



HM Treasury

Treasury Minutes Progress Report

Update of the Government responses to the
Committee of Public Accounts on Sessions
2017-19, 2019, 2019-21, 2021-22, 2022-23, 2023-24
and 2024-26



Government of the United Kingdom
HM Treasury

Treasury Minutes Progress Report

Update of the Government responses to the
Committee of Public Accounts on Sessions 2017-19,
2019, 2019-21, 2021-2022, 2022-23, 2023-24 and
2024-26

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

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Fifty-Third Report of Session 2017-19

Ministry of Defence

Ministry of Defence's contract with Annington Property Limited

Introduction from the Committee

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

Relevant reports

- NAO report: [Ministry of Defence's arrangement with Annington Property Limited](#) Session 2017-19 (HC 762)
- PAC report: [Ministry of Defence's contract with Annington Property Limited](#) Session 2017-19 (HC 974)
- [Treasury Minutes](#): October 2018 (Cm 9702)
- [Treasury Minutes Progress Report](#): March 2019 (CP 70)
- [Treasury Minutes Progress Report](#): February 2020 (CP 221)
- [Treasury Minutes Progress Report](#): November 2020 (CP 313)
- [Treasury Minutes Progress Report](#): May 2021 (CP 424)
- [Treasury Minutes Progress Report](#): November 2021 (CP 549)
- [Treasury Minutes Progress Report](#): June 2022 (CP 691)
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- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)
- [The Defence Housing Strategy 2025 - Fixing Defence Family Housing and Delivering for the Nation](#): 8 November 2025

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 1284 above), the remaining recommendation is updated below.

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

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

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: November 2026

Original target implementation date: March 2022

5.2 As at September 2025, the void rate is c18%, or 8,926 of the 47,045 SFA properties. This includes homes that are necessarily kept available to facilitate movement around the estate and those currently being brought up to standard, as well as those empty because of a historic lack of funding or clear strategy for the estate.

5.3 Having successfully re-acquired the estate from Annington in January 2025 in a landmark deal, the opportunity to renew the SFA estate, including making more efficient use of existing housing stock, is set out as part of the forthcoming Defence Housing Strategy.

5.4 By regaining ownership, the MOD has the freedom to embark on a substantive significant and long overdue programme of redevelopment and improvement of military accommodation.

5.5 [The Defence Housing Strategy](#) published on 3 November 2025 sets out a roadmap to deliver a generational renewal of military accommodation, where the main objective is to raise the minimum standard of Armed Forces housing. The Strategy reshapes and renews the Defence housing estate to ensure that the right number and sizes of homes are in the right places to meet current and future operational needs.

5.6 Empty properties (voids) will reduce over time in line with the programme of works and the 'right-sizing' of the estate, so that year on year there should be demonstrable progress in renewing and reducing empty homes - moving to a final state where the correct number of core homes required to be available for operational reasons are properly planned and provided for.

One Hundred and Fourteenth Report of Session 2017-19

Ministry of Housing, Communities and Local Government and Homes England

Help to Buy: Equity Loan scheme

Introduction from the Committee

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

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

Relevant reports

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

Following the government's last response to the Committee on this report: (CP 1284 above), the remaining recommendations are updated below.

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

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

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026
Original target implementation date: Autumn 2021

3.2 The original target implementation date for this evaluation was Autumn 2021. However, it was agreed between the Ministry of Housing, Communities and Local Government and the Committee that, as a previous evaluation for the Help to Buy 1 scheme had already been used to inform the design of the Help to Buy 2 scheme, the next meaningful evaluation opportunity would be the end of that scheme. The scheme closed on 31 May 2023.

3.3 At the last update, the department noted that a contract with the successful supplier was put in place in October 2024 and work on the evaluation was underway. Results were expected in Summer 2025 with the report to be published in Autumn 2025.

3.4 The first parts of the evaluation (developer and lender interviews) are complete, and the econometric analyses are being finalised. The customer research elements (survey and qualitative interviews) were delayed due to the need to reissue Privacy Notices to current and former customers. These were issued in July 2025 and the customer research is underway. Results are expected by end 2025 with publication in Spring 2026.

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

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

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026
Original target implementation date: Autumn 2021

5.2 The department is undertaking a further evaluation (see response to Recommendation 3a above). This work is examining the impact of Help to Buy, including any impact on the new-build premium. The department asked for the timetable for this work to be moved due to the extension of the Help to Buy 2 scheme. The evaluation is now underway and its current target date for publishing the final evaluation is Spring 2026. The department has revised the implementation date following a delay due to re-issuing privacy notices to customers.

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

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Forty-Fifth Report of Session 2019-21

The Department for Environment, Food & Rural Affairs

Managing Flood Risk

Introduction from the Committee

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

Relevant reports

- NAO report: [Managing flood risk](#) – Session 2019-21 (HC 962)
- PAC report: [Managing flood risk](#) – Session 2019-21 (HC 931)
- [Treasury Minutes](#): May 2021
- [Treasury Minutes Progress Report](#): November 2021 (CP 549)
- [Treasury Minutes Progress Report](#): June 2022 (CP 691)
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- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 1284 above), the remaining recommendation is updated below.

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

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

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

8.1 The government agrees with the Committee's recommendation.

Revised target implementation date: July 2026

Original target implementation date: end of 2023

8.2 The Levelling Up and Regeneration Act 2023 includes powers to enable a more data-driven planning system. These powers include the ability to set consistent data standards across the planning system, and to require local authorities to openly publish planning data.

This will provide greater transparency and enable any development which is allowed in areas of flood risk to be identified more easily. There will be an incremental approach to the rollout of data standards across the planning system based on each planning policy area, and the Ministry of Housing Communities and Local Government anticipate the data standards to address this recommendation will be mandated in July 2026.

