HM Treasury

# Treasury Minutes

## Government Response to the Committee of Public Accounts on the Sixty-eighth to the Seventy-fifth reports from Session 2024-26

CP 1587

May 2026

Government of the United Kingdom
HM Treasury

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Presented to Parliament by the Exchequer Secretary to the Treasury by Command of His Majesty

May 2026

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# Government response to the Committee of Public Accounts Session 2024-26

# Sixty-eighth Report of Session 2024-26

## HM Treasury

### Excess Votes 2024-25

**Introduction from the Committee**

This Report is part of the framework of control over government spending. Resource-based Supply requires Departments to estimate and manage the financial resources they need during each financial year on an accruals basis for commitments to provide services, and on a cash basis to meet commitments as they mature. Parliament authorises Departments' proposed cash spending and use of resources.

HM Treasury is responsible for monitoring and overseeing Departments' compliance with the limits authorised by Parliament and for controlling adjustments to the approved limits during the financial year. If a Department needs to adjust its budget during the year, it has one opportunity to do so via a Supplementary Estimate, which is approved by Parliament towards the end of the financial year.

Resource-based Estimates reflect accruals and non-cash consumption of resources, such as depreciation. A cash limit is also voted by Parliament together with a non-budget line, through which departments are required to record adjustments to their prior year costs. Parliament expects Departments to stay within the limits they are voted. Any expenditure outside the limits authorised by Parliament potentially undermines parliamentary control over public spending. A breach of any of the budgetary control limits, the cash limit or the non-budget line results in the need for the expenditure to be regularised through the Parliamentary Excess Votes process.

Under Standing Order of the House of Commons number 55(2) (d), the Committee of Public Accounts scrutinises the reasons behind any individual bodies exceeding their allocated resources, and reports to the House of Commons on whether it has any objection to making good the reported excesses. Once the Committee has reported, Statements of Excesses will be presented to Parliament, to be voted into the Supply and Appropriation (Anticipation and Adjustments) Act 2026. The passing of this Act authorises the additional grant by Parliament to regularise the excesses incurred by departments.

Figure 1 shows the excess incurred in 2024–25. Parliament is being asked to approve additional budget for the excess reported in the table.

The Committee published its report on Monday 23 February. This is the government's response to the Committee's report.

**Figure 1: Summary of the 2024-25 Excess**

| Department | Resource AME Expenditure | Non-Budget Expenditure |
|---|---|---|
| | Excess / Amount to be voted £ | Excess / Amount to be voted £ |
| **Ministry of Defence** | **-** | **2,564,517,000** |
| **House of Lords** | **1,524,000** | **-** |

**Relevant reports**

- Central Government Supplementary Estimates 2024-25 (HC 655)
- Statement of Excesses 2024-25 (HC 1678)
- PAC report: Excess Votes 2024-25 - Session 2024-25 (HC 1711)
- Ministry of Defence Annual Report and Accounts 2024 to 2025 (HC 1130)
- House of Lords Annual Report and Resource Accounts 2024-25 (HL166)

**Government response to the Committee**

***1. PAC conclusion: The Ministry of Defence requires Non-Budget Expenditure of £2,564,517,000.***

***1a. PAC recommendation: Under the terms of the Standing Order of the House of Commons number 55(2)(d), we recommend that Parliament provides the additional resources by means of an Excess Vote, as set out in Figure 1.***

1.1 The government agrees with the Committee's recommendation.

**Recommendation implemented: March 2026**

1.2 Following the publication of the 2024-25 excesses by the Committee, HM Treasury has laid the Statement of Excesses 2024-25. These excesses are included in the Supply and Appropriation (Anticipation and Adjustments) Act 2026 providing the additional resources by means of an Excess Vote which received Royal Assent on 18 March 2026.

***1b. PAC recommendation: Within one month of this report, the Ministry of Defence should write to the Committee setting out:***

- ***the steps it has now taken so that the Comptroller and Auditor General is made aware of all material provisions and liabilities on a timely basis; and***
- ***the arrangements it has put in place so that it is able to identify such liabilities and properly assess their impact for Parliamentary Expenditure Limits, when they arise and where appropriate.***

1.3 The government agrees with the Committee's recommendation.

**Recommendation implemented: March 2026**

1.4 The Ministry of Defence wrote to the Committee on 20 March 2026. While acknowledging the exceptional circumstances arising from the Afghan data breach, the department recognised the importance of timely and transparent engagement with the Comptroller and Auditor General on all material provisions and liabilities.

1.5 The department strengthened its processes by establishing clearer processes for obtaining management information, improving engagement with key stakeholders and supporting documentation to ensure that relevant audit evidence is identified and shared at the earliest opportunity.

1.6 A revised provision review framework was introduced, strengthened processes to ensure systematic capturing of provisions, alongside centrally led reviews with the Department of State (DOS) Legal and HR to identify existing and emerging liabilities early. Operational controls had been reinforced through tightening of internal policies, these ensure that:

- Provisions are only recognised when a present obligation exists, an outflow is probable, and a reliable estimate is available.

- Accounting entries are correctly coded using Resource Account Codes, ensuring provisions flow accurately into Annual Managed Expenditure (AME)/Department Expenditure Limits (DEL) and Parliamentary control totals.

***2. PAC conclusion: The House of Lords was authorised a Voted Resource Annually Managed Expenditure limit of £2,500,000. Against this limit, it incurred an outturn of £4,024,000 exceeding the authorised limit by £1,524,000.***

***2a. PAC recommendation: Under the terms of the Standing Order of the House of Commons number 55(2)(d), we recommend that Parliament provides the additional resources by means of an Excess Vote, as set out in Figure 1.***

2.1 The House of Lords agrees with the Committee's recommendation.

**Recommendation implemented: March 2026**

2.2 Following the publication of the 2024-25 excesses by the Committee, HM Treasury has laid the Statement of Excesses 2024-25. These excesses are included in the Supply and Appropriation (Anticipation and Adjustments) Act 2026 providing the additional resources by means of an Excess Vote which received Royal Assent on 18 March 2026.

***2b. PAC recommendation: The House of Lords stated in its annual report and accounts for 2024–25 that it recognised there is a need for enhanced internal controls around the timing and forecasting of property valuations. Within one month of this report, the House of Lords should write to the Committee setting out the steps it has now put in place to strengthen its governance in this area so that a similar situation is avoided in the future.***

2.3 The House of Lords agrees with the Committee's recommendation.

**Recommendation implemented: March 2026**

2.4 The House of Lords acknowledges the need to strengthen internal controls relating to the timing and forecasting of property valuations and a written response was issued to the Committee on 16 March 2026 outlining the actions implemented to strengthen governance in this area so that a similar situation is avoided in the future.

2.5 A review of the circumstances that led to the issue has been undertaken, and enhanced controls are now in place. Forecasting processes have been strengthened to ensure potential valuation movements are identified earlier and reflected appropriately, this includes more robust scenario planning and greater sensitivity analysis of the interim valuation when received.

2.6 Internal controls around the valuation timetable have also been enhanced. There is earlier and more frequent engagement with the Parliamentary Estates team and the Valuation Office Agency during the valuation process. These actions provide strengthened assurance over the valuation process and reduce the risk of similar breaches occurring in the future.

# Sixty-ninth Report of Session 2024-26

## HM Treasury

### Whole of Government Accounts 2023-24

**Introduction from the Committee**

The WGA, produced by the Treasury, provides a consolidated view of the government's financial position and performance and is prepared in accordance with the International Financial Reporting Standards (IFRS) and the Government Financial Reporting Manual (FReM). WGA is made up of over 10,000 bodies, across the whole of the public sector including central government departments, local authorities, devolved administrations, the NHS, academy schools and public corporations.

The 2023–24 WGA is the fifteenth WGA to be published since it was first launched for the 2009–10 financial year. In 2023–24, the UK public sector spent £1,076.3 billion on public services and collected revenue of £1,019.9 billion. The balance sheet showed £5,024.5 billion of gross liabilities.

The C&AG disclaimed his opinion on the Whole of Government Accounts for the second year in succession, due to the level of data missing from the accounts and the level of unaudited data. In 2023–24, 657 entities were expected to make submission due to the tiered consolidation structure (each department prepares a single consolidated submission that incorporates all of its underlying subsidiary entities). 201 out of 657 (31%) entities did not submit data, 167 of which were English local authorities. 280 out of 657 (43%) entities were included in the WGA using data that had not been audited, 224 of which were English local authorities.4 This reflects previous concerns we have raised about the unprecedented crisis in local audit and its continued impact on the WGA.

Based on a report by the National Audit Office, the Committee took evidence on 23 January 2026 from HM Treasury and the Ministry of Housing, Communities and Local Government. The Committee published its report on 4 March 2026. This is the government's response to the Committee's report.

**Relevant reports**

- Whole of Government Accounts 2023-24 – (HC 917)
- PAC report: Whole of Government Accounts 2023-24 – Session 2024-26 (HC 1243)
- Policy Paper: Addressing the local audit backlog in England: Non-compliance lists
- MHCLG: Implementing the new local audit system – a Transition Plan: November 2025

**Government response to the Committee**

***1. PAC conclusion: The Whole of Government Accounts (WGA) is an important document but fails to achieve its full potential due to poor-quality data.***

***1. PAC recommendation: The Treasury should assess whether its existing focus - including staffing levels - on WGA is sufficient and aligned with the complexity and scale of the work required to improve the compliance and accessibility of WGA.***

1.1 The government agrees with the Committee's recommendation**.**

**Recommendation implemented**

1.2 HM Treasury acknowledges the Committee's interest in whether the government's focus and composition is sufficient and aligned with the level of complexity involved in improving the WGA. To address the weaknesses referenced in the recommendation, wider reforms in the local audit sector such as the introduction of statutory audit backstop dates and the legislation on audit reforms including the establishment of the Local Audit Office are expected to increase completeness and therefore improve overall compliance.

1.3 The Treasury regularly reviews the composition, scope and direction of WGA to ensure that it remains deliverable in line with the project plan and responsive to emerging risks. Although challenges in the local audit system have affected data quality in recent years, the production of the WGA has continued to progress in accordance with the agreed recovery plan.

1.4 The Treasury has also undertaken a range of actions to shift the focus of the recovery plan towards both accessibility and compliance, strengthening these areas. Accessibility has been improved through the introduction of new sections such as accounting spotlights, alongside additional disclosures designed to foster better understanding of key areas of the accounts. Additional support has been provided through the publication of a supplementary handbook and dedicated teach-in sessions for Parliamentary staff.

1.5 Compliance has also been enhanced, with longstanding issues such as the qualification relating to NatWest being removed. The Treasury will continue to monitor whether further changes are required to match the complexity of the work and ensure continued improvement in the quality and usability of the WGA.

***2. PAC conclusion: The Whole of Government Accounts (WGA) has received a disclaimed audit opinion for two consecutive years, with no clear indication that this position will improve in the near future.***

***2a. PAC recommendation: MHCLG should provide, alongside the Treasury Minute response to this report, a document setting out a clear timetable of required actions for local authorities and their auditors and explain how it will monitor and enforce accountability for these actions.***

2.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

2.2 The Ministry of Housing, Communities and Local Government (MHCLG) has written to the Committee alongside the Treasury Minute with the information requested.

2.3 While it is a decision for the C&AG to issue a disclaimed audit opinion for the WGA, the government considers that there are clear indications that the position relating to local audit will improve over the next two to three years.

2.4 The local audit backstop programme continues to make significant progress on restoring the discipline needed for timely publication of both unaudited and audited accounts, and the latest update to the local audit non-compliance lists following the backstop in February 2026 shows that the proportion of bodies publishing audit opinions on time is increasing each year. The government will continue its engagement with local bodies to ensure that outstanding audited accounts are published as soon as practicable.

***2b. PAC recommendation: The Treasury should consider how it can enhance transparency regarding the types of missing data by distinguishing between entities that are absent due to incapacity and those that are absent due to lack of compliance.***

2.5 The government agrees with the Committee's recommendation

**Target implementation date: June 2026**

2.6 The Treasury shares the Committee's interest in improving transparency around the types of missing data within the WGA. While it may not always be possible to distinguish between non-submission due to incapacity or deliberate non-compliance for all entities, the Treasury will endeavour to provide as much relevant information as possible to support users' understandings – for example, since receiving the disclaimed audit opinion, the Treasury has expanded its analysis of the number of missing entities to cover a wider range of years.

2.7 Since receiving the disclaimed audit opinion, the Treasury has expanded its analysis of the number of missing entities to cover a wider range of years. For the first time, this includes information on the breakdown of missing data over time and patterns of submission and re-entry, enabling users to identify persistent and systemic issues as well as areas for improvement.

2.8 The WGA also provides a more detailed sectoral and geographical breakdown of missing data. This highlights where non-submission is concentrated and allows clearer interpretation of the underlying causes – for example, the concentration of missing data in local government reflecting the wider sectoral audit issues, compared to areas where the reasons for missing data are less readily explained.

2.9 The Treasury will continue to keep under review how further information might be incorporated into future WGA publications to enhance transparency and build on the strengthened disclosures now in place.

***3. PAC conclusion: The timing and delivery of local government reforms remain unclear.***

***3a. PAC recommendation: MHCLG should provide, alongside the Treasury Minute response, a document which sets out:***

- ***the actions already taken to address the local audit crisis, including milestones achieved to date,***
- ***Key dates and deliverables that remain outstanding, with clear evidence of how these will be met,***
- ***Further measures the department intends to implement to ensure resolution, including how it will ensure that auditors build back assurance in a timely manner,***
- ***How and why it is satisfied that its plans will be effective and its timetable achievable.***

3.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

3.2 MHCLG has written separately to the Committee alongside the Treasury Minute with the information requested.

3.3 The government does not agree with the Committee's conclusion in relation to local audit. The government has a clear ambition to clear all backstop-related disclaimed opinions by the end of 2027-28 and has published a transition plan setting out the arrangements for the reformed local audit system to help meet this objective.

***3b. PAC recommendation: Treasury should outline in the Treasury Minute response how it intends to manage the complexities arising from the Local Government reorganisation programme on future WGA submissions.***

3.4 The government agrees with the Committee's recommendation.

**Target implementation date: April 2029**

3.5 The Treasury acknowledges the Committee's observations regarding the impact of the Local Government Reorganisation (LGR) programme on future WGA submissions. The programme is expected to lead to significant structural changes within the local government sector, with consequential effects on WGA data collection processes from WGA 2028-29 onwards once the reorganisation programme is fully in place.

