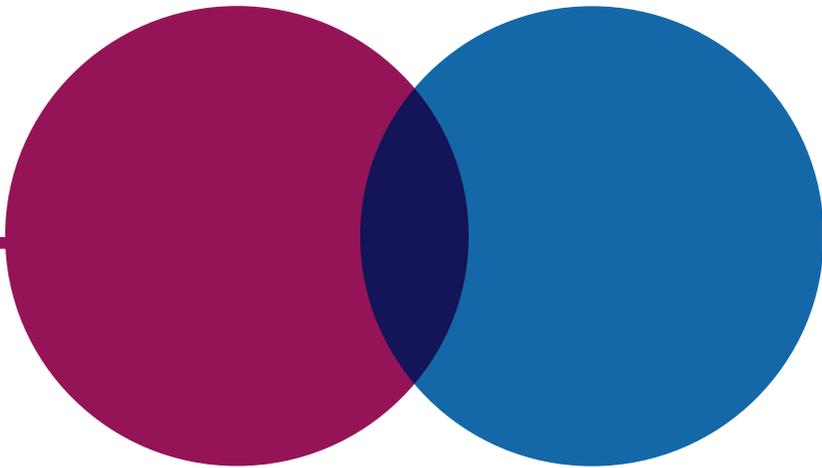




National Audit Office



# Accounting officer assessments: improving decision-making and transparency over government's major programmes

Cross-government

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**REPORT**

**by the Comptroller  
and Auditor General**

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**SESSION 2022-23**

**11 JULY 2022**

**HC 65**



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National Audit Office

# Accounting officer assessments: improving decision-making and transparency over government's major programmes

**Cross-government**

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## **Report by the Comptroller and Auditor General**

Ordered by the House of Commons  
to be printed on 11 July 2022

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National Audit Act 1983 for presentation to the House  
of Commons in accordance with Section 9 of the Act

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**Gareth Davies**  
**Comptroller and Auditor General**  
**National Audit Office**

**6 July 2022**

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## 4 Summary

Accounting officer assessments: improving decision-making and transparency over government's major programmes

# Summary

**1** Central government bodies must exercise effective stewardship over their use of public money. A body's accounting officer, normally the permanent secretary as the most senior civil servant, is personally responsible and accountable to Parliament for managing the use of public money. At the same time, the permanent secretary is responsible for delivering ministers' priorities. In 2016, we reported on the challenges accounting officers face balancing these duties. We concluded that they needed to exercise their responsibility to Parliament more explicitly and transparently.<sup>1</sup>

**2** HM Treasury sets out the duties of accounting officers and its expectations of them in *Managing Public Money*. This makes clear that accounting officers should ensure bodies "operate effectively and to a high standard of probity". Government has established controls and processes to support this duty. This includes allowing accounting officers to seek a 'ministerial direction' to go ahead when ministerial proposals do not meet one or more of the four public spending standards set out in *Managing Public Money* – regularity; propriety; value for money; and feasibility.

**3** An accounting officer assessment (AO assessment) is a critical part of HM Treasury's controls and processes set out in *Managing Public Money*. It provides a framework for accounting officers to consider significant spending decisions against the four public spending standards. HM Treasury has reiterated the importance of AO assessments for supporting novel and contentious decisions and made them a requirement at certain key points in the life of all programmes that form part of the Government Major Projects Portfolio (GMPP).<sup>2</sup> To improve transparency HM Treasury also introduced a requirement for summary AO assessments, which are less detailed than the unpublished assessments, relating to these major programmes to be published and shared with the Committee of Public Accounts and the Comptroller and Auditor General (C&AG) unless there are overriding sensitivities. As such AO assessments have two purposes. They:

- support accounting officers in making good decisions that align with Parliament's expectations for spending public money; and
- support the transparency and effective scrutiny of spending and decision-making by Parliament on behalf of taxpayers.

In December 2021, HM Treasury updated its 2017 guidance on completing and publishing AO assessments.

<sup>1</sup> Comptroller and Auditor General, *Accountability to Parliament for taxpayers' money*, Session 2015-16, HC 849, National Audit Office, February 2016 available at: [www.nao.org.uk/report/accountability-to-parliament-for-taxpayers-money/](http://www.nao.org.uk/report/accountability-to-parliament-for-taxpayers-money/)

<sup>2</sup> The GMPP brings together the riskiest and highest cost programmes across government.

4 This report looks at:

- how AO assessments have evolved since 2017 in terms of HM Treasury's requirements and compliance with these requirements (Part One);
- how assessments support accounting officers' decision-making (Part Two); and
- how assessments support Parliament's scrutiny of decisions (Part Three).

5 We do not comment on the value for money of individual programmes. We draw out insights for accounting officers and Parliament on how AO assessments can support value for money across major programmes. Appendix One provides more detail on our approach, which included engaging with four accounting officers and a survey of central government bodies. Our analysis considers AO assessments signed before the end of December 2021, when HM Treasury introduced revised guidance. AO assessments have been completed and published since that date.

## Background

6 **Accounting officers have used AO assessments to support decisions on major programmes and more widely.** Published summary AO assessments cover a wide range of programmes including High Speed 2, Astute submarines and Rural Gigabit Connectivity. More widely, departments have also used AO assessments to help make major decisions relating to the UK's exit from the EU and response to the COVID-19 pandemic. It is not possible to say how many AO assessments have been carried out – neither departments nor HM Treasury provided us a complete list and a proportion will be unpublished. With the number of major programmes on the GMPP increasing, and the likelihood that the government may need to make difficult spending decisions because of pressures on public finances, the use of AO assessments may need to increase (paragraphs 1.4, 1.8, 1.9 and 1.11, and Appendix Two).

7 **The available evidence indicates that accounting officers are not consistently publishing and sharing their AO assessments on major programmes in line with HM Treasury guidance.** Since April 2017, an AO assessment is required when a programme joins the GMPP or when an outline business case is completed, should this be later. It is also required when a programme has changed significantly. Of the 227 programmes on the GMPP as at 31 December 2021, we identified 139 that may have required an AO assessment (112 were at an early stage and there were an additional 27 that we judged to have changed significantly). We found summary AO assessments, signed between September 2017 and December 2021, for 52 of these programmes published by 13 bodies. Over the same period, the C&AG has been notified, in line with HM Treasury requirements, of summary AO assessments for 33 of these programmes. He should also be informed of unpublished AO assessments but has not been informed of any (paragraphs 1.7 and 1.14 to 1.18, and Figure 6).

## 6 Summary

Accounting officer assessments: improving decision-making and transparency over government's major programmes

### Supporting accounting officers making decisions

**8 Accounting officers value the assessment process.** Of the 13 central government bodies that responded to our survey, 12 said that they found AO assessments either valuable or very valuable to the accounting officer. This was endorsed by the four accounting officers we heard from as part of this work. Among other benefits, AO assessments help provide a clear framework for difficult decisions; help accounting officers focus on programme performance; and show how the accounting officer has considered the standards set out in *Managing Public Money*. AO assessments serve a different purpose from the assurance provided by the Infrastructure and Projects Authority (IPA) (paragraphs 1.5, 2.2 to 2.3).

**9 Differences in how departments approach AO assessments offer opportunities to share insights to make the process more effective and easier.** Respondents to our survey of central government bodies told us it was generally not too challenging to assess programmes against the four standards in *Managing Public Money*. However, some found assessing feasibility and value for money challenging. Some departments had put in place arrangements and support to improve the quality of their AO assessments. But departments did not widely share or use AO assessments internally. For example, we found few shared them with their investment and risk committees whose role is, among other things, to scrutinise major spending (paragraphs 2.4 and 2.5, and Figure 8).

### Enhancing transparency and accountability

**10 Publishing summary AO assessments supports transparency and Parliament's scrutiny of public spending.** Transparency is one of the principles expected of all public services in the UK. The four accounting officers we engaged with as part of this work said that they could see some merit in publishing a summary of their AO assessments. Where available, the Committee of Public Accounts uses AO assessments to support its scrutiny of accounting officers – for example, when it considered the Home Office's Information Law Enforcement Alerts Platform. We also identified where the Committee having access to summary AO assessments could have improved their scrutiny (paragraphs 3.2 to 3.5, and Figure 9).

**11 Published summary AO assessments do not always include sufficient information to make clear what issues accounting officers considered when making their judgements.** All the 54 published summary AO assessments we reviewed stated that *Managing Public Money* standards had been considered. However, there was often limited supporting evidence, which undermined the usefulness of this published material. Of the 13 central government bodies responding to our survey, 10 told us that when deciding how much information should be published it can be challenging to balance transparency with, for example, protecting commercial interests. HM Treasury's revised guidance now covers this issue in more detail (paragraphs 3.9 and 3.12).

**12 A quarter of summary AO assessments were published over six months after they had been signed, which undermines their purpose to support transparency and scrutiny over decisions.** HM Treasury requires accounting officers to publish summary AO assessments as soon as the decision to proceed has been made, subject to public interest considerations. Almost two thirds of the 56 summary AO assessments where data were available were published within three months of the underlying AO assessment being signed, but 14 were published more than six months later (paragraph 3.7 and Figure 10).

## Conclusion

**13** Accounting officers and their organisations recognise the value of the AO assessment process which supports well thought through decision-making. It also helps an accounting officer decide whether they need a ministerial direction to go ahead with a programme. However, we cannot be sure that AO assessments for major programmes have been consistently completed in line with HM Treasury's requirements and therefore that their purpose as a decision-making tool has been realised.

**14** Published summary AO assessments have to some extent increased the transparency and assurance that Parliament has over the government's spending on major programmes. But that assurance is limited because too few summary AO assessments are published, and those that are published are often not timely or detailed enough to provide the explicit assurance Parliament has asked for from accounting officers.

