money. In September 2017, in response to the Committee of Public Account's report of 2016, HM Treasury introduced guidance requiring accounting officers to assess Government Major Project Portfolio (GMPP) programmes—through accounting officer assessments (AO assessments)—against the four standards of regularity, propriety, feasibility and value for money set out in Managing Public Money and conclude on whether these had been met. It also agreed that a summary of the AO assessment for GMPP programmes should be made publicly available. AO assessments serve two purposes: supporting accounting officers in making decisions that align with Parliament's expectations for spending public money; and supporting the transparency and effective scrutiny of spending and decision-making on behalf of taxpayers. HM Treasury's guidance requires AO assessments to be completed when programmes join the GMPP or complete an outline business case, should this be later, and when they change significantly. Accounting officers are also required to publish a summary of these assessments unless there are overriding public interest reasons for not doing so.

Relevant reports

- NAO report: Accounting officer assessments: improving decision making and transparency over government's – Session 2022-23 (HC 65)
- PAC report: Improving the Accounting Officer Assessment process – Session 2021-22 (HC 43)
- Treasury Minute: February 2023 – Session 2022-23 (CP 802)

Update to the Government response to the Committee

Following the government's last report to the Committee on this Treasury Minute (CP 802 above), the remaining recommendations are updated below.

1. PAC conclusion: Over the last six years, HM Treasury has not done enough to ensure accounting officers comply with its requirement to complete and publish AO assessments.

1. PAC recommendation: In its Treasury Minute response, HM Treasury should inform the Committee if all accounting officers met its October deadline to publish all outstanding AO assessments and whether there will now be a central list on GOV. UK of all published AO assessments, so they are easy to access. In addition to this, HM Treasury and the Cabinet Office should outline what lessons they have leant from this exercise, and if this will change the approach they take in the future when departments do not follow their guidance.

Separate to this, the Committee will write to the Treasury Officer of Accounts with suggestions on how the process of notifying Parliament of AO assessments could be streamlined and align more with the current process for contingent liabilities.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented

1.2 HM Treasury created a collections page on GOV.UK of all published Accounting Officer assessments and each department populated its page with the published Accounting Officer assessment summaries.

1.3 Guidance on the publication of accounting officer assessments was issued in July 2022 through DAO 04/22. The Treasury Officer of Accounts wrote to the Committee on 28 February 2023 to provide a full response to the points of detail set out in their letter of 30 November 2022

1.4 The government agrees that the process of notification of AO assessments should be streamlined. The new edition of Managing Public Money published May 2023 includes a new annex to consolidate the various Parliamentary notification requirements set out across that document. This will ensure a consistent approach to Parliamentary notifications, regardless of whether the issue relates to contingent liabilities, ministerial directions or accounting officer assessment summaries. A draft of the new annex was shared with the Committee and the National Audit Office ahead of publication.

3. PAC conclusion: While accounting officers recognise the value of AO assessments, they are not being used consistently across government.

3. PAC recommendation: Cabinet Office and HM Treasury should embed AO assessments into training for senior civil servants and set up specific forums for AOs to share how they use AO assessments to draw judgements against each of the four AO standards.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: July 2023

3.2 HM Treasury is working with the Leadership College to develop more in-depth training regarding the use of AO assessments and Managing Public Money. This is in addition to the training delivered through One Finance and the training on Accounting Officer Assessments as part of the Accounting Officer roundtable delivered by HM Treasury.

3.3 The Treasury Officer of Accounts also convenes an occasional forum of Finance Directors, to share best practice in the advice they provide to their AOs. The Treasury Officer of Accounts will continue to work with Finance Directors to discuss ways this support can be further enhanced.

4. PAC conclusion: HM Treasury and the Infrastructure and Projects Authority (IPA) do not always use AO assessments to build their understanding of programmes and systemic issues across government.

4. PAC recommendation: HM Treasury, IPA and CO should set out how they consider AO assessments as part of their monitoring and decision-making of major programmes. The HMT and IPA should also set out how they will use AO assessments to understand programmes specific risks and wider issues.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented

4.2 AO assessments can help make better policy and give a framework for testing policy implementation for this reason AO assessments are used to support decision making at Major Projects Review Group (MPRG) and Treasury Approval Panels (TAP).