3.6 The extended implementation period provides the Treasury with sufficient time to ensure that the list of entities required to submit data reflects the restructured local authority landscape. Engagement between the Treasury, MHCLG, and affected local government bodies is ongoing and will continue to identify issues early, support effective preparation, and mitigate risks to future submissions.

3.7 The Treasury will continue to deliver training and guidance to entities to support high-quality submissions. As LGR reduces the overall number of submitting bodies, the Treasury will be able to offer a more tailored level of support than is possible under current arrangements.

3.8 The government expects that the consolidation of multiple bodies into new unitary authorities will result in a substantial reduction in the number of individual WGA submissions required. While consolidation work at the local authority level at the beginning may be more complex, the overall complexity of consolidation at WGA level is therefore expected to decrease over time.

3.9 The introduction of a new, more streamlined method for submitting financial data across all WGA submissions will further support the sector during this transition by reducing manual inputs and improving the alignment of local authority data with WGA requirements.

3.10 The government will continue to monitor the impact of LGR on WGA processes and will take further steps as required to maintain the quality, completeness, and reliability of WGA data.

***4. PAC conclusion: The Treasury has improved long-term liability disclosures, but further work is needed to clearly convey their insights and relevance to readers.***

***4a. PAC recommendation: In addition to the discounted values required under IFRS, Treasury should disclose undiscounted values for:***

***i) Nuclear Decommissioning provision,***

***ii) Clinical Negligence provision,***

***iii) Pension liabilities.***

***in the 2024–25 annual report and accounts.***

***This is the second year running that we have made this recommendation. All long-term liability disclosures should be accompanied by explanatory narrative on their practical implications to the public.***

4.1 The government agrees with the Committee’s recommendation.

**Target implementation date: June 2026**

4.2 The Treasury acknowledges the Committee’s interest in enhancing the transparency of long-term liabilities reported in the WGA. The Treasury is working closely with the Government Actuary’s Department (GAD) to support the inclusion of this information in relation to the Nuclear Decommissioning provision, Clinical Negligence provision, and Pensions liabilities in future WGA publications. This includes separately identifying the impact of the discount rate to enable a clear distinction between changes arising from discounting and those attributable to “other factors”.

4.3 The Treasury will expand the section on undiscounted liabilities in the 2024-25 WGA by presenting provisions on a fully undiscounted basis, as requested by the Committee. In addition, the Treasury will provide an alternative presentation using a flat 2% discount rate applied on a net-of-CPI basis (that is. expressed in real terms, after removing the effect of inflation).

4.4 The purpose of presenting the 0% and 2% position is to illustrate the impact of discount rates, rather than to support the use of undiscounted figures for decision-making. The Treasury will include clear, detailed disclosures outlining the limitations of the undiscounted measures and use it to help explain the purpose of discount rates.

4.5 The Treasury will clearly explain this approach in the accompanying narrative, including the rationale for using a flat 2% rate and illustrating the impact compared with applying the discount rate used for the relevant financial year. The accompanying narrative in the WGA will also continue to set out the key drivers of movements in these liabilities, alongside relevant accounting adjustments, consistent with the disclosures presented in the notes to the financial statements (specifically Note 23). This approach is intended to improve clarity for users and enhance transparency over the factors influencing changes in the government’s long-term obligations.

***4b. PAC recommendation: Treasury should outline in the Treasury Minute response what action Government is taking to reduce these three largest liabilities:***

***i) Nuclear Decommissioning provision,***

***ii) Clinical Negligence provision,***

***iii) Pension liabilities.***

4.6 The government agrees with the Committee’s recommendation.

**Target implementation date: June 2026**

4.7 The government manages and reduces the nuclear liability by delivering decommissioning through the Nuclear Decommissioning Authority (NDA). The recent spending review settlement provided £13.9 billion of capital investment for the NDA to deliver on its priorities, hazard and risk reduction across the estate, consolidate waste at regional stores, and dispose of nuclear materials through the Plutonium Immobilisation and Geological Disposal Facility programmes.

4.8 The liability is a single point estimate within a broad range of outcomes built on a series of assumptions, due to inherent uncertainty over the next century. The government actively challenges and monitors NDA’s plans and progress through robust governance, with spend subject to value for money assessments.

4.9 NHS Resolution (NHSR) continues its work to manage clinical negligence and other claims against the NHS in England. NHSR is committed to helping the NHS learn from claims. It is working directly with providers of healthcare services, alongside other national and local bodies working on patient safety, to share learning and best practice across the NHS to drive safety improvement.

4.10 In addition, DHSC and NHSE continue to prioritise patient safety and learning across the NHS so that harmful patient events are significantly reduced. This includes ongoing work to progress key measures under the NHS Patient Safety Strategy, which sets out how the NHS would improve patient safety continuously.

4.11 The coalition government introduced new public service schemes from 2014 to 2015. The main changes were to increase the scheme normal retirement ages to the state pension age (except for the police, firefighters, and the armed forces who have a normal retirement age of 60), increase member contributions, and move from a final salary to a career average design. Separately, the indexation of public service pensions was changed from RPI to CPI.

4.12 The government also maintains the Cost Control Mechanism, which provides for automatic adjustments to scheme design if certain costs move outside of a set corridor.

4.13 The government's preferred measure of the cost of the schemes remains the OBR's long-term projection of spending on pension benefits as a share of GDP, rather than the figure of accrued liabilities, including due to the difficulties in interpreting the liability figure previously noted by the PAC.

***5. PAC conclusion: The non-coterminous reporting date of the Academies sector risks undermining comparability and weakening accountability for billions of pounds of public money.***

***5a. PAC recommendation: Treasury should outline in the Treasury Minute response the discussions held with the Department for Education to align financial year-end dates for academies.***

5.1 The government agrees with the Committee's recommendation.

**Target implementation date: Spending Review 2027**

5.2 The Treasury acknowledges the Committee's concerns about the challenge misalignment of the Academies Sector poses to the WGA consolidation. Prior to the arrangements currently in place from 2016-17, full consolidation of net spending by academies in DfE's estimates, budgets and accounts was attempted, consistent with the approach for other departments' arm's length bodies (ALB). This resulted in repeated qualifications of DfE's accounts and undermined effective Parliamentary control by creating uncertainty around departmental spending limits.

5.3 In 2015 a series of meetings between Treasury and DfE were held to discuss the future of reporting for the academies sector and the current approach - including the production of the Academy Sector Annual Report and Accounts (SARA) – was agreed. It was designed to enable effective departmental reporting whilst providing accountability and transparency for the financial position of the academies sector in the absence of net spending being included in Supply Estimates and DfE's annual report and accounts.

5.4 Following the Committee hearing, the Treasury commissioned DfE to undertake further analysis of the costs and benefits of alignment. DfE are separately engaging with the NAO about the impact of changes to audit requirements, and in January 2026 the DfE Permanent Secretary wrote to the Chair of the Education Committee outlining the history behind the current reporting regime in place; and the implications of changes to ISA 600 on the audit of the Academies SARA. The letter included a proposal to continue to prepare the SARA, but on an FRS102/SORP basis and with a change to the nature of the audit engagement.

5.5 Alongside discussions about financial reporting arrangements – including a senior meeting to specifically discuss Academies reporting arrangements in light of the Committee's recommendations - the Treasury spending team engages regularly with DfE including on Academies expenditure to get assurance of processes and controls in place including the publication of the School Costs Technical Note and annual decisions around how schools budgets should be allocated through the Dedicated Schools Grant.

***5b. PAC recommendation: Treasury should provide, alongside the Treasury Minute response, their value for money assessment of aligning the Academies sector.***

5.6 The government agrees with the Committee's recommendation.

**Target implementation date: Spending Review 2027**

5.7 The Treasury recognises the Committee's interest in the value for money considerations of aligning the academies sector financial year-end with that of central government.

5.8 An initial assessment indicates that alignment could present operational, financial and audit-related challenges. These include disruption to the link between academies' financial reporting and the academic cycle, pressures on audit capacity, and potential impacts on the timeliness of DfE's group accounts and the WGA. There may also be wider system and data implications for academy trusts and the department.

5.9 DfE's initial estimate (as of April 2026) is that over five years the cost of aligning the Academies sector could be £231 million, rising to £267 million if an audited sub-consolidation of the academy sector is required. £124 million of these costs would be one-off costs and incurred in year one. Alignment would be consistent with CLoS principles and avoid the need to deviate from the normal parliamentary and spending control framework, but these benefits are harder to quantify. The Treasury will interrogate the estimated costs and benefit s and make a final consideration on VfM of alignment of the sector during the 2027 Spending Review when the audit and reporting landscape is clearer.

***6. PAC conclusion: The Whole of Government Accounts (WGA) is not sufficiently transparent on devolved spending.***

***6a. PAC recommendation: Treasury should outline in their Treasury Minute response how the WGA disclosures will be updated in the 2024–25 annual report and accounts to clarify devolved spending.***

6.1 The government agrees with the Committee's recommendation.

**Target implementation date: June 2026**

6.2 The Treasury acknowledges the Committee's interest in enhancing transparency around devolved spending within the WGA. The Treasury will provide additional information on devolved expenditure in the performance report section of the 2024-25 accounts. These disclosures will give clearer visibility of devolved spending across the nations of the UK and explain how these amounts relate to the overall WGA totals. This is intended to support users' understanding of how public resources are allocated and how devolved spending fits within the wider public sector financial position.

***6b: PAC recommendation: Treasury should outline in their Treasury Minute response how they will ensure Scottish entities submit audited data in the 2024–24 WGA.***

6.3 The government agrees with the Committee's recommendation.

**Target implementation date: June 2026**

6.4 The Treasury acknowledges the Committee's concerns regarding the fall in Scottish submission rates during the 2023–24 WGA cycle.

6.5 The Treasury lays a Statutory Instrument designating the bodies in England and Wales that are legally required to submit data for consolidation, and a similar process applies in Northern Ireland. In contrast, the Scottish Government makes separate administrative arrangements for bodies in Scotland to provide data in line with Treasury's requirements. Within this voluntary administrative framework, the Treasury and the Scottish Government work collaboratively to provide for effective participation in support of their WGA return.

6.6 The Treasury has remained in close communication with the Scottish Government to understand the reasons for this decline, which stemmed from audit demands and challenges, unforeseen operational pressures, and competing year-end pressures, and staff turnover affecting continuity of knowledge and familiarity with system requirements. While the Scottish Government is responsible for managing and governing WGA submissions from Scottish entities, the Treasury offered direct support during the 2024-25 cycle; nonetheless, overall submission rates worsened relative to 2023-24.

6.7 For Scottish central government, non- submitting entities increased from 5 in 2023-24 to 11 in 2024-25. The increase is a reversion to levels previously seen in 2020-21, 2021-22 and 2022-23, with non- submitting figures of 17, 14 and 10 respectively. Scottish local government, non-submitting entities increased less significantly, from 12 in 2023-24 to 14 in 2024-25. The trend for local government remains more stable overall but has shown a gradual upward trajectory since 2020-21, with the exception of 2022-23 when the number remained unchanged.

6.8 To improve future performance, the Scottish Government has committed to strengthening its oversight and support arrangements. Guidance for entities will be issued earlier to allow timely identification of issues, and this will be supplemented by additional training alongside the existing support already available. The Treasury will continue to work closely with the Scottish Government to strengthen oversight and support arrangements, and to share effective practice seen elsewhere in the devolved administrations. The Treasury will also continue to encourage submission of draft data.

6.9 The Scottish Government has confirmed that a formal escalation route will also be established for Scottish non-responding bodies, with relevant sponsoring directorates notified as appropriate, and performance information will be shared to reinforce accountability across the sector. Taken together, these actions are expected to improve the completeness and timeliness of Scottish submissions in future WGA cycles.

# Seventieth Report of Session 2024-26

## Department for Education

### Home-to-school transport

**Introduction from the Committee**

In 2023–24, local authorities in England spent £2.32 billion transporting an estimated 520,000 eligible children and young people (aged 0–25 years) to school or college. New data for 2024–25, published in December 2025 shows this had increased to £2.6 billion. Real-terms spending on this service increased by 70% over the period 2015–16 to 2023–24, following the introduction of the Children and Families Act 2014, which introduced major reforms to the system for special educational needs and disabilities (SEND). Around three quarters of all home to school transport spending in 2023–24 (£1.7 billion) went on transporting children and young people with SEND, and the majority (£1.5 billion) on children aged 0–16 years. For 2024–25, these figures were £2 billion and £1.7 billion respectively.

To ensure that transport is not a barrier to accessing education, the Education Act 1996 requires local authorities to provide free-of-charge transport to and from school to children of compulsory school age (5–16 years) who cannot reasonably be expected to walk there—because of the distance, a special educational need, a disability or mobility problem, or due to the route being unsafe—or because they qualify for support due to low income. While young people must remain in education or training until the age of 18, local authorities do not have to provide free or subsidised transport for young people over 16, and local authorities have discretion to decide what support is necessary to facilitate their attendance at school or college. Local authorities have specific legal duties relating to transport for young people aged 16–25 with SEND; the extent of these duties depends on the young person's age and when they started their course. Local authorities must publish an annual transport policy statement outlining the transport arrangements they will make for post-16 learners, with specific regard to those with SEND.

The Department has policy responsibility for home to school transport in England. It sets national eligibility criteria and issues statutory guidance to local authorities, who are responsible for arranging transport services. Local authorities normally commission third parties to provide transport, although some have in-house fleets. MHCLG is responsible for the financial framework within which local authorities operate and allocates funding to local authorities through the Local Government Finance Settlement.

In this report we use the term 'home-to-school transport' because it is widely used in the sector. However, it is important to note that the travel arrangements offered may not always be required to be to and from a young person's own front door, that qualifying 'schools' may include a variety of educational settings including colleges, and that travel assistance may not necessarily be transport. For example, it could include an escort for walking or wheeling to school, or travel budgets for parents to make their own transport arrangements. It has been suggested that 'home to school transport' should be considered in the broader context of school transport, with the Local Government Association telling us that it should be viewed as "assisted travel to school" instead.

Based on a report by the National Audit Office, the Committee took evidence on 8 December 2025 from the Department for Education and the Ministry of Housing, Communities and Local Government. The Committee published its report on 6 March 2026. This is the government's response to the Committee's report.