## Recommendations

**15** For major programmes HM Treasury requires AO assessments, and a published summary, to help demonstrate that accounting officers are discharging their duty to safeguard taxpayers' money and provide assurance to Parliament. Our recommendations identify where this governance and accountability mechanism can be improved.

**16** To maximise the value of AO assessments in supporting good-quality decision-making, accounting officers should:

- consider sharing AO assessments with those parts of their organisation that need to understand departmental risk and spending (such as the investment committee) and the governance and scrutiny of those decisions (such as internal audit and the audit and risk committee); and
- regularly identify those areas of the AO assessment that prove the most challenging to complete, and identify what additional support may be required for staff.

## 8 Summary

Accounting officer assessments: improving decision-making and transparency over government's major programmes

HM Treasury should:

- enhance its support to accounting officers and departments by, for example, completing an annual review of the quality of AO assessments to help identify good practice, providing training and facilitating conversations across government on what 'good' looks like; and
- as part of any wider governance review provide greater clarity on how AO assessments fit within the wider governance and accountability framework, including the IPA's reviews of major programmes. This should also set out when AO assessments and published summaries are required for programmes that do not follow the traditional business case route.

**17** So accounting officers can better provide Parliament with the explicit assurance they expect over programmes, accounting officers should:

- ensure that published summary AO assessments include sufficient information to enable readers to understand the issues they considered in making their judgements, including their consideration of risk and its mitigations; and
- publish a summary as soon as possible after the full AO assessment is produced and signed off by the accounting officer; and if this is not possible, notify the C&AG and HM Treasury's Officer of Accounts that an AO assessment has been produced, setting out the date by which a summary would be published.

HM Treasury should:

- remind accounting officers of the need to fulfil their responsibility to publish summary AO assessments and ensure that these are easily accessible through its GOV.UK website to improve transparency.

# Part One

## The accounting officer assessment process

**1.1** In this part of the report, we set out the background to accounting officer assessments (AO assessments), HM Treasury's requirements and accounting officers' compliance with this guidance.

### Background

**1.2** Both ministers and civil servants are accountable to Parliament for the spending and performance of central government bodies. As the senior civil servant, the accounting officer is personally responsible and accountable for managing a government body. Accounting officers fulfil two roles:

- **accountability, as a civil servant, to their minister.** These responsibilities are set out in *The Civil Service Code* and include providing objective advice to ministers based on the facts and keeping accurate records as openly as possible within the legal framework.<sup>3</sup>
- **accountability, as the accounting officer, to Parliament for the use of public money and the stewardship of an organisation's assets.** HM Treasury outlines the expectations and duties of accounting officers in its guidance *Managing Public Money*.<sup>4</sup> It states that accounting officers, acting with the authority of the ministers to whom they are responsible, should make sure that the organisation "operates effectively and to a high standard of probity". The accounting officer is personally responsible for making sure that the organisation delivers against four standards relevant to the organisation's governance, decision-making and financial management. **Figure 1** overleaf describes these four standards.

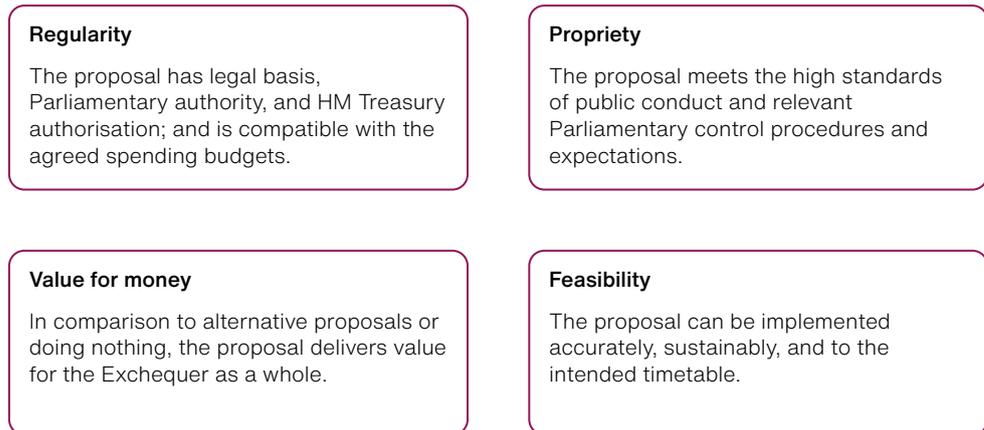
<sup>3</sup> HM Government, *The Civil Service code*, March 2015, available at: [www.gov.uk/government/publications/civil-service-code/the-civil-service-code](http://www.gov.uk/government/publications/civil-service-code/the-civil-service-code)

<sup>4</sup> HM Treasury *Managing Public Money*, March 2022, available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1060284/MPM\\_Spring\\_21\\_with\\_annexes\\_040322.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1060284/MPM_Spring_21_with_annexes_040322.pdf)

## Figure 1

### The four accounting officer standards

Accounting officers must show how they consider spending decisions against four standards



Source: National Audit Office summary of HM Treasury's *Accounting Officer Assessments: guidance* (December 2021)

**1.3** The government has in place a system of governance to support accounting officers to fulfil their responsibilities (**Figure 2**). AO assessments – a tool introduced by HM Treasury to help accounting officers assess whether major spending decisions align with *Managing Public Money* – are an important part of this system. These assessments are intended, for example, to support good decision-making and provide positive assurance that the four accounting officer standards have been met in line with Parliament's expectations.

**1.4** There is no overarching framework setting out how elements of the system fit together but AO assessments link with other aspects of the governance framework through:

- **Programme business cases** where an AO assessment is required for HM Treasury to approve an outline business case. Conversely the business case can provide much of the analysis required for an AO assessment. We saw how some departments directly linked the AO assessment process to internal reviews of the business case.
- **Ministerial directions:** In 2016, we concluded that accounting officers were not making sufficient use of ministerial directions. In May 2020, we reported that departments have used these, particularly in response to COVID-19.<sup>5</sup> As it sets out in its guidance, HM Treasury is clear that the completion of an AO assessment supports the accounting officer's decision as to whether, and on what grounds, to seek a ministerial direction.

5 Comptroller and Auditor General, *Overview of the UK government's response to the COVID-19 pandemic*, Session 2019–2021, HC 366, National Audit Office, May 2020.

## Figure 2

### Arrangements to support accounting officers in fulfilling their responsibilities and maintain HM Treasury oversight

**Accounting officer assessments (AO assessments) are one of several approaches intended to help accounting officers fulfil their responsibilities**

Approach	Description
<i>Managing Public Money</i>	Sets out the main principles for how public funds should be handled across public sector organisations.
'Dear Accounting Officer' letters	Provide specific advice on accountability, regularity, propriety, value for money and annual accounting exercises, to supplement <i>Managing Public Money</i> .
Spending review and outcome delivery plans	HM Treasury decides how to spend public money in line with government priorities through spending reviews, determining how much money each department can spend over a given (usually multi-year) period. Each main department then publishes a plan, known as outcome delivery plans, setting out how it is working towards delivery of its priority outcomes.
AO assessments	Show how spending decisions meet the four standards set out in <i>Managing Public Money</i> . For programmes in the Government Major Projects Portfolio, this is undertaken alongside approval of the business case, or later where, for example, programmes depart from the agreed plan. A summary should be published.
HM Treasury business case approval	HM Treasury scrutinises and approves any project and programme spending that is outside a department's delegated authority limits set by HM Treasury. Projects and programmes seeking an approval also require accounting officer approval, often through an AO assessment.
Ministerial directions	An accounting officer cannot sign-off a policy or proposal that breaches one or more of the <i>Managing Public Money</i> standards. Where they find it does, and it is not possible to redesign, they may seek a ministerial direction. The accounting officer writes to the minister explaining why the proposal does not meet the standards. The minister may direct the accounting officer to go ahead, with reasons – this is a ministerial direction. The letters and relevant papers should be copied to the Comptroller and Auditor General and the HM Treasury's Officer of Accounts, and – if not confidential – published.
Oversight of major projects	Accounting officers should attend the Major Projects Review Group which advises HM Treasury ministers on whether the highest profile and most complex government programmes should proceed. Also, from April 2021, the Infrastructure and Projects Authority escalates to accounting officers its recommendations for any programmes it assesses as not being ready to progress.

#### Note

- 1 HM Treasury is currently considering how AO assessments fit alongside the Infrastructure and Projects Authority's reviews of major programmes.

Source: National Audit Office review of HM Treasury guidance and other material

**1.5** HM Treasury is currently considering how AO assessments fit alongside the Infrastructure and Projects Authority's (IPA's) reviews of major programmes. AO assessments serve a different purpose from the assurance provided by the IPA which considers delivery and the programme's readiness to progress to the next stage in its lifecycle.