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

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9	Fraud and Error
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11	Local auditor reporting on local government in England
12	COVID-19 Cost tracker update
13	Initial lessons from government response to COVID-19 pandemic
14	Windrush compensation scheme
15	DWP employment support
16	Principles of effective regulation
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18	Government delivery through arms-length bodies
19	Protecting consumers from unsafe products
20	Optimising the Defence estate
21	School funding

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23	Test and Trace update
24	Crossrail – progress update
25	DWP accounts – fraud and error in the benefits system
26	Lessons from Grensill Capital: accreditation to business support schemes
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51	Improving outcomes for women in the Criminal Justice System
52	Ministry of Defence Equipment Plan 2021

First Report of Session 2021-22

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

Low Emission Cars

Introduction from the Committee

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

Relevant reports

- NAO report: [Reducing Carbon Emissions from Cars](#) - Session 2019-21 (HC 1204)
- PAC report: [Low Emission Cars](#) - Session 2021-22 (HC 186)
- Treasury Minute: [August 2021](#): (CP 510)
- [Treasury Minutes Progress Report](#): November 2021 (CP 549)
- [Treasury Minutes Progress Report](#): June 2022 (CP 691)
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- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report: (CP 1284 above), the remaining recommendation is updated below by the Department for Transport (on behalf of the Department for Environment, Food & Rural Affairs (DEFRA)).

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

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

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

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: to be advised
Original target implementation date: Winter 2022

4.2 This government is committed to transitioning towards a circular economy where resources are kept in use for longer and waste is designed out. This systemic change, with investment in green jobs and vital infrastructure, builds a path to economic growth, progress towards Net Zero, restoration of nature, and a more resilient economy.

4.3 The government convened a Circular Economy Taskforce of experts in November 2024 to help map that transition; in the new year this government will publish a Circular Economy Growth Plan that will set out the path to a circular and more prosperous economy. The Plan will set out the biggest opportunities to support growth in sectors right across the economy. Officials in collaboration with the Taskforce will consider what further interventions may be needed in the renewable energy and batteries sectors, throughout the development of the Growth Plan.

4.4 The Department for Environment, Food and Rural Affairs is also considering a range of options to review the domestic batteries legislation, including on traction batteries for electric vehicles. Timescales for implementation will be agreed as the work progresses, and the Committee will be kept informed via this process.

Seventh Report of Session 2021-22

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

Adult Social Care Markets

Introduction from the Committee

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

Relevant reports

- NAO report: [The Adult social care market in England](#) – Session 2019-21 (HC 1244)
- PAC report: [Adult Social Care Markets](#) – Session 2021-22 (HC 252)
- [Treasury Minute Progress Report](#): November 2021 (CP 549)
- [Treasury Minutes Progress Report](#): June 2022 (CP 691)
- [Treasury Minutes Progress Report](#): December 2022 (CP 765)
- [Treasury Minutes Progress Report](#): June 2023 (CP 855)
- [Correspondence to PAC](#): dated 30 October 2023
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last progress update to the Committee on this report: (CP 1284 above), the remaining recommendation is updated below: The Department for Levelling Up, Housing and Communities has since been renamed as Ministry for Housing, Communities and Local Government.

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

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

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Autumn 2026

Original target implementation date: October 2023

6.2 The government is working with the Care Quality Commission and the adult social care sector to explore options to introduce greater price transparency for people who fund their own adult social care. The Competition and Markets Authority (CMA) has also published [updated guidance](#) explaining how care homes should provide information about their fees and services in advance. Some providers already publish their prices online and there are comparison sites available, such as CareFind.com.

6.3 The government has appointed Baroness Casey to lead an independent commission into adult social care which will make recommendations on how to transform the adult social care system to meet the current and future needs of the population. The commission began its work in April 2025 and will publish its first report in 2026. The government will want to consider any recommendations from the commission's first report before making final decisions on how best to implement this recommendation.

Thirty-Sixth Report of Session 2021-22

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

EU Exit: UK Border

Introduction from the Committee

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

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

Relevant reports

- NAO report: [The UK border: Post UK-EU transition period](#) – Session 2021-22 (HC 736)
- PAC report: [EU Exit: UK Border](#) – Session 2021-22 (HC 746)
- [Treasury Minute: April 2022](#) – Session 2021-22 (CP 667)
- [Treasury Minutes Progress Report](#): December 2022 (CP 765)
- [Treasury Minutes Progress Report](#): June 2023 (CP 855)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation has been updated by the Home Office.

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

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

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

1.2 The Entry/Exit System implementation started on 12 October 2025 with a phased approach over six months, with passenger registration volumes and the number of ports online increasing according to requirements set by the EU. This allows greater flexibility for Member States to reach full registration of passengers over the period and should mitigate risks at juxtaposed ports, including to HGV traffic.

Forty-Fourth Report of Session 2021-22

Department of Health and Social Care

NHS Backlogs and Waiting Times in England

Introduction from the Committee

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

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

Relevant reports

- NAO report: [NHS backlogs and waiting times in England](#): Session 2021-22 (HC 859)
- PAC report: [NHS Backlogs and waiting times](#): Session 2021-22 (HC 747)
- NHS Report: [Core20PLUS5](#)
- [Treasury Minute](#) response May 2022 (CP 678)
- [PAC correspondence](#): dated June 2022
- [Treasury Minutes Progress Report](#): December 2022 (CP 765)
- [Treasury Minutes Progress Report](#): June 2023 (CP 855)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

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

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

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: January 2025

6.2 This government is committed to returning to the NHS Constitutional standard that 92% of patients should wait no longer than 18 weeks from Referral to Treatment (RTT) by

March 2029. An [Elective Reform Plan](#) was published on 6th January 2025, which sets out steps needed to deliver on the standard. In addition, the NHS Operational Planning Guidance for 2025-26 and the [Medium Term Planning Framework](#) for 2026-27 to 2028-29 sets out the metrics which the government and the NHS expect to be delivered.

6.3 The government exceeded its pledge to deliver 2 million extra operations, scans and appointments in its first year, having delivered 5.2 million additional appointments from July 2024 to June 2025 as a First Step towards meeting the NHS Constitutional standard. As of September 2025, the waiting list has reduced by 231,854 since July 2024.

6.4 Through the 2025 Spending Review process, the department, jointly with NHS England, developed a fully costed internal plan to return to the NHS Constitutional standard by March 2029. This formed a key part of the department's return to Treasury and included detailed analysis on assumptions underpinning the plan. Discussions on allocation of funding are ongoing, and the government and NHSE will provide more details to the system in medium term planning guidance later this year.

6.5 Latest data from September 2025 showed the Faster Diagnosis Standard at 73.9%, 0.7ppts lower than the 75% standard, however performance has averaged 76.3% in the last 12 months, exceeding the 75% standard. The drop in performance in September is in line with seasonal summer trends and the latest data showing increased levels of elective and cancer care during summer this year compared to previous year.