**Relevant reports**

- NAO report: Home to school transport – Session 2024-26 (HC 1377)
- PAC report: Home-to-school transport – Session 2024-26 (HC 1238)

**Government response to the Committee**

***1. PAC conclusion: The Department for Education and local government are highly reliant on recently announced SEND reforms to solve the pressing problems with home to school transport.***

***1. PAC recommendation: The Department should, in its Treasury Minute response, provide the Committee with an update on:***

- ***how the proposed SEND reforms will affect home-to-school transport costs, when savings will start to materialise, and what the estimated savings by year will be; and***
- ***what it is doing to address the growing costs of providing home to school transport in the meantime, including how it is facilitating greater sharing of best practice between local authorities.***

1.1 The government agrees with the Committee's recommendation**.**

**Recommendation implemented**

1.2 The reforms set out in SEND Reform: Putting Children and Young People First aim to create a more inclusive school system, enabling more children to succeed in local mainstream settings. As fewer children will need to travel long distances to access appropriate education, home-to-school transport (HTST) costs are expected to reduce over time.

1.3 Estimates of the impact of the reforms are generated by modelling how cohorts of children move through levels of support and provision, drawing on historic national trends, population projections, capacity assumptions and expected policy effects, and are validated against past data using linked education datasets to illustrate system-wide trajectories. Further detail is available in Background on Projections.

1.4 The department expects the growth in Education, Health and Care Plans (EHCPs) to slow through to academic year 2029-30 as investment builds mainstream capacity and supports earlier intervention, including via £3.7 billion of capital investment in state specialist places. From 2029-30, the reformed system will be in place, with embedded early support, year-on-year reductions in the proportion of pupils requiring EHCPs, and around a quarter of specialist provision delivered within mainstream schools by 2035.

1.5 As a result, the rate of growth in national HTST spending is projected to rapidly slow in the period to financial year 2031-32, and thereafter total spending expected to start to fall steadily, year-on-year, as more children can thrive in their local mainstream school. Final projections are subject to policy decisions pending closure of the SEND consultation.

1.6 Meanwhile, the department has introduced a new HTST data collection to support benchmarking and the sharing of good practice; worked with MHCLG on a new funding formula; and will publish new guidance promoting strong partnerships and cost-effective travel. Wider initiatives – including the Bus Services Act 2025, School Streets, Bikeability and investment in active travel – are enabling more children to travel sustainably to school.

***2. PAC conclusion: The Department does not understand how access to transport is affecting attendance, nor how difficult it is for parents to navigate the system, particularly post-16.***

***2. PAC recommendation: In its Treasury Minute response the Department should provide an update on action it is taking to:***

- ***improve its understanding of the relationship between home to school transport, attendance and those not in education, employment or training; and***
- ***work with local authorities to ensure parents understand entitlement post 16.***

2.1 The government agrees with the Committee's recommendation.

**Target implementation date: end of 2026 calendar year**

2.2 Tackling school absence is central to the government's mission to remove barriers to opportunity. Departmental analysis shows a link between absence and distance from school, but this is a relatively modest factor compared with wider drivers of absence.

2.3 The department has developed real-time attendance data tools that enable early intervention including AI-powered reports comparing schools' attendance with statistically similar schools and sharing pupils' year 6 attendance data with secondary schools.

2.4 Since September 2024, a new absence code has captured issues with local authority-arranged transport. In the 2024-25 academic year, only 0.011% of all school sessions were missed because transport normally provided by a local authority or school was unavailable – representing only 0.15% of total sessions missed.

2.5 The department continues to explore how best to understand the relationship between attendance and transport and is working with local authorities to consider existing data and undertake qualitative insight-gathering to further build our understanding. However, the extensive piloting and complex experimental evaluation needed to quantify more precisely the relationship between home-to-school transport and attendance would likely be disproportionate, given what is already known about that relationship.

2.6 There is limited robust evidence on how transport affects post-16 attendance or the number of young people not in education, employment or training (NEET). The new home-to-school transport data collection, alongside wider work on the drivers of NEET, should strengthen understanding. Existing local authority duties and the bursary system should ensure young people are not prevented from participating in education due to transport needs.

2.7 The department recognises that parental understanding of post-16 transport may affect attendance. Work is underway through the SEND reforms to improve information for parents and young people. Additionally, we are supporting local authorities to strengthen independent travel training and ensure more consistent delivery.

***3. PAC conclusion: The Department does not yet have the data it needs to oversee home to school transport effectively.***

***3. PAC recommendation:***

- ***Alongside its Treasury Minute response the Department should write to the Committee setting out its plans for continuing to improve data quality so it can better understand cost drivers, identify and share best practice, and have a starting point against which to measure the impact of policy changes, for example the recently announced SEND reforms, on demand for home to school transport.***
- ***The Department should make its data collection from local authorities mandatory and write to the Committee setting out how it is improving consistency and standardising data while minimising cost and burden for local authorities.***

3.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

3.2 Alongside the publication of this Treasury Minute, the Department for Education has sent a separate letter setting out its plans for improving data quality and making the data collection mandatory.

***4. PAC conclusion: The Ministry of Housing, Communities and Local Government has now set out the detail of its new funding formula for home to school transport but not yet set out its plans for monitoring whether it proves to be successful in aligning funding with local need.***

***4. PAC recommendation: MHCLG should write to the Committee to set out how it will assess whether the funding formula changes better align with local needs in practice.***

4.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

4.2 Through the Local Government Finance Settlement 2026-27 to 2028-29, the government is updating the needs formulas used to calculate local authority funding allocations, following four consultations. Using more up-to-date data will enable a more accurate assessment of relative demand for services. MHCLG has also simplified the approach to the needs assessment, reducing the number of formulas from 15 to 9.

4.3 Relative Needs Formulas (RNFs) assess how much 'need' each local authority has in comparison to others for specific services, reflecting how local characteristics influence demand. One of the nine RNFs is the Home to Schools Transport (HTST) formula which takes account of the distance eligible pupils travel to school. It applies the Upper Tier Foundation Formula Area Cost Adjustment, which considers differences in labour and rental costs, including the labour cost impact of longer journey times.

4.4 Overall, nine in ten councils will receive funding that broadly matches their assessed need by the end of the multi-year Settlement, up from around a third before government reforms.

4.5 The Department for Education will appraise the HTST Relative Needs Formula ahead of the next multi-year Local Government Finance Settlement from 2029-30. The department expects to be able to use data from the HTST data collection and section 251 financial data to help it validate how well the formula aligns with need to deliver transport. At that time, it will consider whether the formula could be refined further.

4.6 MHCLG would be happy to write to the Committee with further updates or information if requested.

***5. PAC conclusion: While the Government has now announced plans to write off 90% of the historic deficit from SEND overspending, the plan for deficits arising from now until March 2028 remains unclear.***

***5. PAC recommendation:***

- ***MHCLG should, at the earliest opportunity, clarify the level of support it will provide to local authorities with ongoing deficits from overspending on high-needs budgets.***
- ***MHCLG should explain the basis on which it will decide to write off historic deficits and how this will work in practice including what, if any, support it will give to local authorities that avoided running up SEND deficits by making cuts to other services***

5.1 The government agrees with the Committee's recommendation.

**Target implementation date: Before the end of the Dedicated Schools Grant Statutory Override in March 2028**

5.2 At the Local Government Finance Settlement, the government confirmed the first phase of support for SEND deficits. This phase addresses historic High Needs-related deficits accrued up to the end of 2025-26. Every local authority with SEND deficits will be eligible for a High Needs Stability Grant covering 90% of their High Needs-related SEND deficit, projected to be worth over £5 billion nationally.

5.3 This grant will be paid once each local authority has secured the Department for Education's approval of their local area's Local SEND Reform Plan. Payments will be made from Autumn 2026 for local authorities whose plans are approved in the first round of assessment. Where a plan does not meet the approval threshold, the local authority will be required to revise and improve it, with continued support from advisers. Where revised plans meet the required standard, payments will be made in Spring 2027, within the 2026-27 financial year.

5.4 The government recognises that SEND reform will take time to fully embed and local authorities will need further support. For deficits arising in 2026-27 and 2027-28, local authorities can expect the government to take an appropriate and proportionate approach, though it will not be unlimited. Future support will take account of local authorities' successful delivery of their approved Local SEND reform plan, including appropriate use of investment to establish an Experts at Hand offer.

5.5 The government will confirm the detail on further support for deficits arising in 2026-27 and 2027-28 before the Statutory Override ends in March 2028.

***6. PAC conclusion: Better local transport options and an integrated approach to education and transport planning, would reduce home to school transport costs, particularly in the most rural settings.***

***6. PAC recommendation: In its Treasury Minute response, the Department should set out how it is working with the local government sector and with other government departments, such as DfT, to better integrate education and transport planning in all local authorities and harness the benefits that improved local transport can have on home to school transport.***

6.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

6.2 The Bus Services Act 2025 puts the power over local bus services back in the hands of local leaders, enabling them to shape services that best meet the needs of their local communities. DfE will work with DfT to ensure that transport to schools and education settings is considered in drafting the guidance and secondary legislation they will deliver to support the Act.

6.3 DfE has worked with the Department for Transport to ensure that Better Connected, a strategy for integrated transport, takes account of transport to schools and education settings and encourages local transport authorities to integrate home-to-school transport with wider public transport networks, reducing costs and improving service provision and frequency. It also emphasises the importance improving the reliability, accessibility and safety of public transport and creating safer streets to support walking, wheeling and cycling.

6.4 This will be reflected in guidance for Local Transport Authorities which will encourage authorities to consider transport to schools and education settings in their Local Transport Plans, and to work with education departments to ensure joined-up planning locally.

6.5 The government's investment in walking, wheeling and cycling infrastructure, including safer routes to schools, will promote healthier lifestyles and provide low-cost, accessible travel options for pupils and staff, increasing the amount of choice in how journeys to school are made.

6.6 Together, these reforms signal a shift toward a more coherent, high-quality system in which home to school transport and post-16 travel are embedded within wider transport policy making and network planning, rather than sitting at the margins.

# Seventy-first Report of Session 2024-26

## Cabinet Office, HM Treasury and Department for Energy Security and Net Zero

### Government's use of external consultants

**Introduction from the Committee**

Consultants are professionals who are contracted to provide advice to an organisation for a specific initiative, such as a project or programme. Consultants can provide expert insight or specialist skills that organisations require, or provide an external perspective, such as expertise in the implementation of digital projects. Consultants can be costly, so it is important that they are used appropriately. For example, when government needs a specific set of skills it lacks, and for a defined period.

The Cabinet Office and the Government Commercial Function, a cross government network that supports organisations' use of commercial services, are responsible for setting the government's policy and controls on the use of consultants. Individual departments and arm's-length bodies (ALBs) are responsible for implementing government policy, managing their own use of consultants and operating internal controls around consultancy spending. Crown Commercial Service (CCS) supports the public sector to effectively procure common goods and services, including consultancy services.

In 2022–23, central government spend on consultants was estimated to be approximately £1.36 billion. The government has said it wants to put an immediate stop to all non-essential spending on consultancy services and to "halve consultancy spending in future years, saving the taxpayer over £1.2 billion by 2026". However, the data available on consultancy spending are inconsistent and vary from one source to another. This means the government does not have a clear picture of how much is actually spent. Inconsistent data makes it difficult for government to make decisions about how to use consultants and to monitor the government's progress against its targets to cut consultancy spending.

Based on a report by the National Audit Office, the Committee took evidence on 15 December 2025 from the Cabinet Office, His Majesty's Treasury and the Department for Energy Security and Net Zero. The Committee published its report on 11 March 2026. This is the government's response to the Committee's report.

**Relevant reports**

- NAO report: Government use of external consultants – Session 2024-26 (HC 1381)
- PAC report: Government's use of external consultants – Session 2024-26 (HC 1521)

**Government response to the Committee**

***1. PAC conclusion: The Cabinet Office and HM Treasury do not have accurate data on what government spends on consultants which means the Cabinet Office is not able to set meaningful targets to reduce its reliance on them.***

***1. PAC recommendation: The Cabinet Office should provide the Committee with a detailed breakdown of what each department spends on individual private contractors, with the amounts further categorised by type of external service, such as consultancy, contingent labour, and professional services.***

1.1 The government agrees with the Committee's recommendation**.**

**Target implementation date: Summer 2026**

1.2 The Cabinet Office has commissioned departments for spending data on their top ten suppliers across three categories: consultancy, contingent labour, and professional services. If a supplier is identified as a top ten supplier in any one of these categories, all other spending with that same supplier in the remaining two categories must also be reported, even if that spending would not otherwise place the supplier in the top ten for those other categories.

1.3 This is a proportional approach to meeting the Committee's recommendation and ensures that data provided is useful and allows the Committee to see spending with the biggest suppliers and any overlap between the categories.

***2. PAC conclusion: The Cabinet Office is unable to deliver on its strategic objective to reduce consultancy spend because departments are not complying with its definitions and directives.***

***2. PAC recommendation: Alongside its Treasury Minute, the Cabinet Office should set out which departments are not complying with its requests on consultancy procurement and what it intends to do to address non-compliance.***

2.1 The government agrees with the Committee's recommendation**.**

**Target implementation date: Autumn 2026**

2.1 All departments are expected to comply with central guidance and reporting obligations. There is some anecdotal evidence of issues rather than systemic non-compliance.

2.2 The Cabinet Office has commissioned the Government Internal Audit Agency (GIAA) to carry out a review of 15 organisations with significant consultancy spending. The review will look at whether organisations are adhering to definitions of consultancy spending as set out by the Cabinet Office and whether they have appropriately implemented controls that the Cabinet Office has asked them to. The department will write to the Committee with GIAA's findings and the steps the Cabinet Office will take as a result.

***3. PAC conclusion: The Cabinet Office is unable to demonstrate that the target to halve consultancy spend is an effective way to reduce spending on external providers.***

***3. PAC recommendation: The Cabinet Office should update the Committee by July 2026 with data on the past three years of spend on all external resourcing, including consultants, professional services, and contingent labour, to demonstrate reduction in expenditure.***

3.1 The government agrees with the Committee's recommendation

**Target implementation date: July 2026**

3.2 Departments currently publish their spending on consultancy and contingent labour in their annual report and accounts. These have all been published for 2022-23, 2023-24, and 2024-25.