4.3 Since January 2021, updated AO assessments have been requested by the MPRG panel for a number of projects, including HS2 Phase 2b, Probation Reform, Armoured Main Battle Tank 2025 and DWP's Functional Assessment Service. This supports the MPRG co-Chairs to make evidenced decisions, in addition to the independent assurance undertaken by the IPA. To bring further rigour to decision making, AO assessments have been required to be submitted to HM Treasury when projects seek approval at Outline Business Case (OBC) stage or later and this requirement was enshrined in the updated HM Treasury Approvals Guidance in March 2022.

4.4 As a long-term solution to further embedding the use of AO assessments in decision making, a requirement to test their existence will be factored into the IPA Assurance Workbooks and supporting procedures. The Assurance workbooks offer a framework with which to test project maturity and to ensure that projects have met all requirements and expectations necessary to pass through stage gates and drive successful delivery. From Spring 2023, AO Assessments have been added to the core list of priority documentation provided at the pre-planning phases of the Assurance review process for OBC stage gates and beyond. This will be communicated through the trial 'Assurance Bulletin' process which is being introduced as a means of prioritising key delivery issues across the Government Major Projects Portfolio. Team Leader Training on AO Assessments is scheduled for Summer 2023. The training will focus on the appropriate consideration that Reviewers give to AO assessments as part of IPA Assurance reviews.

4.5 In addition to this, HM Treasury spending teams continue to request sight of Accounting Officer assessments as part of spending approval process. Issues raised in relation to multiple projects or programmes can then be escalated through internal HM Treasury, IPA and functional processes.

Twenty-Ninth Report of Session 2022-23

Department for Levelling Up, Housing and Communities

The Affordable Homes Programme since 2015

Introduction from the Committee

One of the ways the Department tries to increase the supply of new homes in England is through the Affordable Homes Programme. The Secretary of State for Levelling Up, Housing and Communities recently reiterated the government's commitment to building 300,000 new homes overall every year by the mid-2020s. The Department does not have targets for how many of these should be affordable. For the Affordable Homes Programme, the Department secures funding from HM Treasury and then gives this to Homes England (outside London) and to the Greater London Authority (GLA) in London to achieve set targets. Housing providers (usually housing associations) bid for funding to build these. Bidding occurs through strategic bidding (housing providers bid for funding to deliver on multiple sites across a region) and continuous bidding (housing providers bid on a site-by-site basis). The Department forecasts it will spend £20.7 billion (2021–22 prices) between 2015 and 2032, to deliver 363,000 grant-funded homes.

The Programme has distinct iterations based on funding periods or policy changes. Under the 2016 programme, the Department forecasts that housing providers will build 241,000 new homes, against a target of 250,000 (of these 160,500 are grant funded). However, under the 2021 programme, the Department forecasts considerable shortfalls against its targets. The Department's central forecast is that housing providers will build 157,00 new homes, against a target of up to 180,000.

Relevant reports

- NAO report: The Affordable Homes Programme since 2015 – Session 2021-22 (HC 652)
- PAC report: The Affordable Homes Programme since 2015 – Session 2021-22 (HC 684)
- Treasury Minute: February 2023 (CP 802)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 802 above), the remaining recommendations are updated below.

1. PAC conclusion: The Department will miss its target under the 2021 programme for 180,000 new homes by March 2029.

1. PAC recommendation: The Department should share with Parliament a revised delivery plan for the 2021 programme.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

1.2 Earlier in 2023 the government asked Homes England and the Greater London Authority (the Affordable Homes Programme (AHP) delivery agencies) to work with their providers during Spring 2023 to confirm their programme commitments in light of new economic challenges to delivery. Following the outcome of this review, the government will report to the Committee with updated targets for programme delivery.

2. PAC conclusion: Housing providers do not always build in areas of higher demand.

2. PAC recommendation: The Department should consider how it can work with local authorities to take greater account in the Programme of local need for affordable homes.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2024
Original target implementation date: Summer 2023

2.2 Since the last report to the Committee the government has announced a new trailblazer approach to the delivery of the Affordable Homes Programme 2021-26 with the Greater Manchester Combined Authority and the West Midlands Combined Authority. The trailblazer approach means that both these areas will set the strategic direction for the Affordable Homes Programme in their respective regions and acquire a growing role in key operational decisions such as site selection and provider choice. These deals will act as the blueprint for other mayoral combined authorities (MCAs) to follow.