6.6 The 2025-26 [Operational Planning Guidance](#) set the ambition to improve performance against the Faster Diagnosis Standard to 80% by March 2026 and recent data in September 2025 showed 39 trusts are meeting this target. The department and NHSE also plan to publish their National Cancer Plan early in the new year, which will include further details on plans to restore performance against all cancer waiting time standards.

Forty-Ninth Report of Session 2021-22

Department for Levelling Up, Housing and Communities

Regulation of Private Renting

Introduction from the Committee

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

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

Relevant reports

- NAO report: [Regulation of Private Renting](#) – Session 2021-22 (HC 863)
- PAC report: [Regulation of Private Renting](#) – Session 2021-22 (HC 996)
- Treasury Minute: [July 2022](#) (CP 722)
- [Letter](#) accompanying the Treasury Minute: July 2022
- [Treasury Minutes Progress Report](#): December 2022 (CP 765)
- [Treasury Minutes Progress Report](#): June 2023 (CP 855)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report, (CP 1284 above) the remaining recommendations are updated below by the Ministry for Housing, Communities and Local Government, formerly known as the Department for Levelling Up, Housing and Communities.

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

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

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

1.1 The government agrees with the Committee’s recommendation.

Recommendation implemented: October 2025

1.2 The department [wrote to the Committee](#) in July 2022 alongside the Treasury Minute.

1.3 The Ministry of Housing, Communities & Local Government is working with content designers to draft guidance on Renters' Rights Act 2025 reforms. The guidance is being user researched and tested with stakeholders, including with organisations that support and represent renters. Guidance in Easy Read format will also be made available to support renters with learning disabilities.

1.4 This work is part of the department's wider communications strategy which raises awareness of the reforms and explains how the new rules will affect both landlords and tenants.

1.5 The department will continue to engage closely with stakeholders. This includes working with tenant groups, partner organisations and local councils to ensure the message to renters is disseminated as clearly and as widely as possible, including to vulnerable and hard-to-reach groups. The department is also working closely with organisations that provide support and advice to renters to ensure they are ready to do so the day the law takes effect.

1.6 The department continues to engage with other redress and Ombudsman schemes across England, as well as the Ombudsman Association, to glean best practice for the new private landlord Ombudsman. It has worked closely with the Housing Ombudsman Service (HOS), which Ministers identified as their provisional preferred provider of mandatory private landlord redress during the Commons Second Reading of the Renters' Rights Bill, subject to a final decision. HOS has the most direct experience in handling tenant-landlord complaints, stemming from its work in the social housing sector. The department is also collaborating with local authorities and the two existing mandatory agent redress schemes - The Property Ombudsman and Property Redress - to develop an operational delivery model that complements the current private housing redress landscape. As a general design principle for the new service, the department is committed to a user-centred approach and will continue to carry out research and testing with tenants and landlords to ensure the future service meets their needs.

1.7 Having [written to the Committee](#) in July 2022, and with the Renters' Rights Act 2025 having achieved Royal Assent on 27 October 2025, the department considers this recommendation to have been implemented.

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

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

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

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

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026

Original target implementation date: Spring 2023

5.2 Independent researchers were commissioned by the department under the previous administration to deliver a scoping study formulating a monitoring and evaluation plan for private rented sector reform. The data collection framework developed during the scoping study was based on the previous administration's Renters (Reform) Bill. This work was almost complete at the time of the 2024 General Election. The Renters' Rights Bill (the Bill) was introduced to Parliament in September 2024 and received Royal Assent on 27 October 2025.

The evaluation scoping work has been updated to reflect measures which were not in the previous Administration's Bill, such as those which will prevent rental bidding and limit rent in advance. This includes updating the data framework, identifying the data needed, along with any gaps and the data collection plan to ensure effective monitoring of the reforms. The evaluation programme is now underway and will deepen the department's understanding of the sector, and assess the impact from the programme of reform as well as any changes necessary to achieve the reforms' intended outcomes.

5.3 The department is also continuing to work with local government to design a proportionate data collection framework which supports oversight of the private rented sector. The department will continue to refine and publish the data it collects about the private rented sector to improve and share its understanding of the problems tenants face and the experience of landlords. The 2023-2024 English Housing Survey headline reports on [demographics and household resilience](#) and [housing quality and energy efficiency](#) have been published. The [English Private Landlord Survey 2024](#) was published in December 2024. Future surveys will be developed to support the collection of data, alongside other relevant data sources, to monitor and evaluate Private Rented Sector reforms.

5.4 It has not been possible to finalise a data strategy prior to the measures in the Renters' Rights Act being settled. Now that the Act has received Royal Assent, the department will prepare a comprehensive data strategy which fully reflects all of the measures in the Act as well as the ongoing evaluation programme. This strategy will be shared with the Committee in Spring 2026, in line with the implementation of the Act. The target implementation date has therefore been amended to Spring 2026.

Government progress on the implementation of agreed recommendations from the Committee of Public Accounts: Session 2022-23

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Fourth Report of Session 2022-23

HM Treasury and Department for Science, Innovation and Technology

Use of evaluation and modelling in government

Introduction from the Committee

Evidence-based decision-making is vital for government to secure value for money. Analysis and evaluation are key sources of evidence and should be at the heart of how government runs its business. Government relies on financial models for its day-to-day activities to help test policy options, estimate costs and improve the value for money of government spending. Outputs from models underpin decisions that often have very real impacts on people's lives. Good quality evaluations can help government understand what works, how and why, and support accountability. Departments are expected to undertake comprehensive, robust and proportionate evaluations.

Across government, HM Treasury, the Analysis Function, the Finance Function, the Evaluation Task Force, Cabinet Office and departmental accounting officers all have a role to play in improving evaluation and modelling. Guidance, expectations and standards are set out in documents such as Managing Public Money, the Magenta Book and Aqua Book, and the Analysis Functional Standard.

Relevant reports

- NAO report: [Evaluating government spending](#) – Session 2021-22 (HC 860)
- NAO report: [Financial modelling in government](#) – Session 2021-22 (HC 1015)
- PAC report: [Use of evaluation and modelling in government](#) – Session 2022-23 (HC 254)
- [Treasury Minute](#): August 2022 – Session 2022-23 (CP 708)
- [Treasury Minutes Progress Report](#): December 2022 (CP 765)
- [Treasury Minutes Progress Report](#): June 2023 (CP 855)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report, (CP 1284 above), the remaining recommendations are updated below. The Department for Science, Innovation and Technology (DSIT) took over this area of responsibility as part of the Machinery of Government change announced on 24 July 2024.