### **AO assessments – key developments**

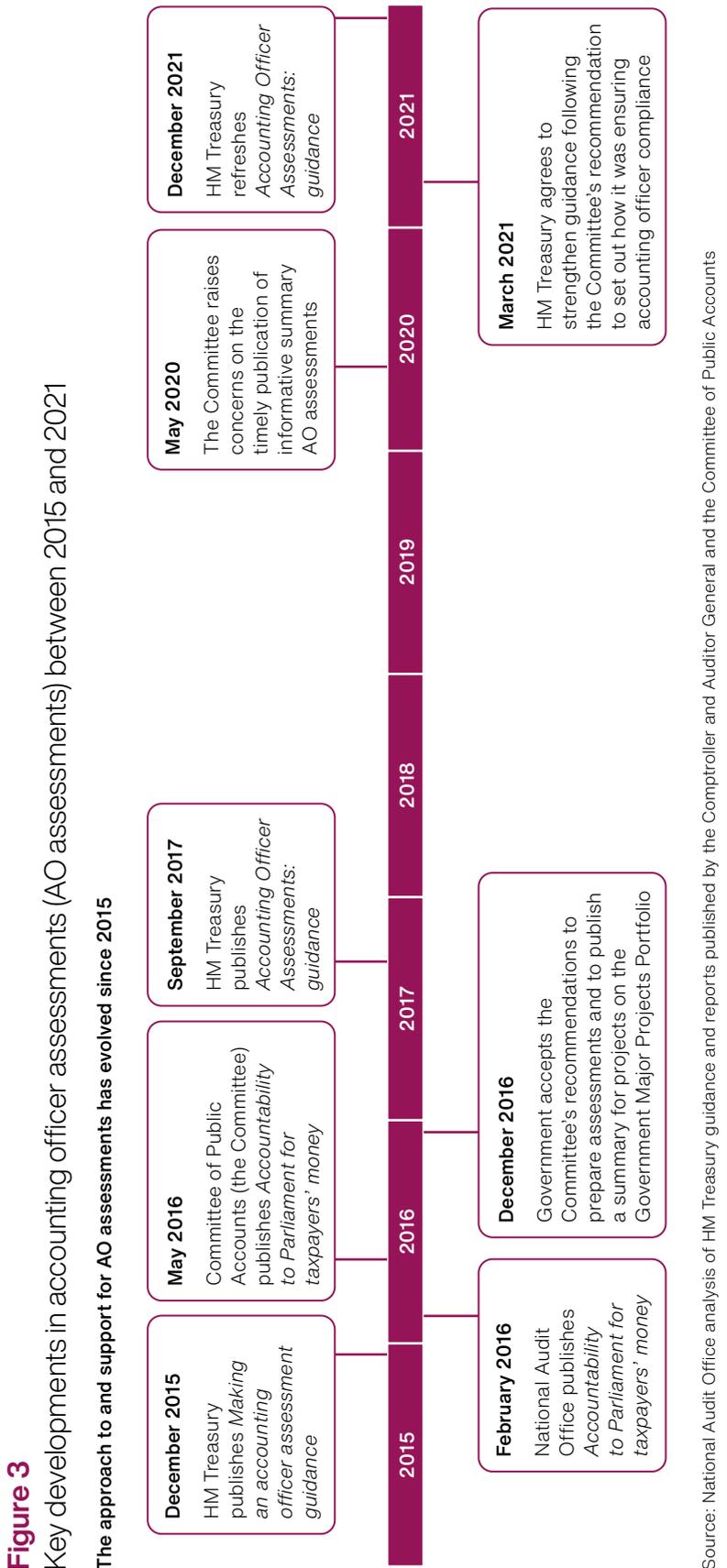
**1.6** The use of AO assessments has developed since HM Treasury introduced them in 2015 (**Figure 3**). Responding to our 2016 report, *Accountability to Parliament for taxpayers' money*, and the subsequent Committee of Public Accounts report, HM Treasury made important changes to when and how AO assessments should be used.<sup>6</sup> It agreed that major projects and policy initiatives fell within its AO assessment guidance. This covered programmes forming part of the Government Major Projects Portfolio (GMPP). The GMPP brings together the government's riskiest and highest-cost programmes – at the end of March 2021, this covered 184 programmes with a whole-life cost of £542 billion. The size of the GMPP is increasing, with 227 programmes at the end of December 2021 – a 23% increase in nine months – which may mean the number of AO assessments will increase. The government also agreed that a summary of the AO assessment for GMPP programmes should be made publicly available.

**1.7** In September 2017, HM Treasury updated its guidance and wrote to accounting officers setting out that assessments should always be prepared for programmes on the GMPP when the accounting officer approves the outline business case (or when a programme joins the GMPP if this is later). A summary should be published unless there are overriding confidentiality reasons. Subsequently, in December 2021, HM Treasury published updated guidance which, for example, provided more detail on what an accounting officer should consider when making an assessment. **Figure 4** on page 14 summarises what the guidance requires of accounting officers.

**1.8** Beyond GMPP programmes, it is good practice for accounting officers to conduct an AO assessment for any novel or contentious transaction or proposal. Accounting officers have used this framework, for example to decide whether to agree a £33 million settlement with Eurotunnel following a legal challenge around additional freight contracts and regarding the Migration and Economic Partnership with the Government of Rwanda, which led to a ministerial direction.<sup>7</sup> There is no expectation that summaries of these AO assessments will be published.

<sup>6</sup> Comptroller and Auditor General, *Accountability to Parliament for taxpayers' money*, Session 2015-16, HC 849, National Audit Office, February 2016 available at: [www.nao.org.uk/report/accountability-to-parliament-for-taxpayers-money/](http://www.nao.org.uk/report/accountability-to-parliament-for-taxpayers-money/)

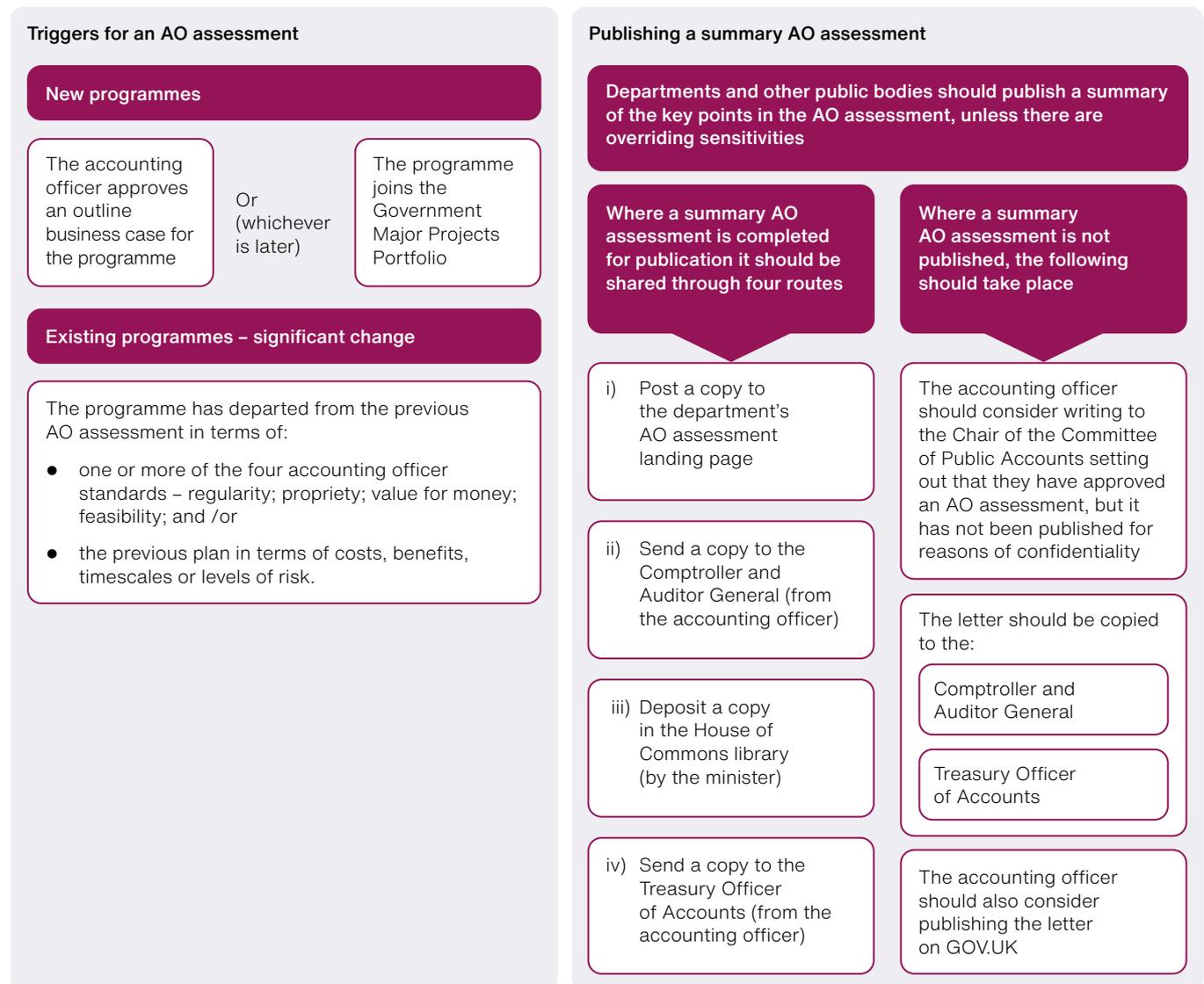
<sup>7</sup> The ministerial direction is available at: [www.gov.uk/government/publications/migration-and-economic-development-partnership-ministerial-direction](http://www.gov.uk/government/publications/migration-and-economic-development-partnership-ministerial-direction)



**Figure 4**

HM Treasury requirements for completing and publishing accounting officer assessments (AO assessments), September 2017

Accounting officers should notify Parliament and the Comptroller and Auditor General when assessments have been published



**Notes**

- 1 HM Treasury set out the approach to AO assessments in September 2017 guidance. In December 2021, HM Treasury published updated guidance. This did not change the overarching process but provided more detail on how accounting officers should conduct assessments and decide what should be published.
- 2 HM Treasury requires accounting officers to publish 'as soon as the decision to proceed has been noted', whilst recognising that timings might depend on other sensitivities such as commercial confidentiality.

Source: National Audit Office summary of HM Treasury’s *Accounting Officer Assessments: guidance* (2017)

## Compliance with HM Treasury's requirements

### Identifying when an AO assessment is required

**1.9** It is not possible to say whether accounting officers have produced an assessment in all the circumstances envisaged in HM Treasury guidance. Four of the 13 central government bodies that responded to our survey told us they did not have a record of the GMPP programme AO assessments completed between September 2017 and the end of December 2021.<sup>8</sup> HM Treasury does not maintain a list of completed AO assessments but expects an accounting officer to put published summary AO assessments on their department's GOV.UK pages, which would create a list.