3.3 The Cabinet Office has commissioned departments on their spending on professional services published for 2022-23, 2023-24, and 2024-25 and will provide collated data to the Committee by July 2026.

***4. PAC conclusion: The Cabinet Office has not provided departments with up-to-date guidance on how to procure, learn from and manage consultancy.***

***4. PAC recommendation: The Cabinet Office should publish the updated Consultancy Playbook by July 2026. It should incorporate guidance about use of emerging technologies by consultancy providers.***

4.1 The government agrees with the Committee's recommendation.

**Target implementation date: July 2026**

4.2 The Cabinet Office is currently refreshing the Consultancy Playbook which will incorporate updated guidance about use of emerging technologies such as artificial intelligence. Following consultation with departments and industry, the department expects to publish the updated guidance by July 2026.

***5. PAC conclusion: The soon to be released strategic workforce plan has the potential to be a welcome step to support better use of consultants.***

***5. PAC recommendation: The Cabinet Office should commit to publishing the workforce plan by May 2026. The Committee expects the workforce plan to include an assessment of skills gaps that will require external resources and further details on departmental spending limits.***

5.1 The government agrees with the Committee's recommendation.

**Target implementation date: Summer 2026**

5.2 The Cabinet Office is reviewing the development of the Civil Service Strategic Workforce Plan (SWP) following the new Cabinet Secretary's priorities for reforming the Civil Service - that it is recognised for excellence in delivery, innovation and improved productivity. The SWP is being reworked alongside a wider plan for technology and AI, including their impacts on the workforce.

5.3 The Cabinet Office intends to publish the Civil Service Strategic Workforce Plan as soon as possible, once the further work on technology and AI has been completed to inform it.

# Seventy-second Report of Session 2024-26

## BBC

### BBC World Service

**Introduction from the Committee**

The BBC World Service is an international broadcasting service run by the BBC. It aims to provide accurate, impartial and independent news and programming to audiences primarily outside the UK. In 2024–25, it provided a range of radio, TV and digital services in English and 42 other languages and had an average weekly audience of 313 million.

The BBC World Service is part of the BBC's News division and is funded by a combination of the BBC licence fee and grant funding from the Foreign, Commonwealth and Development Office (FCDO). In 2025–26, FCDO provided £137 million to the Service, with £221 million coming from the licence fee. However, the Service's total budget has fallen 21% in real terms over the period 2021–22 to 2025–26, mainly due to reductions in contributions from the licence fee as part of the BBC's management of an overall reduction in licence fee income.

Since 2022, the BBC has implemented three savings programmes in the World Service which cumulatively aim to save £54.2 million including through closures of traditional TV and Radio broadcasts and workforce reductions. At the same time as making savings, the Service intended to transform its offering to become more digitally based, aligning with the BBC's wider 'digital-first' strategy. This entailed the closure of broadcast TV and radio outputs while focusing on its digital outputs such as social media and websites. The Service aimed to acquire new digital audiences while also migrating existing broadcast audiences to its digital services.

Based on a report by the National Audit Office, the Committee took evidence on 8 January 2026 from the BBC. The Committee published its report on 13 March 2026. This is the BBC's response to the Committee's report. It also contains two answers from the government.

**Relevant reports**

- NAO report: The BBC World Service's savings programmes – Session 2024-26 (HC 1382)
- PAC report: BBC World Service – Session 2024-26 (HC 1299)

**Response to the Committee**

***1. PAC conclusion: The BBC is at risk of losing the trust of its World Service audiences, undermining its crucial role in countering misinformation globally.***

***1a. PAC recommendation: In its response to this report the BBC should provide the committee with an update on its progress in implementing its new international governance structure and set out how it is monitoring whether this has been successful in rebuilding trust in the World Service.***

1.1 The BBC agrees with the Committee's recommendation.

**Target implementation date: December 2026**

1.2 Since the Committee hearing, the BBC has accelerated its implementation of the regional governance structure across its six global news regions (Africa, Americas, APAC, Europe, MENA, South Asia). Two Regional Directors (RDs) are now appointed, with three more in the hiring process. The BBC expects to finalise these appointments by September

2026. One RD appointment has been delayed until Autumn 2026 to re-assess HQ location for safety and operational readiness. In addition, the accountability mechanisms around the RDs are further being strengthened through:

- appointments in areas such as HR, Finance, Strategy & Delivery, Operations;
- the creation of robust decision-making and governance processes and forums at the regional and global levels; and
- streamlining of editorial decision making across the entirety of the BBC's international operations, in line with the implementation of the international governance structure.

1.3 The BBC continues to be the most trusted source globally. The tracking of trust and other reputational metrics is being enhanced to understand better regional variations. This will enable baseline setting and monitoring as the international governance structure is fully implemented in the regions.

1.4 Separately, a new workstream is refining mechanisms to better assess the extent of disinformation and misinformation and track the spread of competing narratives, especially in critical markets. This will enable an even stronger BBC response to the global mis/disinformation crisis, using top-tier OSINT/digital forensics tools.

***1b. PAC recommendation: The Foreign, Commonwealth and Development Office should write to the Committee within two months to set out the steps it is taking to seek to improve conditions for journalists working in hostile countries, including those where journalists are not permitted at all.***

1.5 The government agrees with the Committee's recommendation.

**Target implementation date: May 2026**

1.6 The United Kingdom is committed to Media Freedom, and to championing democracy and human rights around the world. Independent media is essential to a healthy democracy. Around the world, journalists continue to face harassment, intimidation and violence for carrying out their vital work, and the UK remains committed to defending their rights and safety wherever they are threatened.

1.7 The UK has recently assumed the role of Chair of the Media Freedom Coalition, a partnership of governments working together to promote and protect media freedom globally. Through this role, the FCDO is strengthening international coordination, advocating for journalists at risk, and supporting initiatives that improve legal, political and security environments for independent media. This includes raising individual cases of concern and working with civil society to push back against restrictions on free expression.

1.8 The government would be pleased to respond formally to the Committee's recommendation in the form of a letter within the requested timeframe, where it can set out specific actions the UK is taking to improve conditions for journalists working in hostile environments.

***2. PAC conclusion: The BBC struggles to articulate how the World Service provides value for money to UK taxpayers and why it should therefore continue receiving government funding.***

***2. PAC recommendation: The BBC should report back to the Committee within six months on measures it can use to quantify the value for money of the World Service, both overall and at language-service level, to support a clear, evidence-based case for continued government funding.***

2.1 The BBC agrees with the Committee’s recommendation.

**Target implementation date: September 2026**

2.2 The BBC will report back to the Committee on this recommendation within six months as requested.

***3. PAC conclusion: Weaknesses in the BBC’s approach to the World Service’s digital transformation have meant it has struggled to migrate its audiences from traditional TV and radio services to digital platforms.***

***3. PAC recommendation: In its response to this report, the BBC should set out its approach to ensuring that teams know what good looks like with regards to the World Service’s digital transformation and what it is doing to address its uneven digital performance to date and accelerate digital transformation of its services.***

3.1 The BBC agrees with the Committee’s recommendation.

**Target implementation date: September 2026**

3.2 New annual and three-year planning cycles are now being put in place for the World Service, with formal annual and quarterly business reviews running globally and in the regions.

3.3 The need for accelerated digital transformation is being consistently communicated to teams - including in the setting and communication of digital targets. The dashboard for digital reporting has been redesigned. The three-year plan has clearly articulated the strategic goals around digital transformation and migration of audiences from traditional TV and radio audiences to digital platforms in all regions. A cross-organisational initiative has been developed to significantly improve the BBC’s reach amongst women on digital platforms. This has shown strong results, with 11 million more women consuming the World Service since the formal launch of the initiative in November 2026. More comprehensive market reviews are being carried out to ensure digital maturity and readiness, ensuring that in markets of greatest need, digital transformation does not come at the cost of being able to reach key audiences.

3.4 Digital platform and format training and expertise sharing are continuing apace. In the latest fiscal period (following the start of the new regional governance structure, and after the period examined by the NAO), digital performance has strengthened substantially. The latest available digital data estimate for financial year 2025-26 shows a significant 36% increase in World Service global digital growth. As per the Global Audience Measure (2025), World Service digital reach (131 million) is greater than that of either TV (103 million) or radio (127 million). The full implementation of the regional governance model, along with the planning cycle and communication improvements, will ensure that digital performance is equally strong in each of the six regions.

***4. PAC conclusion: The BBC’s ability to carry out long-term planning of the World Service is hampered by repeated short-term funding agreements from the Foreign, Commonwealth and Development Office (FCDO).***

***4. PAC recommendation: The Treasury should give the BBC World Service a separate line in the Spending Review to enable multi-year and timely funding settlements.***

4.1 The government disagrees with the Committee's recommendation.

4.2 The government set out its ambition in the BBC Charter Review to establish a long-term, sustainable funding model for the BBC World Service that delivers stable and predictable funding for the BBC World Service. Funding models for the BBC's international work will be reviewed alongside consideration of funding options for the BBC as a whole.

4.3 The current Charter ends on 31 December 2027, and a DCMS White Paper is due later this year. It would be premature to commit now to a specific long-term funding model, including changes to how funding is presented in Spending Reviews, ahead of the Charter Review.

4.4 As part of the Charter Review, the government will explore options for bespoke arrangements that could provide multi-year budgets for the BBC World Service. In the interim, the FCDO has confirmed grant-in-aid funding of £148 million per year for 2026–27 to 2028–29.

***5. PAC conclusion: The BBC World Service's poor documentation means that the BBC cannot explain why it made key decisions and has hindered their ability to learn lessons going forwards.***

***5. PAC recommendation: In its response to this report, the BBC should provide the committee with an update on its plans for improving its decision-making processes in relation to the World Service's savings programmes. This should include details on how current documents, such as business cases, will be improved to meet good practice and how the BBC will ensure a clear document trail and rationale for its decisions will be in place going forwards.***

5.1 The BBC agrees with the Committee's recommendation.

**Target implementation date: December 2026**

5.2 In line with the changes described in previous answers above, significant changes are also being made to the documentation of decision-making processes around the World Service's savings programmes.

5.3 Subsequent to the NAO report, clearer criteria for savings decisions – in line with strategic objectives around digital transformation - are established and decisions are being better documented and held in a central repository for easier access. Decision-making and governance forums are being redesigned with roles within those forums being clarified and accountability for decisions strengthened.

5.4 Business cases at World Service level are also being redesigned to mandatorily include sections to demonstrate options analysis as well as alignment with strategic criteria. Clear frameworks to clarify the quality and level of inputs required into the business cases are being developed and communicated to teams.

***6. PAC conclusion: The BBC's lack of adequate monitoring of the World Service meant it was unable to assess its performance when implementing savings programmes.***

***6. PAC recommendation: In its response to this report, the BBC should set out how it plans to set, monitor and report non-financial metrics in its World Service savings programmes going forwards.***

6.1 The BBC agrees with the Committee’s recommendation.

**Target implementation date: March 2027**

6.2 The World Service is developing global and regional scorecards which look at both financial and non-financial metrics across input, output, and outcome areas. These are being trialled currently and will be used for business management and accountability through the quarterly and annual business review processes. They will form a consistent suite of metrics that will be tracked across transformation, ongoing efficiency and major savings programmes.

6.3 In addition, a specific separate set of metrics are being developed to assess non-financial benefits of the regional governance structure in areas such as leadership and accountability, faster decision-making, stronger governance, compliance and risk management, among others.

# Seventy-third Report of Session 2024-26

## Department of Health and Social Care

### Financial sustainability of adult hospices in England

**Introduction from the Committee**

The Health and Care Act 2022 set out the requirement for integrated care boards (ICBs) to commission palliative and end-of-life care to meet the needs of each ICB's local population. ICBs commission palliative and end of-life care from independent hospices as well as a range of NHS and other non-NHS providers, including NHS Trusts, voluntary sector organisations, community health organisations, primary care networks and local authorities.

Independent hospices are charities that provide palliative and end-of life care to local communities across the UK. They are key partners in the local and national health and care systems. Hospices deliver most care in patients' homes and work as part of a multidisciplinary approach or in partnership with NHS services.

The independent adult hospice sector currently comprises 135 hospice charities in England, each typically operating from a single hospice location, and the national charities Marie Curie and Sue Ryder, which operate from five and seven hospice locations across England respectively.

In 2023–24, the independent adult hospice sector provided care to approximately 251,000 people, delivered about 1.2 million community visits and supported around 69,000 family members, friends and carers. The sector spent around £1.2 billion on care, of which about £420 million came from ICBs. Charitable donations, fund-raising, legacies and retail activity generate most of the income spent on the care provided by hospices. Funding from ICBs, either general financial support for hospices through grants or funding for commissioned services through contracts, forms the second largest source of funding for hospices, around 29% of the sector's total funding in 2023–24.

Based on a report by the National Audit Office, the Committee took evidence on Monday 12 January 2026 from the Department of Health and Social Care and NHS England. The Committee published its report on Wednesday 18 March 2026. This is the government's response to the Committee's report.

**Relevant reports**

- NAO report: The financial sustainability of England's adult hospice sector – Session 2024-26 (HC 1378)
- PAC report: Financial sustainability of adult hospices in England – Session 2024-26 (HC 1236)

**Government response to the Committee**

***1. PAC conclusion: The Department and NHS England do not have effective oversight of the independent hospice sector.***

***1a PAC recommendation: The Department and NHS England should use the opportunity of the Modern Service Framework to:***

- ***define the core palliative care services that ICBs have a duty to commission;***

1.1 The government agrees with the committee’s recommendation:

**Target implementation date: Autumn 2026**

1.2 ICBs have a duty to commission palliative care, supported by statutory guidance and service specifications for adults and children and young people, outlining expectations of what palliative care and end-of-life care services are commissioned. This is further supported by NHS England’s recently published strategic commissioning framework, which provides a step-by-step guide, aligned to the commissioning cycle, supporting commissioning to establish what is required from individual providers, including hospices, to meet the overall needs of their population.

> ***1b PAC recommendation: The Department and NHS England should use the opportunity of the Modern Service Framework to:***
>
> - ***establish how much of this is delivered by hospices; and***

1.3 The government disagrees with the Committee’s recommendation:

1.4 Guidance on how ICBs can move towards population health delivery models and commissioning was also published alongside the Neighbourhood Health Framework on 17 March 2026. This states that NHS England will work with selected ICBs to develop new payment models to support neighbourhood services, including for those at end of life and will outline the co-designed payment approaches for all ICBs to consider shortly.