4: PAC conclusion: Good quality modelling and evaluation is hampered by challenges in sharing data and a lack of common data standards.

4: PAC recommendation: The Cabinet Office should set out its progress in using its national data strategy to address the barriers to better sharing and use of data, including its development of cross-government standards for collecting, storing, recording and managing data.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: January 2025

4.2 The Department for Science, Innovation and Technology (DSIT) is leading a programme of reform to unlock the value of public sector data. The closure report of the 2022-25 Roadmap for Digital and Data, which The Department for Science, Innovation and Technology (DSIT) provided to the Committee alongside publication of the [Blueprint for Modern Digital Government](#), set out the progress made to address the barriers for better sharing and use of data. Alongside this update, DSIT published the [State of Digital Government report](#) which provided a comprehensive review of progress and remaining issues, including the impact of legacy systems on data accessibility, and barriers to data sharing.

4.3 Since the last update to the Committee, the Data Standards Authority has led cross-government work to develop common data standards for core attributes of a person and identify individuals or cohorts of vulnerable people in different scenarios which is expected to be published by Spring 2026. As of October 2025, there were 494 Information Sharing Agreements on the Register of Information Sharing under the Digital Economy Act 2017 (DEA); an increase of 65 since January 2025. Building on the updated Data Quality Framework, DSIT have developed Data Quality Action Plan resources to support public sector bodies to manage and monitor the quality of their data assets.

4.4 Addressing the barriers to data sharing remains a priority for the government and the upcoming Government Digital and Artificial Intelligence (AI) Roadmap will have renewed commitments to address these issues. This will include work to improve cross-government data management practices with a focus on data quality, an update on Algorithmic Transparency Recording Standard (ATRS) records, as well as how this work will support successful realisation of the National Data Library.

4.5 Through the delivery of the National Data Library, the Government Digital Service, will reform how the public sector manages data that is foundational to a modern digital government. This will maximise the use and impact of public sector data, enabling businesses, academia, and the public sector to drive economic growth, innovation, and better public services.

4.6 Alongside this, DSIT is continuing to implement the mandatory rollout of ATRS in central government and will publish records for all currently identified in-scope algorithmic tools (as of March 2025) in government departments (not including ALBs) by the end of 2025. DSIT is updating the Data and AI Ethics Framework, including a new Ethics Self-Assessment, to support the responsible and trusted use of data and AI systems in the public sector. This is alongside work progressing on the development of a Trust Framework, which will support public sector bodies with data sharing.

5: PAC conclusion: Departments are not meeting government requirements on publishing evaluation plans and findings, and on transparency of models and their outputs.

5a: PAC recommendation: HM Treasury should work with the Cabinet Office to publish a tracker with details of evaluations including their planned publication date, and explanations from departments where publication is delayed or withheld.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: March 2025

5.2 The [Evaluation Registry](#) website was publicly launched on 31 March 2025.

5.3 The Registry brings together all planned, ongoing, and complete government evaluations into one accessible location, providing an invaluable tool for understanding "what works" in Government.

5.4 It is mandatory for all government departments to register their evaluations with the Evaluation Registry, including their planned publication date and explanations where publication is delayed or withheld.

Twenty-Third Report of Session 2022–23

Department for Business, Energy & Industrial Strategy

Measuring and reporting public sector greenhouse gas emissions

Introduction from the Committee

In June 2019, Parliament passed an amendment to the climate Change Act 2019, committing the UK to achieving net zero emissions by 2050. This will require the UK to substantially reduce its emissions from current levels. The government estimates that direct emissions from public sector buildings account for around 2% of the UK's total emissions, although this does not include emissions from other sources, such as the electricity it uses, business travel and emissions arising from the goods and services it procures, which could all be significant. It has set a target for the public sector to halve its direct emissions from public sector buildings by 2032 and to reduce them by 75% by the 2037, both against a 2017 baseline. It has made £1.425 billion of funding available through Phase 3 of the Public Sector Decarbonisation Scheme for 2022–23 to 2024–25. In its 2017 *Clean Growth Strategy*, government committed the public sector to lead by example in both reducing emissions and in transparent reporting.

Relevant reports

- NAO report: [Measuring and reporting public sector greenhouse gas emissions](#) - Session 2022-23 2022 (HC 63)
- PAC report: [Measuring and reporting public sector greenhouse gas emissions](#) - Session 2022-23 (HC 39)
- [Treasury Minutes](#): January 2023 (CP 781)
- [Treasury Minutes Progress Report](#): June 2023 (CP 855)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below by the renamed Department for Energy Security and Net Zero.

5. PAC conclusion: The public sector risks falling behind on the reporting of its emissions but could learn from developing practice in private sector and the devolved administrations.

5. PAC recommendation: BEIS and HM Treasury should ensure that the reporting requirements placed on the public sector are aligned with their objective to lead by example in delivering net zero. This should include consideration of which bodies should report their scope 3 emissions and how best this should be done.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Autumn 2026

Original target implementation date: Autumn 2025

5.2 In August 2023 the Department for Energy Security and Net Zero (DESNZ) [published a process and timeline](#) for producing emissions reporting guidance for the public sector. This guidance will ensure that public sector organisations in England (and sites managed by

central government across the UK) have the right information and incentives to identify decarbonisation opportunities and better manage their energy and emissions, as well as support the development of consistency and coherence in reporting across the public sector.

5.3 In October 2024 DESNZ [published research](#) conducted by Energy Saving Trust which looks at how various approaches to emissions monitoring and reporting can drive decarbonisation outcomes, completing the first stage of this work. The department has also committed to consult before developing and publishing the final guidance, and is currently drafting this consultation. The emissions reporting landscape is complex and this robust process will help to ensure that the guidance is fit for purpose.

5.4 The department is now working to publish the guidance in Autumn 2026. The department [wrote to the Committee](#) in May 2025 along with a revised implementation date of Autumn 2026.

5.5 Meanwhile work to develop the next set of Greening Government Commitments is ongoing, setting new emissions targets for central government and arms-length bodies.