**1.10** AO assessments will not be required for all the 227 programmes on the GMPP as at December 2021. HM Treasury's guidance requires an accounting officer to produce an assessment for programmes joining the GMPP, or on completion of an outline business case if this is later. We were told that the exact timing can be hard to determine for programmes operating in tranches that do not have a single outline business case stage. Our view is that an AO assessment could reasonably be expected for 112 programmes that were at an early stage between September 2017 and December 2021. Looking ahead, 43 of the 227 programmes will require an AO assessment when they reach their outline business case stage.

**1.11** HM Treasury's guidance also states that an AO assessment should be produced for a programme or project if, after its initial approval, it "departs from the four standards or the agreed plan [...] in terms of costs, benefits, timescales, or level of risk, which informed the accounting officer's previous approval". The guidance is not prescriptive about what this means in practice. The IPA told us this could be interpreted as a substantial change to the business case that alters HM Treasury's approvals. In other guidance, HM Treasury listed some factors that may alter approvals as a change in the delivery confidence assessment, or concerns with value for money, affordability, market appetite, or deliverability. Looking ahead, it is possible that government's drive for savings, the impact of inflation on cost, and changes to underlying assumptions may mean significant changes to major programmes are more likely to occur.

<sup>8</sup> We sent an online survey to the finance directors of the 17 central government bodies (departments) with programmes in the Government Major Project Portfolio as at 31 December 2021. This sought their views on the value of accounting officer assessments, the process adopted, and the challenges making assessments and deciding what to publish. We received complete responses from 13 departments.

**1.12** Departments consider whether a programme has undergone a significant change in different ways. We asked central government bodies to describe the criteria they considered – eight of the 13 responding to our survey told us that they had a formal approach to identify when an AO assessment was required. Three told us that they had defined thresholds (for example, where a current forecast of spending is 10% more or less than the budget or when 'triggers' set by the internal investment committee had been met). Two looked at changes to a programme's circumstances – for example, to its timetable or the assessment of benefits.

**1.13** In the absence of specific HM Treasury guidance, we reviewed the 227 programmes on the GMPP as at December 2021 to identify those that might be considered to have had a significant change that would trigger an AO assessment. We found that 27 programmes might reasonably be considered as having changed significantly. These included 14 where budgets had changed by more than 10%, 10 where the IPA lowered its delivery confidence assessment and three programmes meeting both these criteria.<sup>9</sup>

### Publishing summaries

**1.14** Departments should publish a summary of the key points in each AO assessment of GMPP programmes unless there are overriding sensitivities, such as commercial considerations, that outweigh the merits of making the assessment publicly available. Publication of the full assessment will not normally be appropriate but the published summary should make clear the basis on which the accounting officer approved the assessment. In deciding what information should be published, accounting officers should balance public interest in transparency, especially where public resources have been committed, against the public interest in maintaining a confidential space for policy discussions.

**1.15** As part of this work, we identified 73 summary AO assessments signed before 2022 that had been published on GOV.UK. These summary AO assessments covered 52 of the 227 programmes that were on the GMPP as at December 2021. The difference can be explained by three programmes having multiple assessments – including five relating to High Speed 2 (Phase one) – as well as assessments relating to programmes not on, or having left, the GMPP. Thirteen bodies published summary AO assessments while five bodies – the Cabinet Office, Department for Education, Department of Health & Social Care, National Crime Agency, and Office for National Statistics – did not publish any (**Figure 5** on pages 17 and 18). Explanations provided by bodies include not having the capacity to undertake AO assessments.

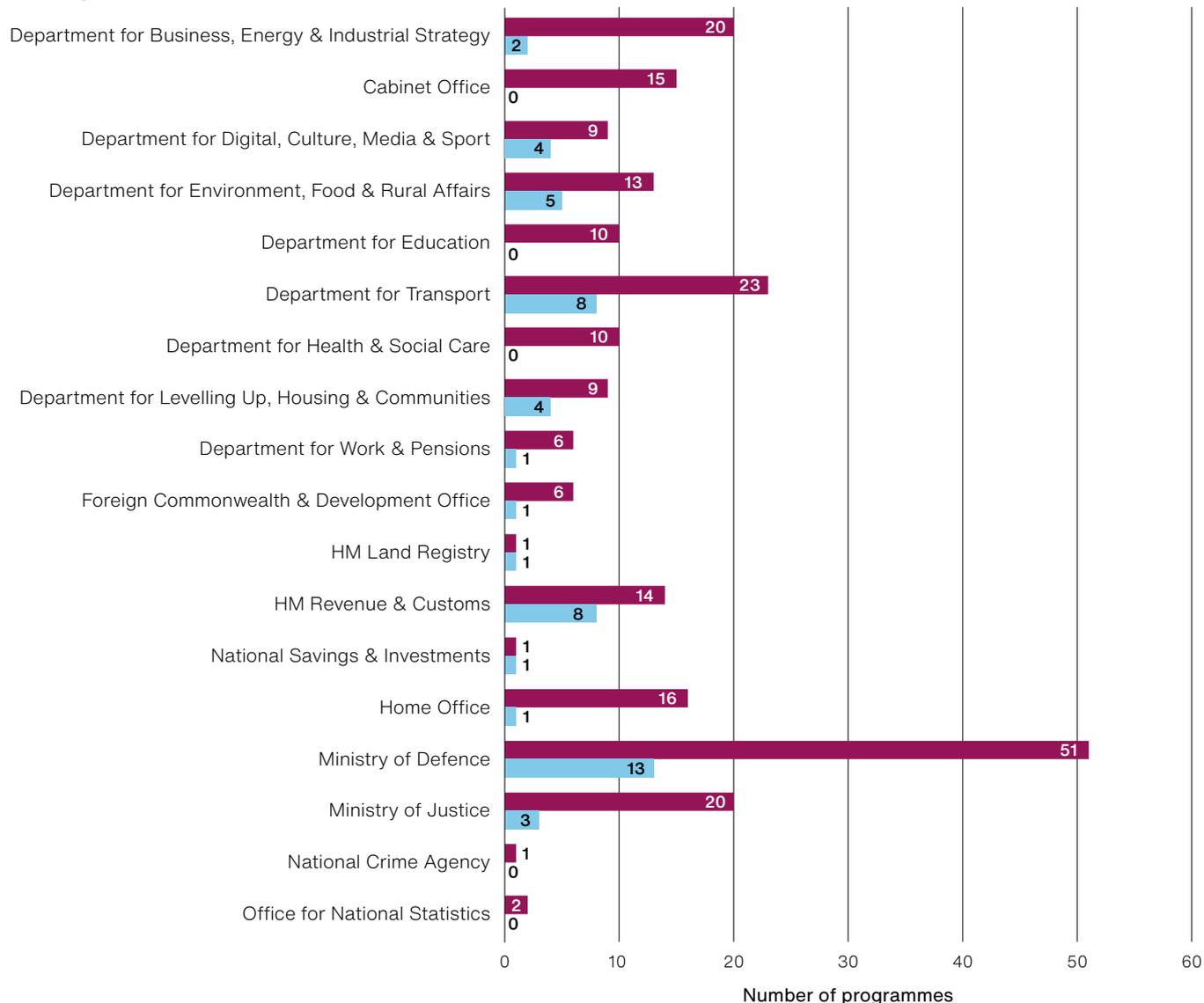
<sup>9</sup> In analysing changes to programmes, we did not consider the 112 programmes that had been added to the Government Major Project Portfolio since September 2017, or had completed an outline business case if that was later.

**Figure 5**

Comparison between the Government Major Projects Portfolio (GMPP) programmes and published summary accounting officer assessments (AO assessments), December 2021

**Five central government bodies with GMPP programmes have not published summary AO assessments**

Central government bodies



■ Number of programmes on GMPP (as at 31 December 2021)

■ Number of GMPP programmes as at 31 December 2021 with published summary AO assessments

**Figure 5** *continued*

Comparison between the Government Major Project Portfolio (GMPP) programmes and published summary accounting officer assessments (AO assessments), December 2021

**Notes**

- 1 Our analysis covers 227 programmes on the GMPP at as at 31 December 2021. Since that date, new programmes have joined the GMPP. We would not expect there to be an AO assessment for each of these programmes as some will have not reached outline business case stage and programmes may not have changed significantly.
- 2 Our analysis is correct as at 31 December 2021 and covers summary AO assessments signed before 2022 for 52 programmes. Some programmes have had more than one summary AO assessment published with five relating to High Speed 2 (Phase one); two to High Speed 2 (Phase 2a) and two to Fleet Solid Support. Since December 2021, further summary AO assessments have been published.
- 3 After completing an AO assessment, the accounting officer may decide that a ministerial direction is required to proceed with the programme because ministerial proposals do not meet one or more of the accounting officer standards set out in *Managing Public Money*. These should be published unless confidentiality is in the public interest. For example, the accounting officer at the Department for Levelling Up, Housing & Communities published the ministerial directions for two building safety programmes rather than a summary AO assessment.

Source: National Audit Office analysis of the Infrastructure and Projects Authority's Government Major Project Portfolio data and GOV.UK

**1.16** As we highlight in paragraphs 1.10 and 1.13, summary AO assessments will not be expected for all GMPP programmes – between September 2017 and December 2021 we identified 139 major programmes where it may reasonably be expected that an accounting officer would have completed an assessment, and therefore published a summary, because of the programme maturing since late 2017 (112 programmes) or changing significantly (27 programmes).

**1.17** HM Treasury's guidance states that copies of summary AO assessments should be deposited with the Library of the House of Commons and sent to the Comptroller and Auditor General (C&AG) and HM Treasury's Officer of Accounts (TOA).<sup>10</sup> This requirement has not always been followed (**Figure 6**). Between late 2017 and December 2021, the C&AG has been notified of 36 summary AO assessments covering 33 programmes. The TOA does not maintain a list of completed AO assessments or those they are made aware of. Five of the 13 central government bodies responding to our survey told us that they did share completed AO assessments with HM Treasury.