> ***1c PAC recommendation: The Department and NHS England should use the opportunity of the Modern Service Framework to:***
>
> - ***determine fair levels of ICB funding for hospices.***

1.5 The government agrees with Committee’s recommendation**.**

**Target implementation date: Autumn 2026**

1.6 ICBs should apply this to all providers, not just hospices, as per the Strategic Commissioning Framework.

1.7 The planned publication of Autumn 2026 of Palliative Care and End-of-Life Care Modern Service Framework (MSF) provides an important opportunity to further strengthen commissioning and improve sustainability of palliative care and end-of-life care through consideration of contracting and commissioning arrangements. The department recognises that there is currently a mix of contracting models in the hospice sector. By supporting ICBs to commission strategically, we can move away from grant and block contract models. In the long term, this will aid sustainability and help hospices’ ability to plan ahead.

> ***2. PAC conclusion: Only now are the Department and NHS England developing a Modern Service Framework for palliative and end-of-life care, but so far the details are unclear.***

> ***2. PAC recommendation: DHSC and NHS England should work with and take on board the views of the hospice sector to develop and publish a fully costed delivery plan alongside the framework.***

2.1 The government disagrees with the Committee's recommendation.

2.2 Whilst the government agrees that DHSC and NHS England should work with, and take on board, the views of the hospice sector as part of the development of the (modern service) framework (see para 2.3), it does not agree that they should develop and publish a fully costed delivery plan alongside the (modern service) framework (see para 2.4).

2.3 The government and NHS England agree that the MSF development should include the views of the hospice sector and are working closely with Hospice UK, Marie Curie, Sue Ryder and Together for Short Lives to ensure the views of hospices are gathered and considered at every stage of the MSF development. Stakeholder engagement, including those representing the hospice sector, is running throughout the MSF development. Thus far, officials have worked with stakeholders to develop a working long-term outcome goal ('moonshot'), an evidence-based listed of interventions and the core components required for the interventions. Progress on the delivery of the MSF will be determined using time-bound measures, which will act as a catalyst to improved data collection across services and experience.

2.4 A delivery plan will be part of the MSF, which will support the shift to the strategic commissioning of palliative care and end-of-life care, based on the integrated needs assessment completed by the ICB. This supports effective and equitable use of resources on services commissioned and contracted at a local level to meet identified population needs now and in the future. The MSF will provide direction on the evidenced-based interventions that improve outcomes for patients, families and carers. Value for money will be an important consideration in the inclusion of the evidence-based interventions that will support the effective use of resources.

***3. PAC conclusion: NHS England has been too slow to enforce a commissioning approach for the provision of palliative care that focuses on the quality of outcomes for patients.***

***3. PAC recommendation: NHS England should set out its plan for supporting all ICBs to adopt a consistent commissioning approach for the provision of palliative and end-of-life care that focuses on high-quality care outcomes for patients.***

3.1 The government agrees with the Committee's recommendation.

**Target implementation date: Autumn 2026**

3.2 Last year, NHS England published a Strategic Commissioning Framework, supporting ICBs to respond effectively to current and future needs of their population, in line with the wider expectation of the Model ICB Blueprint. More specifically, NHS England has also published statutory guidance for palliative care and end-of-life care, as well as service specifications (adults and children and young people).

3.3 The Medium-Term Planning Framework, states that ICBs and relevant NHS providers should ensure an understanding of current and projected total service utilisation and costs, including for those with palliative care and end-of-life care needs and create an overall plan to more effectively manage patient needs effectively manage and significantly reduce avoidable unplanned admissions.

3.4 Guidance on how ICBs move towards effective population health delivery models and commission providers around the needs of defined populations was published alongside the Neighbourhood Health Framework on 17 March 2026. NHS England will work with some ICBs to develop new payment models to support neighbourhood services, including for the high-priority cohorts, including those at end of life.

3.5 The government is developing a Palliative Care and End-of-Life Care MSF, through which we will closely monitor the shift towards strategic commissioning of palliative care and end-of-life care services across all ICBs.

***4. PAC conclusion: Too many patients spend their last days receiving palliative care in acute hospitals, which does not always achieve the best outcomes for patients nor represent value for money.***

***4. PAC recommendation: NHS England should explain, in detail, how it will move more palliative and end-of-life care out of acute settings and into the community, and the savings it expects this will deliver.***

4.1 The government agrees with the Committee's recommendation.

**Target implementation date: Autumn 2026**

4.2 The government is determined to shift more healthcare out of hospitals and into the community, to ensure patients and their families receive personalised care in the most appropriate setting, and palliative care and end-of-life care services, including hospices, will have a big role to play in that shift.

4.3 The government is developing a Palliative Care and End-of-Life Care MSF which will support the shift to strategic commissioning based on integrated needs assessments. The MSF will outline evidenced based interventions and will include metrics that will focus on reduction of clinically avoidable non-elective admissions and unnecessary bed days for people at the end of life.

4.4 The MSF will build on Medium Term Planning Framework, which made clear that ICBs and relevant NHS providers should ensure an understanding of current and projected total service utilisation and costs, including for those with palliative care and end-of-life care needs, and create an overall plan to more effectively manage the needs of these high-priority cohorts and significantly reduce avoidable unplanned admissions.

4.5 It will also build on the recently published Neighbourhood Health Framework, which sets clear expectations for the improvement of care of palliative care and end-of-life care patients through Neighbourhood Health. This set the ambition is to systems to increase in the number of people identified as approaching end of life by 10%, alongside a reducing the number of non-elective admissions and bed days of one day or over for people in the end of the life cohort by 10%.

***5. PAC conclusion: The Department and NHS England are not responding to the growing financial crisis in the adult hospice sector with the seriousness and urgency needed.***

***5a. PAC recommendation: NHS England should work with ICBs to:***

- ***establish which hospices are forecasting imminent service reductions and confirm that for each of these, the ICB has undertaken a quality impact assessment; and***

5.1 The government agrees with the Committee's recommendation:

**Target implementation date: Autumn 2026**

5.2 Earlier this year, NHS England wrote to all ICBs requesting an update on the financial stability of hospices in their footprint, and the steps being taken to mitigate risks.

5.3 ICBs are already expected to understand current and projected utilisation, costs, and risks across their commissioned palliative care and end-of-life care provision, as set out in the Strategic Commissioning Framework and Medium-Term Planning Framework

5.4 Through the ICB returns, there was a clear commitment across ICBs to working with their hospice providers to address any existing or potential impact on patients. This includes a combination of financial, operational and governance actions to prevent service closures, including tighter oversight through monthly risk meetings and formal risk register reporting, direct executive engagement with hospice leaders, deployment of emergency cashflow support and winter uplifts, and work to rebase statutory funding. ICBs are also strengthening provider collaboration through hospice alliances and tightening requirements for impact assessments before changes proceed.

***5b. PAC recommendation: NHS England should work with ICBs to:***

- ***develop an individual plan for each such hospices, setting out how the ICB will support the hospice to maintain its services, or how the ICB will otherwise compensate for the service reductions.***

5.5 The government disagrees with the Committee's recommendation:

5.6 It is not for the government to make individual plans for each independent hospice. The government and NHS England will consider contracting and commissioning arrangements, including that of independent hospices, as part of our MSF. By supporting ICBs to commission strategically, we can move away from grant and block contract models. In the long term, this will aid sustainability and help hospices' ability to plan ahead.

***6. PAC conclusion: The NHS is at risk of losing the huge value it gains from independent hospices beyond the provision of statutory palliative and end-of-life care.***

***6. PAC recommendation: The Department and NHS England should ensure the Modern Service Framework will thoroughly examine:***

- ***the full range of wider benefits that independent hospices provide and that the NHS gains from; and***
- ***how the Department will protect and support the provision of these benefits in the future.***

6.1 The government disagrees with the Committee's recommendation.

6.2 The government and NHS England are working closely with Hospice UK, Marie Curie, Sue Ryder and Together for Short Lives to ensure the views of hospices are gathered and considered at every stage of the MSF development.

6.3 Furthermore, the MSF will also consider high-potential innovation, where we anticipate significant progress being possible in the next ten years and an account of how we plan to work with others, including the independent hospice sector, to develop, adopt and spread innovation.

6.4 The MSF will support the shift to the strategic commissioning, based on the integrated needs assessment completed by the ICB which focuses on the needs of patients, rather than providers. This supports the move to services, including those provided by hospices, being effectively commissioned and contracted at a local level to meet identified population needs now and in the future. The MSF will provide direction on the evidenced-based interventions that improve outcomes for patients, families and carers. Value for money will be an important consideration in the inclusion of the evidence-based interventions that will support the effective use of resources.

6.5 Furthermore, the government is supporting the hospice sector in England with a £125 million capital funding boost for adult and children's hospices, to ensure the best physical environment for care, and are also providing around £80 million revenue funding for children and young people's hospices over the next three financial years.

***7. PAC conclusion: Hospice collaboratives have the potential to deliver efficiencies and further raise the quality of care, but their development is lacking central support from the Department and NHS England.***

***7. PAC recommendation: The Department and NHS England should set out what it can do to support hospices to develop existing collaborative operating models to derive as much financial benefit and service improvement as possible, and to implement collaboration in all areas where it is feasible.***

7.1 The government disagrees with the Committee's recommendation**.**

7.2 The government recognises that hospice collaboratives can play an important role in improving sustainability, reducing duplication and strengthening the quality and consistency of services. There are already examples of this in practice, with hospices in several areas working in partnership to plan provision collectively, share financial risks and present a single voice to their ICB.

7.3 Through the development of the Palliative Care and End-of-Life Care MSF, the department and NHS England are considering how best to support these models and spread good practice. As part of this work, officials are identifying examples where ICBs and hospices are collaboratively moving towards more strategic commissioning arrangements and will use the MSF to share these approaches nationally.

7.4 However, it is not the place of the department or NHS England, to set out the working practices, or operating models, of independent organisations, such as hospices.

# Seventy-fourth Report of Session 2024-26

## Department for Environment, Food and Rural Affairs

### Environmental Regulation

**Introduction from the Committee**

Environmental regulation aims to protect the environment and nature from pollution and harm, safeguard natural resources and support economic growth. Effective and efficient regulation minimises pollution to the atmosphere and waterways, and harm to habitats and biodiversity, while keeping costs of compliance for regulated businesses proportionate. This requires regulators to target their work on sectors, businesses or regional areas where the greatest risks of harm lie.

In 2018, the then government set a long-term vision for the environment, and the 2021 Environment Act set legal targets to protect air and water quality and enhance biodiversity. The government's 2023 Environmental Improvement Plan set more specific commitments, highlighting regulation as a tool used in delivering all ten of the goals in the plan. Defra published an updated Environmental Improvement Plan in 2025 which set out plans for how it intends to meet its environmental targets. Defra has policy responsibility for the Environmental Improvement Plan commitments.

Defra's two largest environmental regulators, the Environment Agency and Natural England, monitor and enforce compliance with the environmental regulations. They do this through a range of activities, for example by issuing permits to carry out certain activities or providing advice, consent or assent for proposed activities that may affect protected sites. The Environment Agency and Natural England also monitor and inspect sites and businesses to ensure compliance with regulations and permits.

Based on a report by the National Audit Office, the Committee took evidence on 2 February 2026 from the Department for Environment, Food and Rural Affairs, the Environment Agency and Natural England. The Committee published its report on 25 March 2026. This is the government's response to the Committee's report.

**Relevant reports**

- NAO report: Environmental Regulation – Session 2024-26 (HC 1483)
- PAC report: Environmental Regulation – Session 2024-26 (HC 1687)

**Government response to the Committee**

***1. PAC conclusion: We are not convinced that Defra and the regulators can fulfil their existing, wide-ranging responsibilities effectively while delivering ambitious reforms.***

***1. PAC recommendation: Within six months of this report, Defra should publish a detailed plan which sets out how it intends to change the overall regulatory environment, how it is implementing the 149 recommendations, what assurance it has that regulators have the resources they need, and when the change will be completed. The plan should include a clear statement of what legislative change is needed and when.***

1.1 The government agrees with the Committee's recommendation.

**Target implementation date: September 2026**

1.2 Defra is already delivering a coordinated programme of reform that addresses the Committee's concerns about the effectiveness, coherence and resourcing of environmental regulation. This programme brings together the implementation of recommendations from the Corry Review, the Independent Water Commission, and the internal Optimising Delivery (Hancock) Review, alongside wider government regulatory reform activity, with a focus on prioritising reforms that will deliver the greatest impact.

1.3 Key elements of this work are being taken forward through existing delivery vehicles, including the Water White Paper and forthcoming Water Reform Bill, as well as prioritised implementation of Corry Review recommendations. This includes reforms to regulatory governance and delivery, such as the Lead Environmental Regulator (LER) approach and the Defra Infrastructure Board. Together, these provide a clear view of how Defra is changing the regulatory environment, the legislative changes required and how delivery is being sequenced.

1.4 To meet the intent of the Committee's recommendation, the department will provide the Committee with a written update within six months, setting out progress across these reforms.

***2. PAC conclusion: Defra has not set out precisely what environmental regulation should achieve and how the regulators should be set up to achieve this.***

***2a. PAC recommendation: As a first step towards developing a coordinated plan, Defra should set out a clear vision for environmental regulation with a focus on what matters and what makes the most difference.***

2.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

2.2 Defra has set out a clear vision for environmental regulation through the Strategic Policy Statements (SPS) for the Environment Agency and Natural England published on 12 March 2026. These set out the government's strategic priorities for each regulator in terms of how they deliver on environmental protection, nature recovery and economic growth. They also set out the government's expectations that each regulator will exercise constrained discretion, ensuring strategic decision-making is prioritised over process compliance.

***2b. PAC recommendation: Defra should take the opportunity presented by the changes in water regulation to explore the merits of bringing all its regulatory functions together to improve efficiency and enable the establishment of a single organisational culture which balances protection and enhancement of nature and the environment with supporting economic growth.***

2.3 The government disagrees with the Committee's recommendation.

2.4 Defra is already undertaking significant structural reforms of its Arms' Length Bodies (ALBs). Following the Independent Water Commission, Defra has agreed to establish a new single water regulator by abolishing Ofwat and bringing together the relevant functions from the existing regulators (of Ofwat, the Drinking Water Inspectorate, the Environment Agency and Natural England) into one new body. This is a major reform and requires sustained focus to implement effectively.