5.6 The Treasury is also mandating Taskforce on Climate Related Financial Disclosures (TCFD)-aligned disclosures in the annual reports of central government departments and larger arms-length bodies in a phased implementation introduced in the 2023-24 reporting period - with full implementation in 2025-26. These new disclosures address the climate-related risks and opportunities associated with climate change and the transition to net zero. Through the Financial Reporting Advisory Board, the Treasury is working with other relevant authorities to drive consistency in reporting across the UK public sector. In the application guidance on TCFD-aligned disclosures, supporting guidance was included on emissions reporting to improve the linkage of existing emissions reporting across the public sector to annual reports, supporting enhanced transparency and accountability.

Twenty-Ninth Report of Session 2022-23

Department for Levelling Up, Housing and Communities

The Affordable Homes Programme since 2015

Introduction from the Committee

One of the ways the Department tries to increase the supply of new homes in England is through the Affordable Homes Programme. The Secretary of State for Levelling Up, Housing and Communities recently reiterated the government's commitment to building 300,000 new homes overall every year by the mid-2020s. The Department does not have targets for how many of these should be affordable. For the Affordable Homes Programme, the Department secures funding from HM Treasury and then gives this to Homes England (outside London) and to the Greater London Authority (GLA) in London to achieve set targets. Housing providers (usually housing associations) bid for funding to build these. Bidding occurs through strategic bidding (housing providers bid for funding to deliver on multiple sites across a region) and continuous bidding (housing providers bid on a site-by-site basis). The Department forecasts it will spend £20.7 billion (2021–22 prices) between 2015 and 2032, to deliver 363,000 grant-funded homes.

The Programme has distinct iterations based on funding periods or policy changes. Under the 2016 programme, the Department forecasts that housing providers will build 241,000 new homes, against a target of 250,000 (of these 160,500 are grant funded). However, under the 2021 programme, the Department forecasts considerable shortfalls against its targets. The Department's central forecast is that housing providers will build 157,00 new homes, against a target of up to 180,000.

Relevant reports

- NAO report: [The Affordable Homes Programme since 2015](#) – Session 2021-22 (HC 652)
- PAC report: [The Affordable Homes Programme since 2015](#) – Session 2021-22 (HC 684)
- Treasury Minute: [February 2023](#) (CP 802)
- [Treasury Minutes Progress Report](#): June 2023 (CP 855)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 1284 above), the remaining recommendations are updated below by the Ministry for Housing, Communities and Local Government, formerly known as the Department for Levelling Up, Housing and Communities.

2. PAC conclusion: Housing providers do not always build in areas of higher demand.

2. PAC recommendation: The Department should consider how it can work with local authorities to take greater account in the Programme of local need for affordable homes.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

2.2 The government recognises the importance of determining local need and set out a revised National Planning Policy Framework in December 2024 with updated housing targets which took this into account.

2.3 The Social and Affordable Homes Programme (SAHP) prospectus [launched in November 2025](#), following an announcement of the funding for the SAHP in June 2025 at the Spending Review and initial parameters published on 2 July 2025.

2.4 The SAHP will allocate funding to Registered Providers of Social Housing, including local authorities, across the country to deliver affordable homes. These providers can bid for funding to meet local needs.

2.5 A 10 year programme means that social landlords can plan investment further ahead, achieve efficiencies, and deliver complex schemes that would not be possible in previous 5-year programmes, such as estate regeneration.

2.6 The SAHP will prioritise delivery of the most affordable homes to help build the types of homes the country needs and lift children out of poverty and homelessness. A core principle within this objective is that the government does not try to determine itself exactly what the 'right' location or type (e.g. size) of individual homes delivered are - those are best determined by social housing providers, such as Local Authorities, who are closer to local communities needs and are going to look after the homes for decades.

2.7 SAHP value for money calculations will favour areas where housing need is deemed to be highest as this is reflected strongly in land value uplift measurement. There is therefore a built-in prioritisation of provision of low-cost tenures in areas where the need for them is likely to be highest.

2.8 As confirmed in the [English Devolution White Paper](#), Established Mayoral Strategic Authorities (EMSAs) will be able to set the strategic direction of the new programme in their areas, and the programme's prospectus includes their ambitions for the types of social and affordable homes they want to see delivered and priority sites and growth areas for housing development.

2.9 A new 'portfolio' route will enable councils to bid for SAHP at an earlier stage in the pre-development process than has previously been the case and across several sites at once.

4. PAC conclusion: The Department does not quantify potential savings in some areas, such as temporary accommodation, into the Programme.

4. PAC recommendation: Before the next iteration of the Programme, the Department should quantify the wider savings it could make to areas such as adult social care and temporary accommodation.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

4.2 The government has published a [five-step plan](#) which sets out a framework for a decade of renewal in social and affordable housing.

4.3 To deliver the scale of housing the country needs, the government has confirmed a new 10-year £39 billion Social and Affordable Homes Programme (SAHP) to kickstart social and affordable housebuilding at scale across the country. This is the biggest long-term investment in social and affordable housing in recent memory.

4.4 The core strategic objective of this new programme will be to maximise supply. The government's ambition is to deliver around 300,000 social and affordable homes over the programme's lifetime, with a target to deliver at least 60% of the homes under the programme as Social Rent. This objective ensures that the programme will prioritise delivery of the most affordable homes to help hard working families and lift children out of poverty and homelessness. This target will help to reduce the number of those living in temporary accommodation.

4.5 The department has quantified the savings from this as part of the fiscal impacts of the new SAHP in the Programme Business Case. The department has included an expected reduction in adult social care through increasing social and affordable housing built through the programme within the benefits in the business case. This benefit has not been monetised, due to data limitations of the impact of supported housing on expenditure.

4.6 In addition, the evaluation for the Social and Affordable Homes Programme will seek to identify and address key evidence gaps. This will further aid the department to measure outcomes including impacts on temporary accommodation and adult social care.

5. PAC conclusion: New homes built under the Programme may need expensive retrofitting to meet net-zero standards in the future.

5. PAC recommendation: The Department should clearly set out the impact of including net-zero requirements in the next iteration of the Programme.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

5.2 The Social and Affordable Homes Programme has addressed the impacts and costs of climate and environment costs in the programme business case.

5.3 In July the government published a consultation on a proposal to set a minimum energy efficiency standards for socially rented homes for the first time. The consultation closed in September, and the government will now take steps to include the standard in the revised Decent Homes Standard, which will establish the minimum housing standards that tenants in both social and private rented sectors can expect from their landlords. The government will publish a response to this consultation in due course.