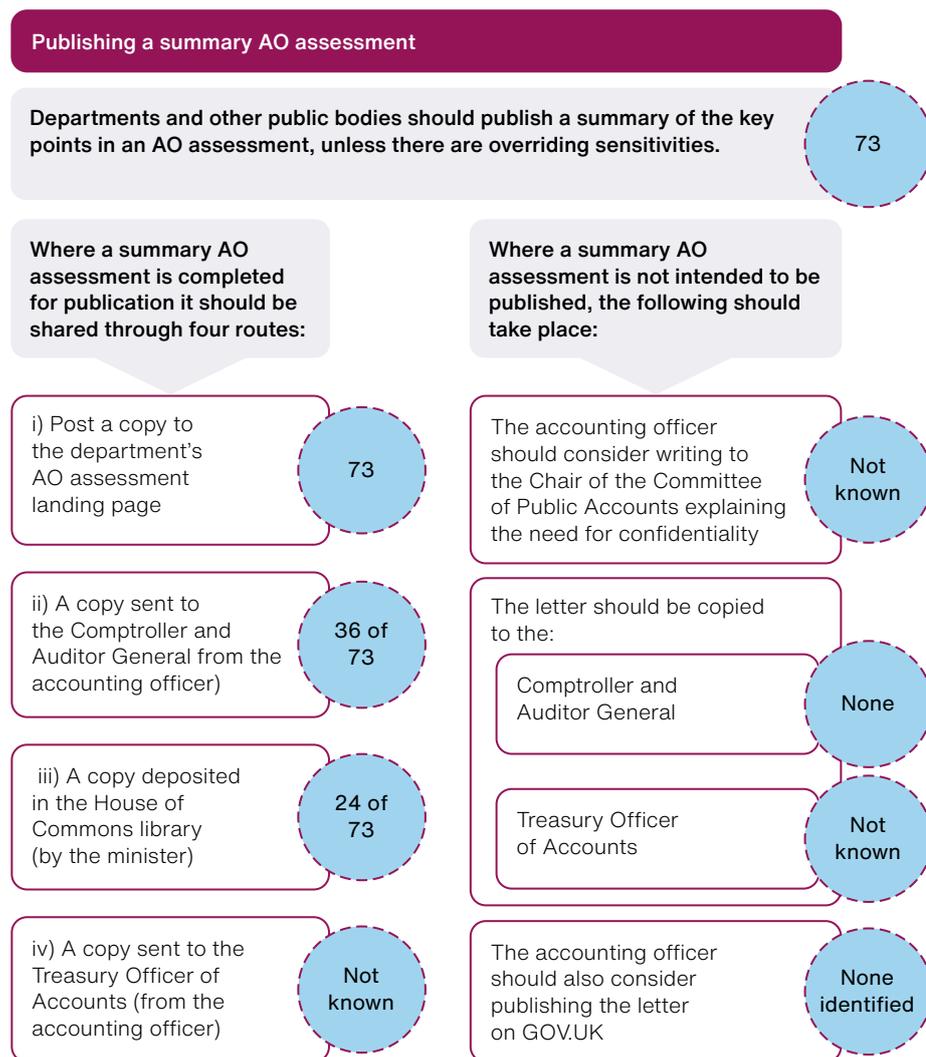
**1.18** When the accounting officer decides not to publish a summary AO assessment, they should inform the Chair of the Committee of Public Accounts that an assessment has been completed but explaining the need for confidentiality (a summary of the key points can also be provided in a confidential annex). The accounting officer should copy this letter to the C&AG and TOA. If appropriate, the letter, without the confidential annex, should be considered for publication on GOV.UK. The C&AG has not received notification of any unpublished AO assessments. In exceptional cases, a programme might be so sensitive that no disclosure of it can be made. In these cases, the accounting officer should still complete a full AO assessment, but no publication or notification is required.

<sup>10</sup> The HM Treasury's Officer of Accounts is responsible for the form of public accounting and dealings with departmental accounting officers, including relations with the Committee of Public Accounts.

### Figure 6

Accounting officer assessments (AO assessments) completed and published between September 2017 and December 2021

We found 73 published summary AO assessments, but only some of these had been shared in line with HM Treasury guidance



⚙️ Number of summary AO assessments

**Notes**

- 1 The figure shows 73 summary AO assessments identified as part of our work on the GOV.UK website, which reach across 52 programmes with multiple assessments for three programmes. We include those where the AO assessment was signed before the end of December 2021.
- 2 HM Treasury requires accounting officers to publish 'as soon as the decision to proceed has been noted', whilst recognising that timings might depend on other factors such as commercial confidentiality.

Source: National Audit Office review of GOV.UK and information provided by departments and the House of Commons library

## Part Two

### Supporting decision-making

**2.1** In this part of the report, we look at how accounting officers carry out accounting officer assessments (AO assessments) and the value they gain from doing so.

#### **Value of AO assessments to accounting officers**

**2.2** HM Treasury is clear on the benefits of producing AO assessments. They support good decision-making, provide assurance that standards set out in *Managing Public Money* have been met, and enable accounting officers to discharge their duty to Parliament. They also support accountability and effective scrutiny of taxpayers' money, particularly when shared with the Committee of Public Accounts.

**2.3** Of the 13 central government bodies that responded to our survey, 12 described assessments as either 'valuable or very valuable' to the accounting officer.<sup>11</sup> We also heard from four accounting officers as part of this work, all of whom felt that assessments were valuable. Some of the reasons bodies and accounting officers arrived at this conclusion are that AO assessments:

- help accounting officers frame their thinking around *Managing Public Money* to improve decision-making. This is particularly valuable for more difficult decisions – where standards are not met, a ministerial direction may be required. It can also help with considering the strategic case and whether there is a clear rationale for a programme, particularly where the benefit to cost ratio for a programme may be marginal;
- provide a clear audit trail of the factors underpinning a decision, giving assurance that standards have been sufficiently considered;
- ensure that accounting officers are sighted on issues within major programmes; and
- help ensure that those within a department understand the accounting officer obligations set out within *Managing Public Money*.

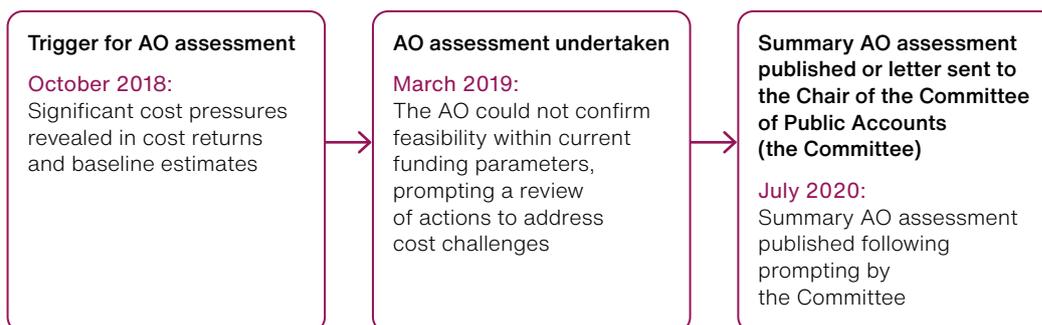
The Department for Transport told us that it used AO assessments to support its decision-making on High Speed 2, illustrated through its published summary AO assessments (**Figure 7**).

<sup>11</sup> Appendix Two sets out in detail the approach taken to the discussions with accounting officers and to the survey of central government bodies.

## Figure 7

### Summary of High Speed 2 (HS2) summary accounting officer assessments (AO assessments), April 2022

While the Department for Transport delayed the publication of its summary AO assessments on High Speed 2, the assessments outlined their decision-making



#### Programme overview

The HS2 programme aims to build a high-speed, high-capacity railway between London and the north of England. It is the government's largest infrastructure programme by value, with an estimated total cost of between £72 billion and £98 billion (2019 prices) for Phases 1, 2a and 2b. The Department for Transport (the Department) funds and sponsors the programme. HS2 Ltd, an arm's-length body of the Department, is responsible for developing, building and maintaining the railway.

In March 2019, HS2 Ltd formally advised the Department that it would not be able to deliver Phase 1 on time or within available funding. At the time, £55.7 billion (2015 prices) had been agreed with HM Treasury.

#### How an AO assessment was used

The process helped the Department consider costs and whether to continue with the programme:

- **March 2019** – as rising costs were reducing the benefit to cost ratio, the accounting officer concluded it was not possible to confirm feasibility within the current funding parameters and requested a detailed plan to address cost challenges.
- **July 2019** – the amount of overspend became clearer, reducing the benefit to cost ratio further, and leading to the conclusion that value for money was 'low' and that the programme was not feasible within its current agreed costs and schedule. The accounting officer did not seek a ministerial direction because of the upcoming Spending Review and ongoing work to reduce costs.
- **August 2019** – the AO assessment was reviewed upon appointment of a new Secretary of State, who confirmed the approach agreed in July 2019.
- **December 2019** – a further AO assessment considered the propriety of further works during the pre-election period given the risk that if the government changed, there may no longer be investment in the programme.

In May 2020, the Committee of Public Accounts raised concerns over a lack of transparency because the Department had not published these assessments. For example, Parliament had been unaware of the difficulties facing the programme in 2019. The accounting officer said she had been balancing the public interest in transparency with the need for commercial sensitivity and published summaries of all the assessments in July 2020.

**2.4** We have identified how departments might make more use of AO assessments. Of the 13 central government bodies that responded to our survey, all shared completed AO assessments with the relevant director generals and the finance director. However, only one provided AO assessments to board members and only one provided them to audit and risk committee members.