2.3 The government is proud that the 2021 programme goes further than its predecessor in targeting investment by focusing on benefit cost ratio, which boosts the value for money that the programme delivers. Any successor programme to the AHP 21-26 will consider further improvements that could enable a new programme to take a more agile and adaptable approach to assessing housing need.

2.4 For this reason the implementation date has now been aligned with the date for recommendations 4 and 5. Ministers will consider these questions as part of the options for a new programme to succeed the 2021 programme.

4. PAC conclusion: The Department does not quantify potential savings in some areas, such as temporary accommodation, into the Programme.

4. PAC recommendation: Before the next iteration of the Programme, the Department should quantify the wider savings it could make to areas such as adult social care and temporary accommodation.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2024

4.2 The government continues working to identify the wider outcomes and positive impacts that flow from increasing the supply of affordable housing, and to monetise savings in these areas from delivering new supply. Ministers will consider the best available analysis of these outcomes and impacts as part of the options for a new programme to succeed the 2021 programme.

4.3 The evaluation of the 2021 programme will also collect evidence through resident surveys to help the department understand many of these, including impacts for adult social care and temporary accommodation.

5. PAC conclusion: New homes built under the Programme may need expensive retrofitting to meet net-zero standards in the future.

5. PAC recommendation: The Department should clearly set out the impact of including net-zero requirements in the next iteration of the Programme.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2024

5.2 The government will explore the cost and deliverability of additional net zero requirements at the point that ministers consider options for a successor programme.

6. PAC conclusion: The Department does not publish satisfactory data on the type, tenure, size, quality, or location of homes built under the Programme.

6. PAC recommendation: The Department should report annually to Parliament on the performance of the Programme with detail on types, tenure, size, and quality of homes built by local authority area.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

6.2 The government will provide an annual report to Parliament on programme delivery each year, once it has received final delivery figures for the financial year, and at the same point each year thereafter. As the report by the National Audit Office noted, the government does not currently hold all the data that the Committee has asked for. The government does not have a measure for quality that applies to homes built through the programme. The government will confirm the information it will be able to share in its first report.

Thirtieth Report of Session 2022-23

Department for Education

Developing workforce skills for a strong economy

Introduction from the Committee

In early 2022, the UK workforce comprised around 32.6 million people. Technical workforce skills—practical or vocational skills that allow people to complete specific job-related tasks—are particularly important in the workplace because they help workers operate more efficiently and effectively. The system for developing workforce skills involves a range of organisations, including government, employers, colleges, commercial training providers and local bodies, as well as individuals. Within government, DfE leads on skills policy in England, supported by other departments including the Department for Business, Energy & Industrial Strategy (BEIS), the Department for Digital, Culture, Media & Sport (DCMS), the Department for Levelling Up, Housing & Communities (DLUHC) and the Department for Work & Pensions (DWP).

Government skills policy has evolved over recent years, particularly in response to events such as the UK's exit from the European Union and the COVID-19 pandemic. DfE published the *Skills for Jobs* White Paper in January 2021, explaining how government would carry out reforms to support people to develop the skills that the economy needs. The subsequent Skills and Post-16 Education Act 2022 made provisions to facilitate stronger engagement by employers and training providers in local skills systems, and introduced measures to support lifelong learning.

Government does not have an estimate for its total spending on activities designed to develop workforce skills. DfE's data indicate that spending on adult education, apprenticeships and other skills programmes totalled £3.9 billion in 2021–22. This amount does not include any element of the £6.2 billion spent on learning for 16-19-year-olds, which covers both academic learning and skills training, because DfE does not disaggregate the figures.

Relevant reports

- NAO report: Developing workforce skills for a strong economy – Session 2022-23 (HC 570)
- PAC report: Developing workforce skills for a strong economy -Session 2022-23 (HC 685)
- Treasury minutes: February 2023 (CP 708)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 708 above), the remaining recommendation is updated below.

4: PAC conclusion: Employers are spending less than they used to on workforce training which risks leaving the economy without the skills it needs.