5.4 The government intends to introduce the Future Homes Standard (FHS) in the coming months. This will ensure all new homes, including new social and affordable homes, will be highly energy efficient and be fitted with low carbon heating technology, such as heat pumps. Homes built to the FHS will be 'zero carbon ready', meaning that they will become zero carbon over time as the electricity grid fully decarbonises, without the need for any retrofitting.

6. PAC conclusion: The Department does not publish satisfactory data on the type, tenure, size, quality, or location of homes built under the Programme.

6. PAC recommendation: The Department should report annually to Parliament on the performance of the Programme with detail on types, tenure, size, and quality of homes built by local authority area.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: January 2026

Original target implementation date: Summer 2023

6.2 The department has worked with Homes England and the Greater London Authority to produce a first annual report to show delivery for the Affordable Homes Programmes, and this report will be published by the end of January 2026.

Thirty-First Report of Session 2022-23

Cabinet Office

Managing central government property

Introduction from the Committee

Central government's property holdings are managed day-to-day by government departments and other public bodies that own and use those properties. The Cabinet Office has overall responsibility for government property as a whole. It has categorised its property assets (which include offices, hospitals, academy schools, jobcentres, courts, prisons and museums) into twelve portfolios. The total value of these property holdings was approximately £158 billion in March 2021, and they cost around £22 billion a year to maintain. The Office of Government Property (OGP), which is part of the Cabinet Office, sets the government's overall property strategy, gathers data from all departments, sets cross-governmental standards and provides training for government property professionals. The Cabinet Office also sponsors the Government Property Agency (GPA), an executive agency that was set up to oversee the government's offices and warehouses. Through the OGP and the GPA, the Cabinet Office plays a major role in overseeing the property estate, guaranteeing that it is fit for purpose, and ensuring that property decisions support major government policies, such as levelling up and achieving net zero.

Relevant reports

- NAO report: [Managing central government property](#) – Session 2022-23 (HC 571)
- PAC report: [Managing central government property](#) – Session 2022-23 (HC 48)
- [Treasury Minutes](#): February 2023 (CP 802)
- [Treasury Minutes Progress Report](#): June 2023 (CP 855)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

1. PAC conclusion: The Cabinet Office does not have the data or IT system necessary to oversee and manage the government estate.

1. PAC recommendation: The Cabinet Office should get its new property database up and running as soon as possible. It should:

- **ensure that it uses the right expertise to advise on the procurement;**
- **explore off-the-shelf digital options; and**
- **set clear deadlines.**
- **In its Treasury Minute response to this report, the Cabinet Office should also confirm the new target launch date for InSite.**

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: April 2025

1.2 The government's property database - InSite Property Asset Register - launched successfully on 1 April 2025. Following a controlled period of service transition, users and data were successfully migrated. InSite now operates in a steady state, enabling improved data acquisition and quality across government property.

1.3 Operational business process is supporting the enhancement of data collection across government departments while progressing opportunities to improve data quality and inform policy making.

Thirty-Third Report of Session 2022-23

HM Revenue and Customs

HMRC Performance in 2021-22

Introduction from the Committee

HMRC employs around 63,000 people and is responsible for administering the UK's tax system. For 2021–22, HMRC's strategic objectives were to: collect the right tax and pay out the right financial support; make it easy to get tax right and hard to bend or break the rules; maintain taxpayers' consent through fair treatment and protect society from harm; make HMRC a great place to work; and support wider government economic aims through a resilient, agile tax administration system. In 2021–22, HMRC reported £731.1 billion of tax revenues, an increase of £122.3 billion (20.1%) compared to 2020–21. HMRC estimates the yield from its tax compliance activities in 2021–22 was £30.8 billion, up 1.1% compared with 2020–21 (£30.4 billion). As well as its traditional responsibilities for tax collection and administering Personal Tax Credits and Child Benefit, HMRC continued to play a major role in implementing the government's response to the COVID-19 pandemic. In 2021–22 it provided £16.5 billion of support to businesses and individuals under the Coronavirus Job Retention Scheme and Self-Employment Income Support Scheme, both of which ended in September 2022. Total support provided across the lifetime of the schemes was £96.9 billion. As part of administering the tax system HMRC is also responsible for managing tax reliefs, including the research and development reliefs.

- NAO report: [HM Revenue and Customs 2021-22 Accounts](#)
- PAC report: [HMRC Performance 2021-22](#) – Session 2022-23 (HC 686)
- [Treasury Minutes](#): March 2023 (CP 828)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

6: PAC conclusion: HMRC has further to go until it can differentiate between taxpayers who are genuinely struggling, and those who can afford to meet their liabilities but are choosing not to.

6b: PAC recommendation: HMRC should also set out when its single customer account will be ready and consider how it can bring the implementation of it forward.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: June 2025

6.2 HMRC's Single Customer Account programme closed in June 2025. The implementation involved regularly delivering new or improved online services for individual taxpayers, alongside foundational upgrades to HMRC's digital systems.

6.3 Key outcomes include:

- A new Child Benefit digital service
- The ability to add National Insurance numbers to digital wallets
- Enhanced services helping Pay As You Earn (PAYE) customers view and update their income and allowances
- New outbound communications — including texts, emails, and push notifications — to reassure and inform customers.

6.4 HMRC will build on this to continue improving the customer experience, as outlined in [HMRC's Transformation Roadmap](#), including:

- HMRC continues to improve the HMRC App, to integrate it with online services, and to encourage individual customers to use it as their primary method of interaction. In 2024-25, the HMRC App had approximately six million users.
- Enhancements to PAYE online pages helping taxpayers understand their tax code and income tax circumstances.
- A new digital service for the High-Income Child Benefit Charge which from September 2025 allows customers to pay the charge through their PAYE tax code, removing the need to file a Self Assessment return.
- Online improvements to Self Assessment services, to reassure customers and improve efficiency, including pre-populated information and clearer communications to streamline the processes for ceasing a Self Assessment and submitting an appeal.
- HMRC is procuring a new customer relationship management system to deliver personalised support for customers and their advisers.