### **Implementing AO assessment guidance**

**2.5** As part of its guidance, in September 2017, HM Treasury developed a template to help departments systematically evaluate regularity, propriety, value for money and feasibility through an AO assessment. Overall, departments told us they did not find assessing a programme against the four standards set out in *Managing Public Money* (**Figure 8**) as too challenging. However, they did find some standards more challenging to consider than others. In particular:

- **Feasibility** could be difficult to assess earlier in a programme when there is greater uncertainty. Also, the guidance does not set out how to consider wider departmental (and government) delivery risks when assessing feasibility.
- **Value for money** assessments require clear objectives to assess performance against. This will be inherently harder for programmes where the outcome cannot be quantified or monetised, such as for defence equipment programmes that contribute to maintaining peace and security. It can also be harder later in a programme – a value for money assessment should consider a programme's current position, which may lead to a different conclusion from an earlier assessment. It can be challenging to assess value for money for the Exchequer as a whole, rather than just from a programme perspective, as accounting officers are required to do.

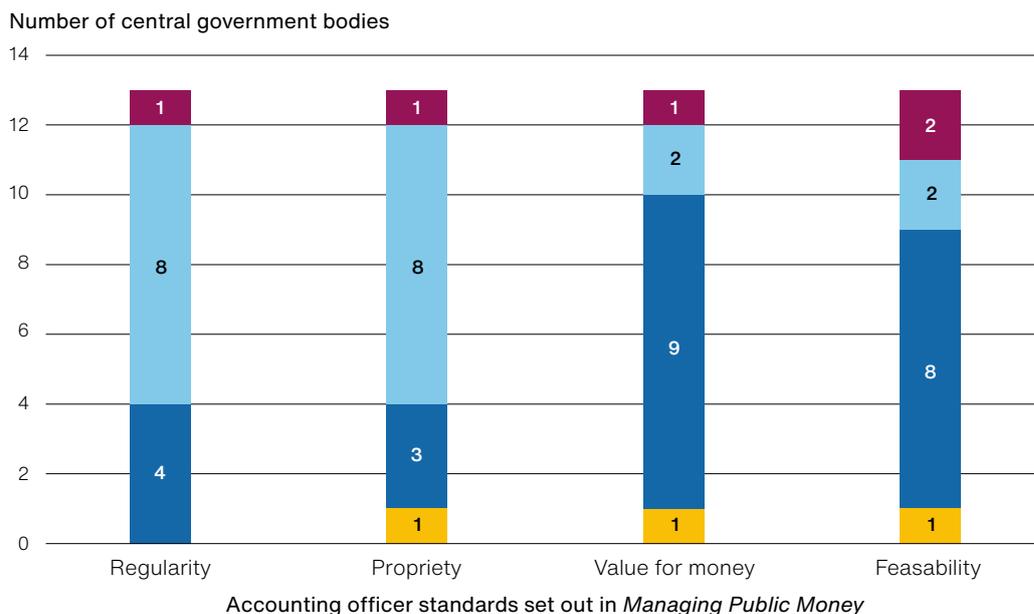
**2.6** HM Treasury is purposefully not prescriptive about how its guidance should be implemented. Through both our survey and discussions with departments, we found different approaches to completing AO assessments. For example, we found:

- some departments had aligned their approach to completing AO assessments with their wider governance and oversight, such as investment committee approvals to proceed with a programme;
- in preparing assessments, one department described reusing information from existing business case processes and others drew on information and scrutiny from economists and legal, finance and commercial teams; and
- one department provided training and another regularly reminded senior responsible owners of the guidance for completing AO assessments and publishing summaries.

**Figure 8**

Central government bodies’ assessment of how challenging standards are to consider as part of accounting officer assessments (AO assessments), April 2022

Those responding to our survey found assessing *regularity* and *propriety* less challenging than assessing *value for money* and *feasibility*



- Ease of assessment**
- Not at all challenging
  - Not very challenging
  - Somewhat challenging
  - Very challenging

- Notes**
- 1 HM Treasury guidance *Managing Public Money* describes each of the accounting officer standards.
  - 2 We sent our survey to 17 departments and central government bodies with programmes on the Government Major Projects Portfolio as at December 2021. We received 13 responses. Appendix One of this report sets out our approach to this survey in more detail.

Source: National Audit Office survey of central government bodies with projects on the Government Major Projects Portfolio

**2.7** Alongside approaches that could be considered good practice, we identified weaknesses. For example, in one department, the accounting officer had delegated authority for considering assessments to its investment committee. As a result, fewer decisions were being considered by the accounting officer. We also identified that not all departments had processes to make sure that AO assessments were completed and then published.

## Part Three

### Improving transparency and scrutiny

**3.1** This part of the report sets out the value of transparency and the extent to which this is realised through the publication of clear and timely summary accounting officer assessments (AO assessment).

#### **Value of transparency**

**3.2** Accounting officers are responsible for providing a timely, transparent and realistic account of their business and decisions, to support public confidence. The government has aimed to be transparent in different ways. For example, it will publish summary business cases for major programmes after they have been approved and some departments provide Parliament with regular published updates on certain programmes.

**3.3** Parliament recognises the value of transparency. The Committee of Public Accounts (the Committee) has previously expressed concern over a “damaging lack of transparency” through accounting officers not bringing their concerns to Parliament’s attention. To improve transparency and accountability, HM Treasury told the Committee that accounting officers would be expected to publish summary AO assessments relating to Government Major Project Portfolio (GMPP) programmes, setting out the points they considered in making their judgements. The four accounting officers we engaged with as part of this work could see some merit in publishing a summary of their assessments. However, they had questions around how this aligned with the wider transparency framework, such as outcome delivery plans, and what a ‘good’ published summary AO assessment looked like.

**3.4** HM Treasury has not created a dedicated page on the government’s website for users to access all published summary AO assessments as it had planned to do. Instead, it has set up a page with a search function which allows users to find those summary AO assessments which have been posted by departments.

## Supporting Parliamentary scrutiny

**3.5** Summary AO assessments, where they have been produced and are of sufficient quality, help the Committee question accounting officers about value for money issues (**Figure 9** overleaf). Since June 2019, the Committee has made use of summary AO assessments to consider issues as broad as the UK's exit from the EU to COVID-19, as well as on specific programmes such as High Speed 2. The Committee has also been critical of the absence and quality of summary AO assessments which meant it could not fully consider programme performance.

## Enhancing the value of summary AO assessments

**3.6** Summary AO assessments are only valuable when they are timely and contain enough information for the reader to understand an accounting officer's reasoning. The Committee has raised concerns with the accounting officers of the Department for Environment, Food & Rural Affairs (Defra) and Department for Transport over the timeliness of AO assessments. It has also raised concerns over the quality of assessments. In particular, it concluded that eight Ministry of Defence AO assessments, considered as part of a National Audit Office report on defence contractors, did not provide sufficiently clear accounts of value for money. The Ministry of Defence rejected the Committee's conclusion "on the basis it assesses value for money for all its investments." However, it accepted its recommendation to include in its AO assessments a more detailed and frank assessment of how significant changes impact on value for money.

**3.7** Of the 13 central government bodies responding to our survey, 10 found it at least somewhat challenging to consider at least one of the risks to publication set out in HM Treasury's guidance. Nine respondents said it was at least somewhat challenging to balance transparency against commercial sensitivities, and eight found it either challenging or very challenging to reflect legal advice. In its updated guidance published in December 2021, HM Treasury has confirmed the expectation for transparency and provided more advice to help decide what should be published. The accounting officer at the Ministry of Defence has previously published summary assessments for Project Pegasus and Teutates, both of which are highly sensitive programmes.<sup>12</sup> The Department applies a 'public interest' test where the accounting officer considers whether they would disclose the information in response to a Freedom of Information Act request.

<sup>12</sup> Project Pegasus is the development of an enriched uranium facility to replace existing infrastructure. Teutates is the joint construction, with the French government, of a hydrodynamics facility in France and a technology development centre in the UK.

## Figure 9

### Examples of the Committee of Public Account's use of accounting officer assessments (AO assessments), June 2019 to December 2021

We have identified examples of the Committee of Public Accounts (the Committee) using good quality and timely summary AO assessments to support its scrutiny of departmental spending

Department Programme/area	The summary AO assessment added value through:
Home Office	enhancing transparency by securing a commitment from the Home Office for regular performance updates.
Information Law Enforcement Alerts Platform (I-LEAP)	In April 2022, the Committee used a published summary AO assessment to ask the accounting officer about the I-LEAP programme – in particular progress with data-sharing agreements. In response the accounting officer agreed to update the Committee regularly on this and two other programmes.
Department for Business, Energy & Industrial Strategy (BEIS)	the Committee being able to recommend improvements to decision-making and the use of ministerial directions.
Green Homes Grant Voucher Scheme	In December 2021, the Committee concluded that BEIS went ahead with the programme despite the AO assessment concluding that it was high risk. The Committee was concerned there was insufficient consideration of the programme's feasibility. It recommended that "where BEIS is unable to improve its approach to testing and assuring the readiness of new programmes, it should consider requesting a ministerial direction, bearing in mind its obligations under <i>Managing Public Money</i> to have regard for the feasibility of what is being proposed".
Department for Transport	enhancing scrutiny of the consequence of government decisions.
Eurotunnel settlement	In June 2019, the Committee used a published summary AO assessment to ask the accounting officer about its £33 million settlement with Eurotunnel – a novel and contentious decision. This settlement was a result of Eurotunnel challenging the legal basis on which freight contracts were to provide additional freight capacity on ferry services between the UK and mainland Europe following the UK's exit from the EU.
<b>We have identified examples of when the Committee's scrutiny was harder without an AO assessment summary.</b>	
Department Programme/area	The lack of a summary AO assessment meant:
Ministry of Housing, Communities & Local Government (MHCLG)	a lack of transparency and limited evidence for the Committee's scrutiny over decision-making.
Towns Fund	In November 2020, the Committee concluded that MHCLG had not been clear about the process for selecting and excluding towns from the Fund. The accounting officer confirmed he was satisfied the "selection process met the requirements of propriety and regularity". Given this was not a Government Major Project Portfolio programme at that time there was no requirement to publish a summary AO assessment. MHCLG subsequently sent the Committee a summary in confidence, as it is permitted by HM Treasury's guidance.
Department for Transport (DfT)	reduced opportunities for timely parliamentary scrutiny, leading to a lack of understanding on programme performance.
High Speed 2	In May 2020 the Committee concluded that "DfT failed to provide Parliament with clear warning [in 2019] that the programme was going off-course and value for money was at risk". It emphasised the benefits of AO assessments and criticised DfT for not sharing summary AO assessments which meant Parliament did not know the difficulties the programme was facing or the actions being taken in response.