2.5 In addition, Defra is delivering ambitious, system-wide reforms arising from the Corry Review and the internal Optimising Delivery (Hancock) Review. These reforms prioritise action within existing legislative frameworks to promote joint working (such as LER pilots) and to strengthen culture, capability and decision-making within regulators (including through new

Strategic Policy Statements for the Environment Agency and Natural England). Defra is also testing more integrated, place-based approaches through pathfinders with Mayoral Combined Authorities and protected landscape organisations.

2.6 Significant activity is underway across Defra and its ALBs to strengthen culture and delivery at different levels. Defra's Planning Reform Portfolio is developing a Culture Modernisation Programme to improve coordination, share learning and build the evidence base on how culture change can support more effective planning and infrastructure delivery across the Defra group.

***2c. PAC recommendation: If Natural England and the Environment Agency are not to be merged, then Defra should conduct a thorough examination to determine where they could cooperate more closely, such as in planning, legal functions, comprehensive advice and IT.***

2.7 The government agrees with the Committee's recommendation.

**Recommendation implemented**

2.8 The Planning Reform Portfolio has been established to enable a coordinated, system-wide approach to work on planning reform, permitting and environmental regulation across Defra group.

2.9 An example of this collaboration between Natural England and the Environment Agency is known as the Lead Environmental Regulator (LER) model, which provides a coordinated approach to advice and regulation, with a single lead regulator overseeing activity across all relevant bodies. It also includes an escalation route to a senior regulatory panel and, if needed, to Defra's Infrastructure Board. Currently, the LER model is being piloted on five major projects, including Sizewell C.

2.10 Both Natural England and the Environment Agency are also part of Defra's Group Corporate Services and benefit from the shared service model for Corporate IT. As part of Defra's Service Transformation programme, the department is working to identify common capabilities which can be shared including systems for Permitting and Licencing, Grants and Monitoring.

***3. PAC conclusion: Defra and the regulators are still a long way from where they need to be in modernising their IT systems and processes.***

***3a. PAC recommendation:***

- ***Environment Agency and Natural England should ensure they have sufficient digital and technology skills at their executive level, for example by appointing a Chief Digital Officer or Chief Technology Officer.***

3.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

3.2 Natural England has assigned a Chief Officer with responsibility for Digital and Data who is leading further development of Natural England's digital and data capability and capacity in collaboration with the Digital Data Technology Security (DDTS) corporate service in Defra.

3.3 At present, the Environment Agency Director of Service Transformation, who reports into the Executive Director of Strategy Transformation and Assurance, fulfils this role; being accountable (along with DDTS) for the management of the Environment Agency's technical and digital estate, service modernisation, strategic change management and the Chief Data Office capability (CDO).

3.4 Defra Group operate a federated model, along with other Corporate Service activity, with DDTS services delivered centrally on behalf of Defra and its ALBs. This includes the Environment Agency, Natural England, Rural Payments Agency, Marine Management Organisation and the Animal and Plant Health Agency.

***3b. PAC recommendation:***

- ***Defra should ensure that its regulators are receiving the investment in digital they need to modernise.***

3.5 The government agrees with the Committee's recommendation.

**Recommendation implemented**

3.6 With regard to planning, Defra received £100 million across Spending Review 2025, part of which will fund a cross-Defra digital planning reform programme. The programme focuses on end-to-end service improvements across Natural England, the Environment Agency and the Forestry Commission. Key investment areas are:

- Casework management: building modern aligned casework management systems cross-group.
- Data: building a common data model cross-group to facilitate joined-up working.
- Geospatial mapping capability and data alignment.
- Online guidance and a single front door.

3.7 Digital work will also consider ALB operating models. Re-use of common components will be utilised wherever possible to create efficiencies and streamline services. Year 1 spend prioritises stabilisation and shared capabilities that unlock service transformation, aligned with MHCLG's Digital Planning direction.

3.8 Defra continues to invest in its wider digital technology to provide excellent customer services, deliver savings and efficiencies in its operations and keep core IT services operational and secure. Defra's digital and technology spend for 2026-27 totals approximately £860 million. Of this, approximately £460 million is earmarked for digital transformation to provide excellent customer-centric services. A significant amount of this transformation investment is being directed towards Defra's regulatory activities, for example:

- £55.1 million to continue to deliver transformation across the regulation of the waste packaging and recycling sectors.
- £39.7 million to invest in digital services to deliver water reform (including digital investment of £27.1 million for the Regulatory Services Platform, Environmental Monitoring Platform and Environment Agency Cyber Security and an estimated £10.6 million to enable the creation of a new water regulator).
- £15.8 million to begin the delivery of a joined-up planning consultation service encompassing all regulatory bodies involved in the service.
- £5.2 million for a new digital service for the Nature Restoration Fund.
- An estimated £8.4 million for investment in other digital services to support Environment Agency's and Natural England's regulatory activities.

***4. PAC conclusion: Waste regulation as currently set up is not effective enough at stopping waste crime or non-compliance.***

***4. PAC recommendation:***

***a. Defra should set up closer co-operation and sharing of intelligence between the Environment Agency, Local Authorities, the police and other agencies on illegal waste dumping risks.***

***b. Defra should examine the potential for technology to improve response times when illegal activity occurs that affects the environment.***

4.1 The government agrees with the Committee's recommendations.

**Target implementation date: September 2027**

4.2 The recently published Waste Crime Action Plan delivers the toughest ever crackdown on illegal dumping, setting out government's intention to strengthen intelligence capabilities to improve the detection of waste crime.

4.3 Defra is investing in advanced technologies and with NPCC, are reviewing intelligence sharing between the Environment Agency, Local Authorities, the police, NCA and HMRC to ensure that enforcement bodies have access to the high-quality evidence needed for effective prosecution. Defra will evaluate the application of new technologies as it goes along, to understand their impact on response times.

4.4 The Home Office and the National Police Chief's Council will undertake a detailed review of the multi-agency response, which will strengthen the collective operational response, including the Joint Unit for Waste Crime.

4.5 The Environment Agency is introducing a new Operational Waste Intelligence and Analysis Unit to bring together satellite, drone and visual imagery, financial and criminal data and other intelligence. The unit will spot unusual activity sooner, flag risks before they escalate and accelerate enforcement action.

4.6 The Environment Agency has developed a screening tool which cross-checks Heavy Goods Vehicle (HGV) operator licence applications against the register of waste permit holders and waste carriers. This allows the identification of businesses that may be carrying waste illegally.

4.7 HM Land Registry will support the Environment Agency in accessing land ownership data, meaning the Environment Agency will be better placed to identify unusual patterns at an earlier stage and combine this with other intelligence to trigger more timely interventions.

4.8 Defra has set up a multi-disciplinary team with a key focus on how digital can support the delivery of its outcomes on waste and the circular economy. This Delivery Group is working with policy and operational colleagues to develop strategic roadmaps to deliver the department's outcomes here which will inform the investment needed in digital services.

***5. PAC conclusion: Defra and the regulators are not doing enough to provide guidance and support to help farms and other businesses comply.***

***5. PAC recommendation: Defra should assess how upcoming changes will affect the way farmers need to engage with regulators. This should include the impact of the new water regulator, updates to Environmental Land Management schemes, and the upcoming farming roadmap. Defra should report to us within six months on how disruptions will be minimised and the progress made on:***

- ***Understanding the implications of the new water regulator;***

- ***Understanding the impact of changes to farming policy and how it will allow farmers sufficient time for transition; and***
- ***Ensuring that farmers are sufficiently supported.***

5.1 The government agrees with the Committee’s recommendation.

**Target implementation date: January 2027**

5.2 Defra is glad the committee recognises the progress regulators have made to better support farms into compliance, for example the expansion of the Environment Agency's advice-led approach and improved guidance. To go further, Defra is also working with the Department of Business and Trade and Government Digital Service to review how farmers access regulatory guidance, including the effectiveness of existing signposting and the potential role of digital tools to support navigation. The Department will conclude the internal review and develop a delivery plan in January 2027. Defra has committed to consolidating complex agricultural water pollution regulations into a single set of clear, effective and strengthened national standards to improve water quality and protect air and soil quality. Defra will publish the Farming Roadmap this year to set out a long-term direction for farming, including how government expects regulation to evolve over time and how Defra will support the farming sectors to transition to more sustainable, productive and profitable practices.

5.3 Defra is creating a new, integrated water regulator by bringing together the relevant functions from the existing regulators (of Ofwat, the DWI, the Environment Agency and Natural England) into one new body. This will replace the current fragmented system with a single regulator holding robust powers to oversee water companies and sectors affecting the water environment, enabling more integrated regulation of pressures on water quality and resources. Until the new regulator is legally established, existing bodies will continue to carry out their duties while working more closely together to streamline requirements, reduce duplication and support a “one organisation” approach to ease the burden on customers, including farmers. Further details will be published in due course. The regulator will be legally established as soon as possible following the passage of a Water Reform Bill. Defra will also make leadership appointments to support the transition; this has begun with the appointment of a Senior Adviser, Dame Julia Black, in April 2026.

***6. PAC conclusion: The Nature Restoration Fund has potential to benefit the environment and support developers, but we are not yet convinced Defra and Natural England are able to implement it effectively.***

***6a. PAC recommendation:***

- ***Defra and Natural England should set out their plans to report publicly on progress and milestones with the Nature Restoration Fund, and should provide regular progress updates.***

6.1 The government agrees with the Committee’s recommendation.

**Recommendation implemented**

6.2 The Nature Restoration Fund (NRF) Implementation Plan, published on 18 December 2025, set out the approach to delivering the NRF, including plans for reporting on progress.

6.3 Natural England is required to publish organisational annual reports, which will provide a high-level view of NRF progress including the amount of money received and spent under each Environmental Delivery Plans (EDPs). The government will also continue to provide updates on key developments as delivery progresses and has committed to report back to Parliament on the first nutrient pollution EDPs before any other EDPs are published.

6.4 In addition to updates on the overall progress of the NRF, there will be regular reporting on individual EDPs, the key mechanism for implementing the NRF. This includes Defra's commitment to report to Parliament on lessons learned from the first group of EDPs before progressing to the next stage as well as reports published at the mid-point and end-point of an EDP.

***6b. PAC recommendation: Defra should clarify how the Nature Restoration Fund and Biodiversity Net Gain will work alongside each other, and how it will apply lessons learned from its implementation of Biodiversity Net Gain to the implementation of the Nature Restoration Fund.***

6.5 The government agrees with the Committee's recommendation.

**Recommendation implemented**

6.6 Biodiversity Net Gain (BNG) and Nature Restoration Fund (NRF) are distinct and complementary policies, both aiming to ensure that development delivers a net benefit for nature. The NRF is predominantly optional and will focus on enabling development in areas where it has stalled due to specific environmental obligations. For example, nutrient neutrality currently affects 8% of housing. BNG currently applies to all new housing (including exemptions) and is scheduled to go live for Nationally Significant Infrastructure Projects from November 2026.

6.7 Following the delivery of BNG, Defra ran a full lessons-learned exercise. The learning from this informed the approach to delivering the NRF set out in the NRF Implementation Plan. Teams working on NRF and BNG continue to work closely together to ensure information on delivery is shared and the two programmes remain aligned.

# Seventy-fifth Report of Session 2024-26

## Department of Science, Innovation and Technology, Cabinet Office, and HM Treasury

### Government use of data analytics on error and fraud

**Introduction from the Committee**

Fraud and error in the public sector generally means an incorrect amount of money has been paid out or received by government, or government has made a transaction with an incorrect or ineligible party. The NAO estimates that fraud and error cost the taxpayer between £55 billion and £81 billion in 2023–24.

Data analytics are a vital tool to make sure the right amount of money goes to the right recipient, and to find potentially incorrect transactions. Such data analytics can range from basic tools that check a public body only paid a supplier once, to using emerging technology like artificial intelligence (AI) to identify risky transactions. Tackling fraud and error is a good test case for new technologies in data analytics such as AI. In theory, with good-quality linked data, these technologies can deliver more immediate returns on investment, tackling fraud and error without requiring the wider system or organisational reform that fuller digital transformation would require.

Three cross-government functions have a role in supporting public bodies to tackle fraud and error using data analytics:

- The Government Counter Fraud Function (GCFF): The GCFF has a strategic objective to ‘Harness data and technology more effectively.’ It is led by the Public Sector Fraud Authority (PSFA), which works with public bodies to understand and reduce the impact of public sector fraud and error, provides counter-fraud and error data analytic services to local and central government, and encourages public bodies to make best use of data analytics to tackle fraud. The PSFA reports to both Cabinet Office and HM Treasury.
- The Government Digital and Data Function: This is led by the Government Digital Service (GDS) which sets the digital strategy for government and maintains guidance and tools to support best practice. It sits in the Department for Science, Innovation and Technology.
- The Government Finance Function (GFF): The GFF comprises the finance teams across public bodies, supporting them to manage money efficiently, including to make sure correct payments are made to and from the right people at the right time. Finance teams are supported by a central GFF team (based in HM Treasury), who set standards and good practice.

Based on a report by the National Audit Office, the Committee took evidence on Thursday 15 January 2026 from the Public Sector Fraud Authority (Cabinet Office), Department of Science, Innovation and Technology and HM Treasury. The Committee published its report on 27 March 2026. This is the government’s response to the Committee’s report.

**Relevant reports**

- NAO report: Using data analytics to tackle fraud and error – Session 2024-25 (HC 988)
- PAC report: Government use of data analytics on error and fraud – Session 2024-26 (HC 891)

**Government response to the Committee**

***1. PAC conclusion: Public bodies are not yet fully embracing the opportunity to save billions in fraud and error by using data analytics.***

***1a. PAC recommendation: HM Treasury should require public bodies to set out in their annual reports what they are doing to tackle fraud and error. This should include information about the targets public bodies agree with the Public Sector Fraud Authority, and how public bodies are performing against these targets.***

1.1 The government agrees with the Committee's recommendation**.**

**Target implementation date: March 2027**

1.2 The Treasury (HMT) will work with the Public Sector Fraud Authority (PSFA) to review and update the government financial reporting manual (FReM), the technical accounting guide that supports public bodies in the preparation of their financial statements, to include a requirement for public bodies to set out in their annual reports what they are doing to tackle fraud and error.