Thirty-Fifth Report of Session 2022-23

Department of Health and Social Care

Introducing Integrated Care Systems

Introduction from the Committee

Integrated Care Systems are new organisations joining up NHS bodies, local authorities, and wider partners involved in providing health and care in local areas. Forty-two ICSs in England serve populations ranging in size from around half a million to three and half million people. They were introduced into legislation in July 2022 through the Health and Care Act 2022, although many had been operating in shadow form on a non-statutory basis for several years prior to this. The Department has overall policy responsibility for health and social care in England. NHS England leads implementation of national policy and strategy for the NHS elements of ICSs which it oversees through its regional teams. ICSs have four key aims: improve outcomes in population health and healthcare; tackle inequalities in outcomes, experience, and access; enhance productivity and value for money; and help the NHS support broader social economic development.

Relevant reports

- NAO report: [Introducing Integrated Care Systems](#) – Session 2022-23 (HC 655)
- PAC report: [Introducing Integrated Care Systems](#) – Session 2022-23 (HC 047)
- Treasury Minute: [March 2023](#) (CP 828)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

3. PAC conclusion: The Department has started taking some action to address workforce challenges in social care, but vacancies have increased by 50% in the last year and the number of people working in social care fell in 2021/22 for the first time in at least 10 years.

3a. PAC recommendation: Alongside its Treasury Minute response, the Department should write to us by the end of March 2023 and provide a breakdown of how it spent and what impact it achieved, in terms of health outcomes as well as operational improvements, from the £500m committed to workforce reform in December 2021.

3.1 The government agrees with the Committee's recommendation.

Recommendation closed

3.2 In a [letter to the Chair](#) dated 22 August 2025, the government recommended closing this recommendation, as it pertains to the previous government's plans which are no longer the Department of Health and Social Care's strategy for the adult social care workforce.

3.3 As noted in the letter, the government announced via [Written Ministerial Statement](#) in July 2024 the decision to suspend Programme spending that had been launched but not

delivered, including most of the remaining workforce reform activity and the Programme evaluation.

3.4 In January 2025, the government set out its plans for immediate investment to improve adult social care, including but not limited to setting new national standards on the use of technology in care and supporting care workers to deliver delegated healthcare activities.

3.5 A further announcement in April 2025 outlined the government's new measures for professionalising the care workforce. Activities included expanding the Care Workforce Pathway, refreshing the Care Certificate Standards, launching a new digital leadership qualification to help leaders adopt new technology, and continuing the Learning and Development Support Scheme, backed by up to £12 million in financial year 2025-26.

3.6 The government's long-term plans include establishing the adult social care Fair Pay Agreement, currently being introduced through the Employment Rights Bill. The government has also launched an independent commission into adult social care as part of its critical first steps towards delivering a National Care Service.

3.7 With the above, the government considers this recommendation closed.

5. PAC conclusion: The NHS estate is in an increasingly decrepit condition, but the Department seems unable to make timely decisions to address these problems.

5a. PAC recommendation: The Department and NHS England should ensure the capital strategy is published in early 2023. This strategy should set out an analysis of need and plans to address this.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026

Original target implementation date: 2023

5.2 The government agrees with the Committee's recommendation but not its conclusion. The government has stated its commitment to publish a Capital Strategy. As noted in the [letter to the Chair](#) dated 17 November 2025, the government now intends to publish a comprehensive strategy in Spring 2026.

5.3 Since the last progress update, the government has concluded Phase 2 of Spending Review 2025, which confirmed capital budgets for health and social care until 2029-30, and the [10-Year Infrastructure Strategy](#) confirmed investment in NHS maintenance budgets until 2034-35. [NHS capital guidance](#) published in November 2025 has provided multi-year capital allocations for both operational and strategic capital. The [10-Year Health Plan](#) sets out a reform vision for how the capital regime will evolve over the next decade.

5.4 This represents a significant volume of new information across a range of publications, providing clarity to the NHS on future funding allocations, mechanisms and wider regime reform. In that context, and while the government recognises the value an overarching capital strategy will bring, our judgment is that now is not the optimal time to issue this. Adding a further new document now for regions, systems and providers to absorb risks adding complexity to that landscape and undermining the value a strategy can bring. The department therefore intends to publish a comprehensive capital strategy in Spring 2026, following the conclusion of the multi-year planning round and business planning.

5.5 The strategy will undergo internal and wider cross-government review before publication in Spring 2026.

5b. PAC recommendation: The Department and NHS England should also provide an annual progress update against the strategy, to include progress on nationally determined commitments and priorities, such as the New Hospital Plan, and system-wide ICS-led issues such as addressing the backlog of maintenance work. The progress update should also include details of when the Department and NHS England expect to make decisions that affect current and potential capital projects, to enable ICSs to plan with more certainty.

5.6 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026
Original target implementation date: Summer 2024

5.7 The government agrees with the Committee's recommendation but not the conclusion. As suggested through the [previous Treasury Minute Progress Report](#), although the government agrees with the Committee's recommendation to monitor progress against the strategy, it suggests that these updates are provided to the Committee as necessary rather than annually. The government notes that whilst details concerning decisions affecting current and future capital projects could be included in progress updates if appropriate, such decisions will be communicated via the regular channels. This includes National Infrastructure and Service Transformation Authority's (NISTA) [infrastructure pipeline](#), published in July 2025, which is updated iteratively.

5.8 As the Chancellor announced in the October 2024 budget, the government is providing more certainty over future investment by setting five-year departmental capital budgets, which will be updated every two years. Accordingly, Phase 2 of Spending Review 2025 confirmed capital budgets for health and social care from 2026-27 – 2029-30, and the government's 10-Year National Infrastructure Strategy also provides certainty for NHS maintenance budgets until 2034-35. Additionally, the [NHS capital guidance](#) published in November 2025 gives clarity on the long-term funding allocations for the NHS to plan with certainty. Moving to longer-term, rolling programmes of capital investment, alongside the work undertaken by Integrated Care Systems to develop comprehensive infrastructure strategies, will enable providers, systems and regions to plan capital investments with greater certainty.

5.9 The updated implementation date of this recommendation reflects the revised date for publication of the Capital Strategy.

Thirty-Eighth Report of Session 2022-23

Department of Health and Social Care

Managing NHS backlogs and waiting times in England

Introduction from the Committee

At the start of the COVID-19 pandemic, the NHS in England had not met its elective waiting time performance standard for four years, nor its full set of eight operational standards for cancer services for six years. Due to the pandemic, the number of people receiving elective and cancer care initially reduced sharply. Between March 2020 and August 2022, on average there were 8,300 COVID-19 patients in hospital in England at any one time, with peaks in this number during waves of infection. Backlogs of patients, both visible on waiting lists and hidden because they had not yet seen a doctor, grew rapidly.