#### Note

1 The Ministry of Housing, Communities & Local Government is now known as the Department for Levelling Up, Housing & Communities.

Source: National Audit Office review of Committee of Public Accounts' transcripts and correspondence

## Timeliness

**3.8** HM Treasury does not set a prescribed timeframe for a summary AO assessment to be published. Instead, it requires accounting officers to publish 'as soon as the decision to proceed has been noted', while recognising that timings might depend on other sensitivities such as respecting commercial confidentiality. Of the 73 summary AO assessments we identified as part of our review, 17 had incomplete information to understand the timeframe for the assessment. This included 10 with no date for when the initial assessment had been completed, six with no publication date and one with no date for either. Of the remaining 56 summary AO assessments signed between September 2017 and December 2021 (**Figure 10** overleaf) we found:

- 35 (63%) were published within three months of signature (two of which were published on the day the AO assessment was signed); and
- 14 (25%) were published more than six months after signature.

**3.9** In the case of High Speed 2, the Department for Transport did not publish summary AO assessments immediately because it considered that a delay would enable a fuller assessment. The Committee had raised concerns over a lack of transparency given these assessments had not been published. Defra explained to us there were delays publishing summary AO assessments because it considered it appropriate to wait until HM Treasury had approved the programme.

## Quality

**3.10** In some cases publishing a summary AO assessment does not necessarily enable effective scrutiny – for example, where a summary does not include sufficient information (**Figure 11** on page 29). We reviewed the quality of 54 published summary AO assessments looking at the provision of basic information and then more detailed information to help support transparency.

**3.11** When departments have published summary AO assessments, they have generally provided basic information. Our review found that 53 of the 54 summary AO assessments included background on the programme. We also identified summary AO assessments that included additional context to help the reader understand the programme and the AO assessment. This included cost figures, details of the steps taken to mitigate risks, and the criteria used to assess affordability.

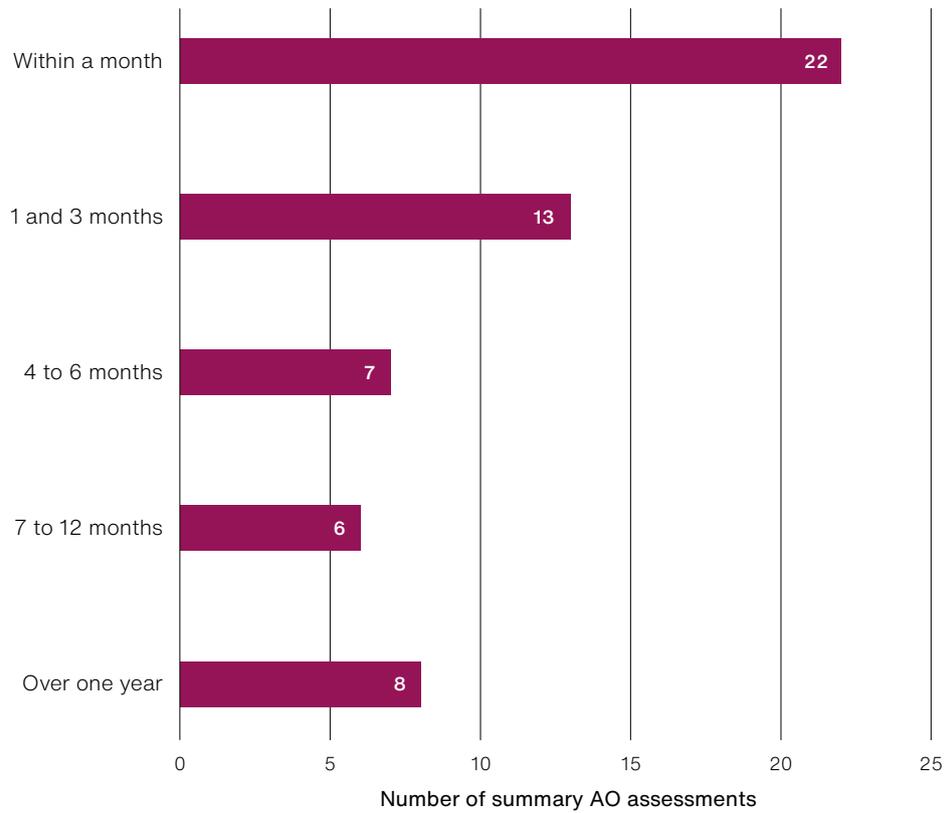
**3.12** We found that departments were less good at providing more detailed information that would help a layperson sufficiently understand the circumstances and aims of the programme and feel reasonably informed of the delivery risks. Of the 54 published summary AO assessments we considered, 49 included enough information to give a clear indication of the programme intentions. Five summaries were not clear because they assumed too much prior knowledge or used jargon.

**Figure 10**

Timeliness of summary accounting officer assessments (AO assessments) signed between September 2017 and December 2021

While most summary AO assessments were published within three months of being signed by the accounting officer, a quarter were published more than six months later

Length of time between date of signature and date of publication



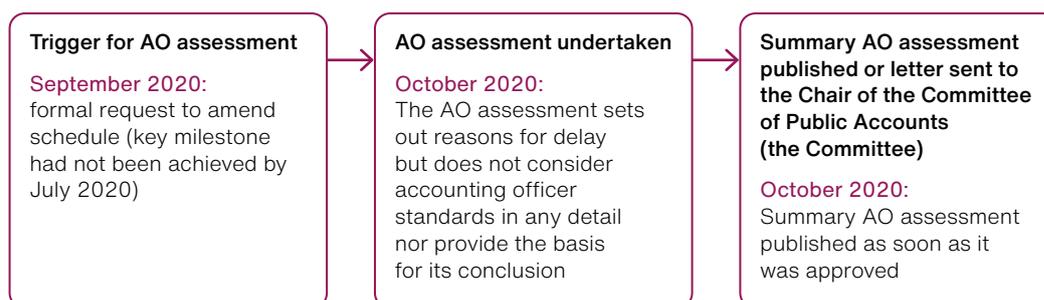
**Notes**

- 1 We found 56 summary AO assessments signed between September 2017 and December 2021 for which we were able to identify the date of signature and the date of publication.
- 2 A month assumed as 30 days.

Source: National Audit Office analysis of the Government Major Projects Portfolio

**Figure 11****Background to Ajax summary accounting officer assessment (AO assessment), October 2020**

**The Ministry of Defence complied with guidance in publishing a summary AO assessment for the Ajax programme, but the lack of detail limited its usefulness**

**Overview**

Ajax is an armoured fighting vehicle which should provide the Army with its first fully digitised platform. The Ministry of Defence (the Department) has a £5.5 billion firm-priced contract with General Dynamics Land Systems UK (GDLS-UK) for the design, manufacture and initial in-service support of 589 vehicles. The programme has encountered significant problems. In 2014, the Department extended its expected in-service date by three years when it set an initial operating capability (IOC) of July 2020. The programme subsequently missed a revised target date of June 2021.

In 2021, the Department publicly acknowledged concerns about excessive levels of noise and vibration on the Ajax vehicles, leading the Minister for Defence Procurement to make regular statements to Parliament on the programme's progress and the possible impact on the health of its crews who had been testing the vehicles. These issues remain unresolved, and the Department has not yet set a new target date for IOC.

**How the lack of detail undermined the usefulness of the published summary AO assessment**

The Department undertook an AO assessment in October 2020, triggered by revising the initial operational date from July 2020 to June 2021. It published this shortly after revising its approved schedule, keeping Parliament informed of the delays. The assessment contained little detail and no explanation to support the accounting officer's conclusion that the current approach offered the best value for money. The summary:

- focused on the firm-priced contract as protecting value for money. It did not discuss whether this was sustainable, the risks associated, or any additional costs to compensate for the delay;
- asserted that the current approach was the best investment route but failed to outline alternatives; and
- concluded that the programme remained on track to deliver "within cost and performance approvals" but did not make clear the basis for this conclusion. Nor did it make clear the extent of the delays; by January 2020, for example, the contractor had already missed all its first 11 milestones after a contract renegotiation in 2018.

Also, the summary AO assessment failed to highlight the emerging noise and vibration issues which had begun to emerge, with injuries being reported during summer 2020. The senior responsible owner was unaware of them until September 2020, and the minister was not informed until November 2020. The assessment was published in October 2020. The Department told us that it is currently updating the AO assessment, in line with HM Treasury guidance, which it will publish in due course. The Minister for Defence Procurement will continue to make regular updates to Parliament on the programme.

**3.13** All summary AO assessments included sections on each of the four standards set out in *Managing Public Money*.<sup>13</sup> In terms of providing an overarching conclusion against the standards, we assessed that 27 of the 54 summary AO assessments set out a satisfactory summary but others were generic or limited in the way they set out a conclusion considering all the four standards. When publishing their conclusions against the four separate standards we assessed that of the 54 summary AO assessments we reviewed:

- 50 gave sufficient insight on regularity issues with six considering short-term affordability as part of this;
- 37 gave sufficient insight on propriety issues with the others assuming that the reader has at least a working knowledge of the *Managing Public Money* standards;
- 34 gave sufficient insight on value for money issues. Some referenced analysis that had been undertaken, such as benefit to cost ratios or net present values; few considered the uncertainty around these figures or underlying assumptions; and
- 41 gave sufficient insight on feasibility (or deliverability) issues. More of these considered specific programme risks, such as schedule delays or funding, rather than the body's ability to deliver the programme.