1.3 However, the government disagrees with the publication of individual counter fraud financial targets on the basis it considers that bolder, more ambitious targets can be set and delivered internally, building on the positive action undertaken by departments to date (for example., £341.3 million in 2023-24 or £913.5 million when including one-off events unlikely to recur). The government will continue to publish overall performance against targets through the annual Cross-Government Fraud Landscape Report.

1.4 A proposal will be presented to the Financial Reporting Advisory Board (FRAB), the independent advisory Board responsible for advising the Treasury on the form and content of accounts for their review ahead of the annual publication of the FReM in December, for implementation from 2027-28.

***1b. PAC recommendation: Public bodies should also be required to set out the type of counter-fraud activity they are conducting and how they intend to improve future performance.***

1.5 The government agrees with the Committee's recommendation.

**Target implementation date: March 2027**

1.6 At present, the majority of departments publish a summary of their counter fraud performance and wider counter fraud activities in their ARAs, however, this is not universal or standardised. The Treasury will work with the Public Sector Fraud Authority (PSFA) to agree a requirement for public bodies to set out the type of counter-fraud activity they are conducting and how they intend to improve future performance in their annual reports.

1.7 A proposal will be presented to the Financial Reporting Advisory Board (FRAB), the independent advisory Board responsible for advising the Treasury on the form and content of accounts for their review, ahead of the annual publication of the FReM in December 2026, for implementation from 2027-28.

1.8 The PSFA will also continue to work with departments and public bodies to track how they are managing fraud and error performance, as informed by the mandatory, quarterly Consolidated Data Review, which form the basis of the PSFA-led Cross-Government Fraud Landscape Reports.

***2. PAC conclusion: Government's digital and counter-fraud experts know what government needs to do to make fraud and error savings through data analytics, but do not have a robust plan to support public bodies to do so.***

***2. PAC recommendation: The Government Digital Service, Public Sector Fraud Authority and Government Finance Function should set out how they will work together to deliver the reduction in fraud losses that data analytics can achieve, with clear targets and milestones. This should include how government intends to move from a system of detecting and recovering fraud, to one more focused on preventing fraud in the first place.***

2.1 The government agrees with the Committee's recommendation.

**Target implementation date: March 2027**

*2.2* The Government Digital Service (GDS), PSFA and Government Finance Function (GFF) recognises the value in working together to deliver a reduction in fraud losses through data analytics.

2.3 To deliver this, and building on existing well-established working relationships, GDS, PSFA and GFF will establish a co-led counter fraud data analytics action forum to agree, publish and deliver, an overarching plan that more effectively utilises data analytics to tackle fraud and error.

2.4 This will be composed of annual delivery plans and split across the remainder of the spending review period and align with the wider strategic vision set out in the government's roadmap for a modern digital government, the Government Counter Fraud Functional Strategy and Shared Services Strategy for Government.

2.5 As part of this plan, the government will explore cases for deployment of AI to drive counter fraud detection and prevention, the integration of counter fraud controls into the NOVA platform and opportunities to expand the ability to share data across government for the purposes of tackling fraud.

***3. PAC conclusion: We are concerned that government has not built the digital capability or senior digital leadership it needs to achieve change and bring fraud savings from data analytics.***

***3a. PAC recommendation: The Department for Science, Innovation and Technology should mandate that there are digitally skilled leaders at board level in all government departments, and all ALBs where technology plays a key part in their actions. It should also mandate the appointment of senior digital specialists in each department and ALB.***

3.1 The government disagrees with the Committee's recommendation**.**

3.2 Although DSIT does not have statutory powers to mandate board-level appointments across departments and ALBs, it plays a central role in setting expectations and driving collective action on digital leadership. DSIT acknowledges ongoing digital skills gaps across the public sector and is actively using its leadership of the digital and data profession to strengthen accountability, transparency and workforce capability across government.

3.3 To strengthen leadership and invest in talent, the roadmap for modern digital government set an expectation that central and local government will have digital leaders on executive committees and boards by 2026. Departments are increasingly doing this, for example Home Office and Department for Education recently made the decision to have board-level digital leaders.

3.4 DSIT is currently in the process of implementing departmental reporting on whether departments and ALBs have digital leaders on boards and digitally skilled Non-Executive Directors. This information will be requested through DSIT's next quarterly data commission. DSIT will then work with departments and relevant ALBs that do not have digitally skilled board directors and Non-Executive Directors to identify suitable candidates.

3.5 Further action to attract, retain, and develop digital and data talent is being taken through the refinement of the Government Digital and Data Pay Framework and Capability Framework.

3.6 To support long-term workforce planning, talent pipelines are being developed and cross-sector skills exchange encouraged through initiatives such as TechTrack, Fast Stream, the AI Accelerators, succession plans, Returnship Programme and the Digital Secondments Programme.

***3b. PAC recommendation: The Department for Science, Innovation and Technology should appoint a highly skilled Government Chief Digital Officer, at permanent secretary level, with the necessary authority and levers to bring about the digital transformation government wants to see.***

3.7 The government agrees with the Committee's recommendation.

**Recommendation implemented**

3.8 The Department of Science, Innovation and Technology's (DSIT) Permanent Secretary has taken on leadership of the digital and data profession and function. For the first time, this gives digital and data a clear seat at the top table alongside other Heads of Department. Within DSIT, two directors-general report into the DSIT permanent secretary with responsibility for supporting digital transformation across government and the digital products GDS builds and runs.

3.9. The DSIT Permanent Secretary is supported by departmental DG-level Chief Digital and Information Officers acting as Deputy Heads of Function, who work collectively through the Digital Executive Committee, which is chaired by the DSIT Permanent Secretary, to consider shared priorities across departments, including leadership, talent and capability. This leadership model reflects that departments own their transformation journeys, and the centre's role is to support and enable them. The department is confident this deliberately whole-of-government approach, complimented by digital business reviews with Permanent Secretary colleagues to review progress and look at where further action may be needed, gives government the leadership it needs to deliver on its digital ambitions.

***3c. PAC recommendation: The Department for Science, Innovation and Technology should clearly set out how it will meet the target of moving from 5.5% digitally trained civil servants to 10%, including the timetable for doing so. In reducing headcount in the civil service, it should concentrate on those functions that will be replaced by digital working.***

3.10 The government agrees with the Committee's recommendation.

**Target implementation date: June 2026**

3.11 DSIT will publish the Digital Workforce 2030 plan of action in 2026, which will set out how it will meet the target of 10% digitally trained civil servants and the timetable for doing so.

3.12 DSIT has made progress towards the ambition of having 10% of the civil service to be digital, data and cyber professionals by 2030, several departments are already meeting or approaching this target.

3.13 However, DSIT recognises the challenges of recruiting and retaining experienced digital talent at civil service pay rates and growing talent with headcount limitations in departments stalling growth, DSIT is working actively with the Treasury to make the case for greater flexibility and to remove these constraints.

3.14 Further action to attract, retain, and develop digital and data talent is being taken through the refinement of the Government Digital and Data Pay Framework and Capability Framework.

***4. PAC conclusion: Government is not doing enough to promote the effective sharing of data, which is stopping departments from maximising the savings they could make from data analytics.***

***4a. PAC recommendation: The Public Sector Fraud Authority should write to the Committee within 6 months to explain its progress in developing a library of counter-fraud controls. It should also set out its steps to identify and address issues with data sharing through the Digital Economy Act, to make this process simpler and quicker. This communication should include an evaluation of how its work has enabled greater sharing of data and greater use of data analytics.***

4.1 The government agrees with the Committee's recommendation.

**Target implementation date: September 2026**

4.2 The government recognises the value in developing an accessible library of counter fraud controls that support public bodies to embed preventative and detective controls.

4.3 The PSFA's Data and Analytics Team is developing a central list of counter fraud data analytics controls that includes guidance on different controls to help mitigate different fraud risks. For example, when and how data matching and machine learning techniques should be used. This library is being co-developed and tested with the International Public Sector Fraud Forum (IPSFF), ensuring it is informed by international best practice. The government will provide a progress update to the Committee in six months' time.

4.4 The update will also include the ongoing actions to improve the process of data sharing through the powers enabled by the Digital Economy Act (DEA). Since the National Audit Office's report in 2025, the DEA Secretariat has enacted a series of reforms to simplify the data sharing pilot process through the use of AI to automate proformas. Building on this, the update will set out the progress of the DEA fraud pilots, including those moving into business as usual, and the progress in undertaking a review of the DEA Code of Practice to ensure it facilitates simpler and more streamlined pilots.

***4b. PAC recommendation: In the Treasury Minute response to this report the Department for Science, Innovation and Technology should set out further information on the single data platform. This should include the timetable for completion and benefits, including in fraud and error, that the platform is expected to achieve.***

4.5 The government agrees with the Committee's recommendation.

**Target implementation date: December 2026**

4.6 The Government Digital Service (GDS) has led development of the Data Marketplace, which is a single data platform to facilitate discovery of public sector data assets. The Data Marketplace private beta phase has now concluded. Learnings from the private beta include the need to reduce the manual requirements placed upon departments to record and update metadata, and clearer guidance on identifying assets that are valuable outside of their organisation. A Discoverability Service is currently being scoped, which will build on learnings from the Data Marketplace, and link directly to departments existing tools and processes. This will significantly reduce the burden on departments and will be reusable across a broader range of data sharing use cases, including fraud and error. A Minimum Viable Product, focused on a small number of use cases, is expected to be delivered by December 2026.

4.7 To further support this work, a Data Asset Management Policy will be rolled out across government over the next 18 months. This policy sets out the requirements for central government departments and their Arm's Length Bodies to identify and record critical data assets. It further sets out minimum requirements for quality, discoverability, and interoperability together with defining clear data ownership. This cross-government framework is essential to enable safe data reuse, improve quality and reduce duplication across departments. It will establish the lifecycle controls need to treat critical data, including within fraud and error, as an asset, supporting all strategic outcomes.

***4c. PAC recommendation: HM Treasury, the Department for Science, Innovation and Technology and the Public Sector Fraud Authority should consider which elements of the National Fraud Initiative could be helpfully rolled out across central government, and mandate it accordingly.***

4.8 The government agrees with the Committee's recommendation.

**Target implementation date: March 2027**

4.9 The government recognises the benefits of the National Fraud Initiative (NFI), and its track record of detecting, preventing and recovering fraud. The PSFA is assessing the impact of implementing the NFI across central government, and the different routes to which it could be mandated accordingly. This assessment will be informed by the views of counter fraud teams across the Government Counter Fraud Function, alongside an estimation of additional counter fraud outcomes following any changes.

4.10 The government will use this assessment to inform a decision and will communicate that decision to the Committee.

***5. PAC conclusion: Departments are not doing enough to be transparent or build public trust on the use of data analytics to tackle fraud.***

***5. PAC recommendation: The Department for Science, Innovation and Technology should ensure that all government bodies comply with the Algorithmic Transparency Recording Standard so that the Hub captures all relevant uses of AI and machine learning. It should continuously monitor, update and ensure compliance with guidance around data analytics transparency to ensure that it maximises transparency without assisting fraudsters.***

5.1 The government agrees with the Committee's recommendation.

**Recommendation implemented**

5.2 Ensuring departmental compliance is an ongoing effort for DSIT. DSIT updated the Committee as part of the Treasury Minute process at the end of 2025, and the Permanent

Secretary gave oral evidence on this as part of the session on the use of data analytics to tackle fraud and error in January 2026. Below is a further update on progress with implementing the mandatory rollout of the Algorithmic Transparency Recording Standard (ATRS). The rollout will continue to be tracked through the government's roadmap for modern digital government.

5.3 DSIT is continuing to implement the mandatory rollout of the Algorithmic Transparency Recording Standard (ATRS) in central government. Over 130 records have been published on GOV.UK to date. DSIT published records for all currently identified in-scope algorithmic tools (as of March 2025) in government departments (not including ALBs) by the end of 2025, reaching the commitment set in the Roadmap for Modern Digital Government. ATRS compliance is an ongoing process, with new tools being developed and deployed requiring ATRS records on a rolling basis. To reflect this, DSIT commissions departments twice a year to map new in-scope tools and supports them in completing records for publication.

5.4 The ATRS team work closely with relevant government bodies to ensure that the scope and exemptions policy provides the appropriate amount of guidance on sensitive tools such as those used in fraud detection and prevention. Updates and further guidance will be provided where needed.

***6. PAC conclusion: Current legislation limits government's ability to deploy data analytics to tackle fraud and error.***

***6a. PAC recommendation: The Public Sector Fraud Authority should review the legislation impacting its ability to implement fraud and error data analytics and communicate to Parliament where it believes additional powers or other changes to legislation would be helpful.***

6.1 The government agrees with the Committee's recommendation.

**Target implementation date: March 2027**

6.2 The PSFA will review how existing legislation (for example, Digital Economy Act 2017 and the Local Audit and Accountability Act 2014), or future legislation impacts government's ability to implement counter fraud and error data analytics, and communicate its assessment to the Committee. This assessment will also be used as the basis for a government decision on additional legislation.

6.3 This review will be informed by the requirements of counter fraud teams across government, as well as an understanding of the legislative approaches undertaken internationally through the International Public Sector Fraud Forum (IPSFF).

***6b. PAC recommendation: The Department for Science, Innovation and Technology and the Public Sector Fraud Authority should review the regulatory regime around government's fraud and error activities and communicate to Parliament where they believe additional powers or other changes to legislation would improve controls for specific fraud and error risks.***

6.4 The government agrees with the Committee's recommendation

**Target implementation date: March 2027**

6.5 The PSFA, in collaboration with DSIT, will undertake a review of the current regulatory regime impacts the use of controls for specific fraud and error risks and share its findings with the Committee.

6.6 This review will be done in alignment with the wider review of using legislation to enable data analytics to tackle fraud. This review will include an evaluation assessment of how the current regulatory framework operates and, as a result, assess the extent to which additional powers, or amendments to existing legislation, would improve the framework.

# Treasury Minutes Archive[1]

Treasury Minutes are the Government's response to reports from the Committee of Public Accounts. Treasury Minutes are Command Papers laid in Parliament.