4: PAC recommendation: DfE, working with other government departments as necessary, should review how it incentivises employers to invest in skills development, including through the apprenticeship levy, and, in the light of its findings, take action to improve the effectiveness of the incentives. DfE should write to us within six months with an update on what it has done.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: June 2023

4.2 The Department for Education (the department) continues to consider options to support increased investment, especially amongst small and medium sized enterprises (SMEs).

4.3 The department is making it easier for employers to engage with Apprenticeships by launching a step-by-step guide for recruiting and supporting an apprentice, creating flexible training models, and removing restrictions on SMEs so they can take on as many high-quality apprentices as they need.

4.4 The department has made it easier for employers to engage with T Levels by launching the Employer Support Fund and the Connect Service, which enables employers and providers to discuss opportunities to collaborate on T Levels.

4.5 The department is continuing to drive cross-government collaboration on employer engagement and investment, including leading work to establish a shared vision for employer participation in the skills system so that all departments are speaking to employers about skills development with one voice.

4.6 The Department for Education and the Department for Business and Trade will present this vision for employer participation in the skills system to employers at a joint conference, to take place at the Queen Elizabeth II Conference Centre on 22 June 2023.

4.7 The department will continue to work with other government departments, including HM Treasury, to act on this vision and explore further options to incentivise employers to invest in skills development over time.

4.8 The department will write to update the Committee before the end of June.

Thirty-First Report of Session 2022-23

Cabinet Office

Managing central government property

Introduction from the Committee

Central government's property holdings are managed day-to-day by government departments and other public bodies that own and use those properties. The Cabinet Office has overall responsibility for government property as a whole. It has categorised its property assets (which include offices, hospitals, academy schools, jobcentres, courts, prisons and museums) into twelve portfolios. The total value of these property holdings was approximately £158 billion in March 2021, and they cost around £22 billion a year to maintain. The Office of Government Property (OGP), which is part of the Cabinet Office, sets the government's overall property strategy, gathers data from all departments, sets cross-governmental standards and provides training for government property professionals. The Cabinet Office also sponsors the Government Property Agency (GPA), an executive agency that was set up to oversee the government's offices and warehouses. Through the OGP and the GPA, the Cabinet Office plays a major role in overseeing the property estate, guaranteeing that it is fit for purpose, and ensuring that property decisions support major government policies, such as levelling up and achieving net zero.

Relevant reports

- NAO report: Managing central government property – Session 2022-23 (HC 571)
- PAC report: Managing central government property – Session 2022-23 (HC 48)
- Treasury Minutes: February 2023 (CP 802)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 802 above), the remaining recommendations are updated below.

1. PAC conclusion: The Cabinet Office does not have the data or IT system necessary to oversee and manage the government estate.

1. PAC recommendation: The Cabinet Office should get its new property database up and running as soon as possible. It should:

- ***ensure that it uses the right expertise to advise on the procurement;***
- ***explore off-the-shelf digital options; and***
- ***set clear deadlines.***

In its Treasury Minute response to this report, the Cabinet Office should also confirm the new target launch date for inSite.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2024

1.2 The InSite programme continues to move ahead with progress made with the procurement of a new off-the-shelf technology solution as well as mobilisation of Cabinet Office Digital who will be managing the delivery of the technology solution.

1.3 A number of potential suppliers were invited to develop a prototype to demonstrate their ability to meet the department's requirements. Those prototypes were evaluated in late

April and early May with the outcome of that evaluation guiding the next stage of the procurement process. The programme is aiming for delivery of an operational system by Spring 2024.

1.4 In the meantime, the existing property database (ePIMS) continues to remain fully operational with data continuing to be collected from departments. Work is also ongoing to embed the Government Property Data Standard, which was published on 2 February 2023, to ensure there is a consistent approach to property data across the function.

4a. PAC conclusion: We are sceptical that the Government Hubs programme still represents good value for money in the current climate.

4a. PAC recommendation: In its Treasury Minute response to this report, the Cabinet Office should set out in detail the benefits and costs, including valuation drops compared to previous prices to date of the Government Hubs programme and how it will be adapted in-light of the new estimates for post pandemic office usage.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2023

4.2 The Government Hubs and Whitehall Campus programme is committed to undertaking an annual review of its Programme Business Case. This process regularly considers value for money to the taxpayer in the programme and its underlying projects.