<sup>13</sup> This includes six signed by the accounting officer at the Ministry of Defence which described feasibility as deliverability.

# Appendix One

## Our audit approach and evidence base

### Scope

**1** In December 2015, HM Treasury introduced accounting officer assessments (AO assessments) to help accounting officers consider the regularity, propriety, value for money and feasibility of their decisions. In response to recommendations from ourselves and the Committee of Public Accounts, HM Treasury changed when and how AO assessments should be used. For programmes in the Government Major Project Portfolio (GMPP), from September 2017, HM Treasury asked accounting officers to prepare assessments alongside their approval of business cases, and subsequently if the programme significantly changed. The government agreed to publish a summary of the key points for AO assessments of programmes.

**2** This report considers whether the value of AO assessments for major programmes has been realised. This does not encompass AO assessments to support novel contentious decisions: although these are referred to in this report, there is no related HM Treasury requirement. We only consider AO assessments for programmes included on the GMPP since the guidance was introduced in September 2017 and up to December 2021, when this guidance was refreshed. We do not comment on the value for money of the programmes themselves.

### Our evaluative criteria

**3** We used evaluative criteria to assess whether AO assessments were valuable to Parliament and the accounting officer. We assessed them as valuable when:

- departments complied with HM Treasury guidance to complete, publish and share summary AO assessments;
- Parliament and the accounting officer could provide evidence of how these had been used for scrutiny and decision-making; and
- AO assessment summaries were timely and of good quality. To determine good quality, we assessed whether the issues considered by the accounting officer were relevant and timely, and could be understood by a lay person without detailed knowledge of the programme.

## Evidence base

4 We reached our independent conclusions on the extent to which accounting officers are complying with HM Treasury's guidance by analysing evidence collected between March 2022 and May 2022. We used a range of study methods.

## Document review

5 We reviewed documents prepared by government departments and public bodies. These included:

- **HM Treasury's guidance** on preparing AO assessments from 2015, September 2017 and December 2021 to understand the requirements and how the guidance had changed;
- **54 summary AO assessments** published on GOV.UK and signed between September 2017 and December 2021, to assess the quality of assessments published. For each, we considered whether it followed HM Treasury's guidance and judged whether the information available was sufficient for an informed reader to understand how the accounting officer had arrived at their conclusions. We did not review any unpublished AO assessments;
- **correspondence from accounting officers to the Comptroller and Auditor General and deposits made to the House of Commons Library** between January 2018 and March 2022 that referenced summaries of AO assessments or explained to the Comptroller and Auditor General the reasons why an assessment was not published; and
- **Committee of Public Accounts reports and supporting transcripts** between March 2020 and March 2022 to help understand how the Committee uses AO assessments. We did not consider how other select committees had made use of published summary AO assessments as part of this work.

## Data analysis

6 HM Treasury and the central government departments responding to our survey did not collect information on completed AO assessments. In the absence of a list, we reviewed GOV.UK to collate data on the number of summary AO assessments for programmes on the GMPP that had been published since the September 2017 guidance introducing this requirement was released. We identified 73 summary AO assessments that were completed and signed before new guidance was published in December 2021. We found these summary AO assessments by searching the GOV.UK website and departmental landing pages. Some summaries were only available on landing pages for departments that no longer exist. For 17 of these, we were unable to establish either the completion date or the publication date.

**7** We compared these data with summary AO assessments received by the Comptroller and Auditor General and the HM Treasury's Officer of Accounts and deposited with the House of Commons Library.

**8** We also assessed information on the GMPP programmes, collated by the Infrastructure and Projects Authority (IPA), to understand the number of programmes where an AO assessment could be expected, recognising that this would not be all those on the GMPP. We used these data to identify those programmes:

- on the GMPP as at 31 December;
- having joined the GMPP after September 2017 and reaching the outline business case stage;
- with a 10% or greater increase in forecast costs, which may indicate that a significant change had occurred; and
- with a decline in the delivery confidence assessment provided by the IPA that may indicate that a significant change had occurred.

### **Engagement with government departments**

**9** To improve our understanding of the approach departments took to producing AO assessments and getting their perspectives on their value we interviewed officials from eight departments. These included:

- three accounting officers from the Home Office, the Department for Transport, and the Ministry of Defence; we also received written feedback from the accounting officer for the Department for Environment, Food & Rural Affairs; and
- finance directors, senior responsible owners or other officials from the Department for Business, Energy & Industrial Strategy, the Department for Transport, the Home Office, the Ministry of Defence, the Ministry of Justice, the Cabinet Office, the Department for Work & Pensions, Department of Health & Social Care and the Department for Levelling Up, Housing & Communities.

We also spoke to officials from HM Treasury and the IPA to understand their role in relation to AO assessments and to seek their perspectives on good practice and areas for improvement.

## **Survey**

**10** Between 31 March and 14 April, we conducted an online survey of finance directors from 17 central government bodies with programmes on the GMPP as at 31 December 2021. The aim was to understand their approach to AO assessments, and the challenges preparing an AO assessment and deciding what to publish in a summary. We also asked about the value to the body of completing an assessment and how AO assessments were used across the organisation.

**11** We sent the survey on 31 March 2022 for completion by 14 April, sending a follow-up to chase uncompleted questionnaires on 12 April. The survey consisted of 13 questions, and we received 13 complete responses. These responses were triangulated with evidence gathered from interviews and document reviews. We received responses from:

- Cabinet Office
- Department for Business, Energy & Industrial Strategy
- Department for Digital, Culture, Media & Sport
- Department for Environment, Food & Rural Affairs
- Department for Education
- Department for Levelling Up, Housing & Communities
- Department for Transport
- Foreign, Commonwealth & Development Office
- HM Revenue and Customs
- Home Office
- Ministry of Defence
- Ministry of Justice
- Office for National Statistics.

## Appendix Two

### Published accounting officer assessment summaries

#### Figure 12

Published summary accounting officer assessments (AO assessments), signed before end of December 2021

We identified 52 programmes on the Government Major Projects Portfolio at the end of December 2021 where an AO assessment summary had been published

Department	Programmes where we identified a published summary AO assessment
Department for Business, Energy & Industrial Strategy	Heat Networks Investment Project
	Help to Grow – Digital
Cabinet Office	–
Department for Digital, Culture, Media & Sport	Local Full Fibre Networks Programme
	4th National Lottery Licence Competition
	5G Testbeds and Trials
	Project Gigabit
Department for Environment, Food & Rural Affairs	NO <sub>2</sub> Reduction
	Future Farming and Countryside Programme
	Leeds Phase 2 Flood Scheme
	Oxford Flood Alleviation Scheme
	Biosecurity, Borders and Trade Programme
Department for Education	–
Department for Transport	A303 Amesbury to Berwick Down
	East West Rail Configuration Stage 1
	East West Rail Connection Stages 2 and 3
	HS2 Phase 2b
	East Coast Digital Programme
	East Coast Mainline Programme
	HS2 Phase 1
	HS2 Phase 2a
Department of Health & Social Care	–

**Figure 12** *continued*

Published summary accounting officer assessments (AO assessments), signed before end of December 2021

Department	Programmes where we identified a published summary AO assessment
Department for Levelling Up, Housing & Communities	Freeports
	Grenfell Site and Programme
	Housing Infrastructure Fund
	Towns Fund
Department for Work & Pensions	Restart Programme
Foreign, Commonwealth & Development Office	Echo 2 Programme
HM Land Registry	Local Land Charges Programme
HM Revenue & Customs	Borders & Trade Programme
	Securing our Technical Future
	Contact Engagement Programme
	Debt Respite Programme
	Infrastructure Programme
	Protect Connect
	Technology Sourcing Programme
Trader Support Service	
Home Office	I-LEAP

**Figure 12** *continued*

Published summary accounting officer assessments (AO assessments), signed before end of December 2021

Department	Programmes where we identified a published summary AO assessment
Ministry of Defence	A400M
	Armoured Cavalry 2025
	Astute Boats 1– 7
	Clyde Infrastructure
	Fleet Solid Support
	Future Beyond Line Of Sight
	Future Maritime Support Programme
	Joint Crypt Key Programme
	MODnet Evolve
	PROTECTOR
	Type 31e
	PEGASUS
	TEUTATES
Ministry of Justice	PFI Prisons Expiry & Transfer Project
	Print Re-procurement
	Prison Retail
National Crime Agency	–
National Savings & Investments (NS&I)	NS&I Rainbow
Office for National Statistics	–

**Notes**

- 1 This list does not include summary AO assessments we identified for programmes not on the GMPP as at December 2021. This includes, for example, assessments for: British Steel's request for government support; Rural Gigabit Connectivity Programme; 3rd generation shared services (3GSS) programme; Independent Monitoring Authority; Prison Education Programme; and the Armoured Infantry 2026 – Warrior Capability Sustainment project.
- 2 Some of the programmes have had multiple assessments with High Speed 2 Phase 1 publishing five summary AO assessments, HS2 Phase 2a publishing two and Fleet Solid Support publishing two.
- 3 Summary AO assessments have been published during 2022 that have not been captured in this chart. These include Shared Rural Network; the Foreign, Commonwealth and Development Office's Hera Programme; and the Ministry of Justice community accommodation and youth offending education services programmes.
- 4 Following the completion of an AO assessment, an accounting officer may decide that a ministerial direction is required to proceed with the programme if the proposals do not meet one or more of the accounting officer standards set out in *Managing Public Money*. These ministerial directions should be published unless the public interest is in keeping the matter confidential. For example, the accounting officer at the Department for Levelling Up, Housing & Communities published the ministerial directions sought for two building safety programmes.

Source: National Audit Office analysis of the Government Major Projects Portfolio and GOV.UK website

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