



Office for Value
for Money

Office for Value for Money
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Gareth Davies
Comptroller & Auditor General
National Audit Office
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26 November 2025

Dear Gareth,

I wrote to you in June setting out the OVfM's work to support the Spending Review (SR), including both specific interventions to drive efficiencies and reforms to the spending framework to improve value for money.

As the Chancellor set out at Autumn Budget 2024, the OVfM was always intended to be a time-limited unit rather than a permanent body, with a specific remit to reform the spending framework rather than adding to it. I am delighted to be able to confirm that we have delivered on the remit set for us by the Chancellor, and that the OVfM is closing down as planned.

I have been very grateful for the constructive way that we and our teams have engaged during the life of the OVfM, most especially on our work on mega projects. You and the NAO team have also been an invaluable source of informal advice more broadly throughout all of the strands of our work. I have particularly appreciated your continued insights and challenge on how we can best tackle known value for money issues within government, based on the NAO's wealth of experience and expertise.

As the OVfM wraps up, we have published three documents alongside the Budget that may be of interest to you.

Controls and accountability

Working with officials across the Treasury, Cabinet Office and departments, the OVfM reviewed the government's system of spending controls and accountability. While many of the controls made sense in their own terms, the review revealed significant scope to see the business of government become more efficient by reducing the time and therefore cost of control activities, including by removing duplication of controls, and to strengthen accountability. As a result, the government has agreed to make significant changes to the controls regime. A reformed system will deliver more effective and efficient spending control, while freeing up departmental capacity to focus on delivery of citizens' priorities

10 Year Efficiency Projections

This document sets out 10-year projections for efficiencies generated by a selection of key programmes funded at SR25, including children's social care reform; NHS technology transformation; shared services clusters; and HMRC digital transformation. The purpose of the document is to act as a prototype or proof of concept for one way that government could show the longer-term benefits of programmes whose return and benefits extend beyond a single SR period. It is not intended to be (and is not) a complete survey of all long-term investments government has made, but aims to build on our work on efficiencies at SR25 to project over a longer timeframe, to show the long-term benefits of such investments. We expect this work to help support departments to develop their modelling capability to enable a greater focus on long-term value for money and could allow HM Treasury to conduct a similar exercise in future.

OVfM concluding report, embedding change and evaluation

We have published a closing report, which summarises all the work the OVfM has carried out over its one-year lifetime. I am enormously proud of what we have been able to achieve with relatively modest resources but a clear focus, and strong support from colleagues and ministers right across government. We have set out who within government will take forward each reform to the spending framework, and the work is transitioning smoothly. The government announced at Budget 2025, for example, the topics of the thematic VfM reviews it will undertake next year, in response to the OVfM's first reform from February this year.

Separate to the OVfM's publications, HM Treasury has published an evaluation of the OVfM, in accordance with best practice to understand how government policies are working, and to ensure that best value is achieved for public money. The evaluation assesses whether the OVfM has delivered its intended remit, whether its work is likely to have a lasting impact, and whether it was a good use of resources and, I hope you will agree, reflects a positive outcome.

We hope you will see the OVfM's reforms as useful and helpful as you continue your work across government.

I have copied this letter to James Bowler, Conrad Smewing and the Chief Secretary to the Treasury.

With kind regards,



DAVID GOLDSTONE CBE
INDEPENDENT CHAIR OF THE OFFICE FOR VALUE FOR MONEY