### Session 2024-26

| | | |
|---|---|---|
| Committee Recommendations: | 613 | |
| Recommendations agreed: | 569 | (93%) |
| Recommendations disagreed: | 44 | |

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| April 2025 | Government response to PAC reports 1-4, 6-9 | CP 1306 |
| May 2025 | Government response to PAC reports 5,10-17 | CP 1328 |
| June 2025 | Government response to PAC reports 18-22 | CP 1341 |
| July 2025 | Government response to PAC reports 23-26 | CP 1367 |
| August 2025 | Government response to PAC reports 27-34 | CP 1382 |
| September 2025 | Government response to PAC reports 35-42 | CP 1404 |
| December 2025 | Government response to PAC reports 43-46 48 and 49 | CP 1469 |
| January 2026 | Government response to PAC reports 50-55 (and 56 BBC) | CP 1488 |
| March 2026 | Government response to PAC reports 57-61 | CP 1533 |
| April 2026 | Government response to PAC reports 62-67 | CP 1522 |
| May 2026 | Government response to PAC reports 68-75 | CP 1587 |

### Session 2023-24

| | | |
|---|---|---|
| Committee Recommendations: | 271 | |
| Recommendations agreed: | 252 | (93%) |
| Recommendations disagreed: | 19 | |

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| February 2024 | Government response to PAC reports 1-6 [80 Session 22-23] | CP 1029 |
| March 2024 | Government response to PAC reports 7-11 | CP 1057 |
| April 2024 | Government response to PAC reports 12-18 | CP 1070 |
| May 2024 | Government response to PAC reports 19-24 | CP 1085 |
| September 2024 | Government response to PAC reports 26-29, 31, 33-38 | CP 1151 |
| October 2024 | Government response to PAC reports 25, 26, 30 and 32 | CP 1174 |

### Session 2022-23

| | | |
|---|---|---|
| Committee Recommendations: | 551 | |
| Recommendations agreed: | 489 | (89%) |
| Recommendations disagreed: | 62 | |

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| July 2022 | Government response to PAC reports 1, 3 & 10 | CP 722 |
| August 2022 | Government response to PAC reports 2, 4-8 | CP 708 |
| September 2022 | Government response to PAC reports 9, 13-16 | CP 745 |
| November 2022 | Government response to PAC reports 11, 12, 17 | CP 755 |

[1] List of Treasury Minutes responses for Sessions 2010-15 are annexed in the government's response to PAC Report 52

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| December 2022 | Government response to PAC reports 18-22 | CP 774 |
| January 2023 | Government response to PAC reports 23-26 | CP 781 |
| February 2023 | Government response to PAC reports 27-31 | CP 802 |
| March 2023 | Government response to PAC reports 32-36 | CP 828 |
| May 2023 | Government response to PAC reports 37-41 | CP 845 |
| June 2023 | Government response to PAC reports 42-47 | CP 847 |
| July 2023 | Government response to PAC reports 48-54 | CP 902 |
| August 2023 | Government response to PAC reports 55-60 | CP 921 |
| September 2023 | Government response to PAC reports 62-67 | CP 941 |
| November 2023 | Government response to PAC reports 68-71 | CP 968 |
| January 2024 | Government response to PAC reports 72-79 | CP 1000 |
| February 2024 | Government response to PAC reports 80 [1-6 Session 23-24] | CP 1029 |

### Session 2021-22

Committee Recommendations: 362
Recommendations agreed: 333 (92%)
Recommendations disagreed: 29

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| August 2021 | Government response to PAC reports 1-6 | CP 510 |
| September 2021 | Government response to PAC reports 8-11 | CP 520 |
| November 2021 | Government response to PAC reports 7,13-16 (and TM2 BBC) | CP 550 |
| December 2021 | Government response to PAC reports 12, 17-21 | CP 583 |
| January 2022 | Government response to PAC reports 22-26 | CP 603 |
| February 2022 | Government response to PAC reports 27-31 | CP 631 |
| April 2022 | Government response to PAC reports 32-35 | CP 649 |
| April 2022 | Government response to PAC reports 36-42 | CP 667 |
| July 2022 | Government response to PAC reports 49-52 | CP 722 |

### Session 2019-21

Committee Recommendations: 233
Recommendations agreed: 208 (89%)
Recommendations disagreed: 25

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| July 2020 | Government responses to PAC reports 1-6 | CP 270 |
| September 2020 | Government responses to PAC reports 7-13 | CP 291 |
| November 2020 | Government responses to PAC reports 14-17 and 19 | CP 316 |
| January 2021 | Government responses to PAC reports 18, 20-24 | CP 363 |
| February 2021 | Government responses to PAC reports 25-29 | CP 376 |
| February 2021 | Government responses to PAC reports 30-34 | CP 389 |
| March 2021 | Government responses to PAC reports 35-39 | CP 409 |
| April 2021 | Government responses to PAC reports 40- 44 | CP 420 |
| May 2021 | Government responses to PAC reports 45-51 | CP 434 |
| June 2021 | Government responses to PAC reports 52-56 | CP 456 |

### Session 2019

Committee Recommendations: 11
Recommendations agreed: 11 (100%)
Recommendations disagreed: 0

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| January 2020 | Government response to PAC report [112-119] 1 and 2 | CP 210 |

### Session 2017-19

Committee Recommendations: 747
Recommendations agreed: 675 (90%)
Recommendations disagreed: 72 (10%)

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| December 2017 | Government response to PAC report 1 | Cm 9549 |
| January 2018 | Government responses to PAC reports 2 and 3 | Cm 9565 |
| March 2018 | Government responses to PAC reports 4-11 | Cm 9575 |
| March 2018 | Government responses to PAC reports 12-19 | Cm 9596 |
| May 2018 | Government responses to PAC reports 20-30 | Cm 9618 |
| June 2018 | Government responses to PAC reports 31-37 | Cm 9643 |
| July 2018 | Government responses to PAC reports 38-42 | Cm 9667 |
| October 2018 | Government responses to PAC reports 43-58 | Cm 9702 |
| December 2018 | Government responses to PAC reports 59-63 | Cm 9740 |
| January 2019 | Government responses to PAC reports 64-68 | CP 18 |
| March 2019 | Government responses to PAC reports 69-71 | CP 56 |
| April 2019 | Government responses to PAC reports 72-77 | CP 79 |
| May 2019 | Government responses to PAC reports 78-81 and 83-85 | CP 97 |
| June 2019 | Government responses to PAC reports 82, 86-92 | CP 113 |
| July 2019 | Government responses to PAC reports 93-94 and 96-98 | CP 151 |
| October 2019 | Government responses to PAC reports 95, 99-111 | CP 176 |
| January 2020 | Government response to PAC reports 112-119 [1 and 2] | CP 210 |

### Session 2016-17

Committee Recommendations: 393
Recommendations agreed: 356 (91%)
Recommendations disagreed: 37 (9%)

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| November 2016 | Government responses to PAC reports 1-13 | Cm 9351 |
| December 2016 | Government responses to PAC reports 14-21 | Cm 9389 |
| February 2017 | Government responses to PAC reports 22-25 and 28 | Cm 9413 |
| March 2017 | Government responses to PAC reports 26-27 and 29-34 | Cm 9429 |
| March 2017 | Government responses to PAC reports 35-41 | Cm 9433 |
| October 2017 | Government responses to PAC reports 42-44 and 46-64 | Cm 9505 |

## Session 2015-16

| | | |
|---|---|---|
| Committee Recommendations: | 262 | |
| Recommendations agreed: | 225 | (86%) |
| Recommendations disagreed: | 37 | (14%) |

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| December 2015 | Government responses to PAC reports 1 to 3 | Cm 9170 |
| January 2016 | Government responses to PAC reports 4 to 8 | Cm 9190 |
| March 2016 | Government responses to PAC reports 9 to 14 | Cm 9220 |
| March 2016 | Government responses to PAC reports 15-20 | Cm 9237 |
| April 2016 | Government responses to PAC reports 21-26 | Cm 9260 |
| May 2016 | Government responses to PAC reports 27-33 | Cm 9270 |
| July 2016 | Government responses to PAC reports 34-36; 38; and 40-42 | Cm 9323 |
| November 2016 | Government responses to PAC reports 37 and 39 (part 1) | Cm 9351 |
| December 2016 | Government response to PAC report 39 (part 2) | Cm 9389 |

# Treasury Minutes Progress Reports Archive

Treasury Minute Progress Reports provide government updates towards the implementation of recommendations from the Committee of Public Accounts. These reports are Command Papers laid in Parliament.

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| December 2025 | Session 2017-19: updates on 2 PAC reports<br>Session 2019-21: updates on 1 PAC report<br>Session 2021-22: updates on 5 PAC reports<br>Session 2022-23: updates on 24 PAC reports<br>Session 2023-24: updates on 30 PAC reports<br>Session 2024-26: updates to 25 PAC reports | CP 1453 |
| March 2025 | Session 2017-19: updates on 3 PAC reports<br>Session 2019-21: updates on 1 PAC report<br>Session 2021-22: updates on 9 PAC reports<br>Session 2022-23: updates on 41 PAC reports<br>Session 2023-24: updates on 36 PAC reports | CP 1284 |
| May 2024 | Session 2017-19: updates on 5 PAC reports<br>Session 2019-21: updates on 1 PAC report<br>Session 2021-22: updates on 10 PAC reports<br>Session 2022-23: updates on 53 PAC reports<br>Session 2023-24: updates on 6 PAC reports | CP 1102 |
| December 2023 | Session 2017-19: updates on 9 PAC reports<br>Session 2019-21: updates on 2 PAC reports<br>Session 2021-22: updates on 18 PAC reports<br>Session 2022-23: updates on 48 PAC reports | CP 987 |
| June 2023 | Session 2013-14: updates on 1 PAC report<br>Session 2017-19: updates on 11 PAC reports<br>Session 2019-21: updates on 5 PAC reports<br>Session 2021-22: updates on 29 PAC reports<br>Session 2022-23: updates on 27 PAC reports | CP 847 |
| December 2022 | Session 2013-14: updates on 1 PAC report<br>Session 2017-19: updates on 16 PAC reports<br>Session 2019-21: updates on 14 PAC reports<br>Session 2021-22: updates on 38 PAC reports<br>Session 2022-23: updates on 8 PAC reports | CP 765 |
| June 2022 | Session 2013-14: updates on 1 PAC report<br>Session 2017-19: updates on 27 PAC reports<br>Session 2019-21: updates on 34 PAC reports<br>Session 2021-22: updates on 30 PAC reports | CP 691 |
| November 2021 | Session 2013-14: updates on 1 PAC report<br>Session 2016-17: updates on 3 PAC reports<br>Session 2017-19: updates on 33 PAC reports<br>Session 2019: updates on 2 PAC reports<br>Session 2019-21: updates on 47 PAC reports<br>Session 2021-22: updates on 5 PAC reports | CP 549 |
| May 2021 | Session 2010-12: updates on 1 PAC report<br>Session 2013-14: updates on 1 PAC report<br>Session 2016-17: updates on 4 PAC reports<br>Session 2017-19: updates on 47 PAC reports<br>Session 2019: updates on 2 PAC reports<br>Session 2019-21: updates on 28 PAC reports | CP 424 |

| Publication Date | PAC Reports | Ref Number |
|---|---|---|
| November 2020 | Session 2010-12: updates on 1 PAC report<br>Session 2013-14: updates on 1 PAC report<br>Session 2016-17: updates on 7 PAC reports<br>Session 2017-19: updates on 73 PAC reports<br>Session 2019: updates on 2 reports | CP 313 |
| February 2020 | Session 2010-12: updates on 2 PAC reports<br>Session 2013-14: updates on 1 PAC report<br>Session 2015-16: updates on 3 PAC reports<br>Session 2016-17: updates on 14 PAC reports<br>Session 2017-19: updates on 71 PAC reports | CP 221 |
| March 2019 | Session 2010-12: updates on 2 PAC reports<br>Session 2013-14: updates on 4 PAC reports<br>Session 2014-15: updates on 2 PAC reports<br>Session 2015-16: updates on 7 PAC reports<br>Session 2016-17: updates on 22 PAC reports<br>Session 2017-19: updates on 46 PAC reports | CP 70 |
| July 2018 | Session 2010-12: updates on 2 PAC reports<br>Session 2013-14: updates on 4 PAC reports<br>Session 2014-15: updates on 2 PAC reports<br>Session 2015-16: updates on 9 PAC reports<br>Session 2016-17: updates on 38 PAC reports<br>Session 2017-19: updates on 17 PAC reports | Cm 9668 |
| January 2018 | Session 2010-12: updates on 2 PAC reports<br>Session 2013-14: updates on 5 PAC reports<br>Session 2014-15: updates on 4 PAC reports<br>Session 2015-16: updates on 14 PAC reports<br>Session 2016-17: updates on 52 PAC reports | Cm 9566 |
| October 2017 | Session 2010-12: updates on 3 PAC reports<br>Session 2013-14: updates on 7 PAC reports<br>Session 2014-15: updates on 12 PAC reports<br>Session 2015-16: updates on 26 PAC reports<br>Session 2016-17: updates on 39 PAC reports | Cm 9506 |
| January 2017 | Session 2010-12: updates on 1 PAC report<br>Session 2013-14: updates on 5 PAC reports<br>Session 2014-15: updates on 7 PAC reports<br>Session 2015-16: updates on 18 PAC reports | Cm 9407 |
| July 2016 | Session 2010-12: updates on 6 PAC reports<br>Session 2012-13: updates on 2 PAC reports<br>Session 2013-14: updates on 15 PAC reports<br>Session 2014-15: updates on 22 PAC reports<br>Session 2015-16: updates on 6 PAC reports | Cm 9320 |
| February 2016 | Session 2010-12: updates on 8 PAC reports<br>Session 2012-13: updates on 7 PAC reports<br>Session 2013-14: updates on 22 PAC reports<br>Session 2014-15: updates on 27 PAC reports | Cm 9202 |
| March 2015 | Session 2010-12: updates on 26 PAC reports<br>Session 2012-13: updates on 17 PAC reports<br>Session 2013-14: updates on 43 PAC reports | Cm 9034 |
| July 2014 | Session 2010-12: updates on 60 PAC reports<br>Session 2012-13: updates on 37 PAC reports | Cm 8899 |
| February 2013 | Session 2010-12: updates on 31 PAC reports | Cm 8539 |

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