4.3 There are firm and resourced plans to exit another 21 buildings in London by 2030 halving the space and reducing the total from 84 (Apr 2017) to 20. The release of a further 3 to reduce the Whitehall core to 17 buildings is being explored. Opportunities to accelerate this reduction in Central London office space continue to be considered.

4.4 The assumption on attendance rate has been reduced by 25% to reflect changes to working patterns post-Covid. We will keep actual attendance under review, making any further changes as necessary. The reduced attendance rate assumption has already allowed us to accelerate the closure of offices in the regions and to make better use of the core of high quality buildings, including new hubs, in towns and cities. These changes continue to improve value for money, reducing property costs per person.

4.5 Unlike most large private sector companies, which need to seek flexibility from a single building in a given town or city, the scale of the Government Office Portfolio means that GPA can achieve the flexibility it needs to ensure value for money across a number of offices in a place. Best value is achieved through a mix of long-term hold hubs with excellent shared facilities and a number of smaller buildings with shorter terms. Should the need for office space reduce, one or more rented offices can be surrendered with the consolidation of the workforce into the hub. This approach avoids the creation of vacant space and maintains value for money.

4.6 A review of programme benefits is currently in hand and will report in Summer 2023

5. PAC conclusion: It is unclear how the government will meet its target for property disposals, given the past struggles of such programmes and current market uncertainty.

5. PAC recommendation: The Cabinet Office should write to us by April 2023, setting out how it intends to reach its property disposal target, including:

- ***KPIs;***
- ***milestones;***
- ***disposals targets for each portfolio;***
- ***how it is monitoring compliance from all departments;***
- ***and how it is ensuring value for money during market fluctuations.***

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented

5.2 The Cabinet Office wrote to the Committee with this information on 4 April 2023.

7. PAC conclusion: None of the witnesses were able to tell us at the hearing how many of the 12 HMRC hubs were let on 25-year unbreakable leases.

7. PAC recommendation: The Cabinet Office should write to us within six months splitting out operating costs of the government estate by expenditure type (including lease obligations) and also set out the current £500 million planned savings for each area and what scope there is for additional savings.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented

7.2 The Cabinet Office wrote to the Committee with this information on 4 April 2023.

Treasury Minutes Progress Reports Archive

Treasury Minute Progress Reports provide updates on the implementation of recommendations from the Committee of Public Accounts. These reports are Command Papers laid in Parliament.

Publication Date	PAC Reports	Ref Number
June 2023	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 11 PAC reports Session 2019-21: updates on 5 PAC reports Session 2021-22: updates on 29 PAC reports Session 2022-23: updates on 27 PAC reports	CP 855
December 2022	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 16 PAC reports Session 2019-21: updates on 14 PAC reports Session 2021-22: updates on 38 PAC reports Session 2022-23: updates on 8 PAC reports	CP 765
June 2022	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 27 PAC reports Session 2019-21: updates on 34 reports Session 2021-22: updates on 30 reports	CP 691
November 2021	Session 2013-14: updates on 1 PAC report Session 2016-17: updates on 3 PAC reports Session 2017-19: updates on 33 PAC reports Session 2019: updates on 2 PAC reports Session 2019-21: updates on 47 reports Session 2021-22: updates on 5 reports	CP 549
May 2021	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 1 PAC report Session 2015-16: updates on 3 PAC reports Session 2016-17: updates on 7 PAC reports Session 2017-19: updates on 73 PAC reports Session 2019: updates on 2 PAC reports Session 2019-21: updates on 28 reports	CP 424
November 2020	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 1 PAC report Session 2016-17: updates on 7 PAC reports Session 2017-19: updates on 73 PAC reports Session 2019: updates on 2 reports	CP 313
February 2020	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 1 PAC report Session 2015-16: updates on 3 PAC reports Session 2016-17: updates on 14 PAC reports Session 2017-19: updates on 71 PAC reports	CP 221

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	CP 70
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
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
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 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
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
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
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
July 2014	Session 2010-12: updates on 60 PAC reports Session 2012-13: updates on 37 PAC reports	Cm 8899
February 2013	Session 2010-12: updates on 31 PAC reports	Cm 8539
July 2012	Session 2010-12: updates on 28 PAC reports	Cm 8387
January 2012	Session 2010-12: updates on 13 PAC reports	Cm 8271