The expectations for recovery were agreed by the Department of Health and Social Care (the Department) and NHS England (NHSE). The government announced an additional £8 billion of resource and £5.9 billion of capital funding for recovery from 2022–23 to 2024–25. In February 2022, NHSE published a plan to recover elective and cancer care over the three years from April 2022 to March 2025. This planned recovery is essential but in itself only partial. The NHS will still be operating below its legal and operational standards for elective and cancer care even if all targets are met.

Relevant reports

- NAO report: [Managing NHS backlogs and waiting times in England \(nao.org.uk\)](https://www.nao.org.uk/publications/2022/23/managing-nhs-backlogs-and-waiting-times-in-england/) – Session 2022-23 (HC 799)
- PAC report: [Managing NHS backlogs and waiting times in England \(parliament.uk\)](https://committees.parliament.uk/committee/127/public-accounts-committee/) HYPERLINK "https://committees.parliament.uk/committee/127/public-accounts-committee/" – Session 2022-23 (HC 729)
- Treasury Minute: [Managing NHS backlogs and waiting times in England](#) (CP 845)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

2. PAC conclusion: NHS England was over-optimistic about the circumstances in which the NHS would be trying to recover elective and cancer care.

2. PAC recommendation: NHS England and the Department of Health and Social Care should revisit their planning assumptions for the recovery and publicly report any updates to targets so that patients and NHS staff can see a clear and realistic trajectory to achieve the 62-day cancer backlog target, the 52-week wait target for elective care, and, ultimately, the 18-week legal standard for elective care.

2.1 The government implemented the Committee's recommendation.

Recommendation implemented: January 2025

2.2 The assumptions behind the 2022 [Elective Recovery Plan](#) were agreed between the previous government and NHS England. These did not include industrial action, which had a

significant operational impact, with over 1.5 million hospital appointments rescheduled (December 2022 and July 2024). The government prioritised resolving the pay dispute with resident doctors (2022-2024) upon taking office, focussing on rebuilding the relationship with the profession and supporting its mission to cut waiting lists and build an NHS that is fit for the future. The government committed as part of its Plan for Change to deliver 2 million additional appointments in its first year; that target was met and exceeded, with 5.2 million additional appointments delivered in the government's first year.

2.3 The government committed to returning to the NHS Constitutional standard that 92% of patients should wait no longer than 18 weeks from Referral to Treatment, setting a clear target to achieve this by March 2029 in the Plan for Change. This is supported by the in-year targets for 18 and 52 week waits in the [Operational Planning Guidance](#) for 2025-26 and the [Medium Term Planning Framework](#) for 2026-27 to 2028-29.

2.4 The 2025 [Elective Reform Plan](#) detailed the steps to reach this standard productively and effectively. Its reforms focus on empowering patients, reforming delivery, delivering care in the right place, and aligning funding, performance oversight and delivery standards.

2.5 Waits of over 52 weeks stood at 180,329 in September 2025, down 59% from the post-pandemic peak of 436,127 in March 2021.

2.6 The 62-day backlog target to reduce the number of waits over 62 days for first cancer treatment to 18,755, or around 7% of the total cancer waiting list, was achieved by 31 March 2024 and the backlog has remained around 8% since then.

Forty-Third Report of Session 2022-23

Home Office

Progress combatting fraud

Introduction from the Committee

Fraud is defined as an act of dishonesty, normally through deception or breach of trust, with the intent to make a gain or cause a loss of money or other property. In the year to June 2022, nearly 7% of adults in England and Wales experienced actual or attempted fraud. The Home Office estimates the cost of fraud against individuals is £4.7 billion but it does not have a reliable estimate of the cost of fraud against businesses. The department is ultimately responsible for preventing and reducing crime, including fraud. It works with many other bodies including the National Crime Agency (NCA) and the City of London Police, which is responsible for overseeing Action Fraud, the national reporting service for fraud. In 2021–22, the department provided funding totalling £33.25 million to City of London Police and the NCA aimed at tackling fraud. The Ministry of Justice has an important role in setting policy on criminal justice for fraud offences and the Crown Prosecution Service prosecutes criminal cases in England and Wales. The department also needs to engage with other government departments; the finance, technology and telecoms sectors; and international partners, among others. In March 2022, the department announced plans for a new fraud strategy but at the time we took evidence this had not yet been published.

Relevant reports

- NAO report: [Progress combatting fraud](#) – Session 2022-23 (HC 654)
- PAC report: [Progress combatting fraud](#) – Session 2022-23 (HC 40)
- [Treasury Minutes](#): June 2023 (CP 847)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

2. PAC conclusion: *Despite fraud being the most common crime in England and Wales, Government's communications with the public are still not effective.*

2. PAC recommendation: *The Department should set out, as part of its Treasury Minute response, how it will use the results of the National Crime Agency's (NCA's) research to improve the coherence and impact of its public awareness campaigns on fraud and how it will measure the impact of future campaigns.*

2.1 The government agrees with this recommendation.

Recommendation implemented: March 2025

2.2 Phases 1 and 2 of the Stop! Think Fraud behaviour change campaign were built on the research undertaken by the National Crime Agency (NCA), which was then augmented by research conducted by the Home Office. A strong insight base has created a campaign that is grounded in audience insight and is as engaging and effective as possible at changing behaviour.

2.3 A comprehensive evaluation model has been developed, enabling us to understand the impact of the campaign and areas for development to ensure it is as effective as possible. For example, in Phase 2 of the campaign the Home Office worked with LADBible to successfully increase the relevance of the campaign for 18–34-year-olds. It should be noted that this evaluation is not shared publicly, on the basis that the evaluation findings are used to inform policy decision-making.

2.4 Since the last update to the Committee, the Home Office and National Cyber Security Centre have delivered Phase 2 of the Stop! Think Fraud behaviour change campaign. Evaluation of this phase of activity indicates that, as with the first phase, it drove a positive shift in public behaviours, with those who saw the campaign better able to identify potentially fraudulent approaches and take appropriate action to protect themselves. Lessons learnt from Phases 1 and 2 have been integrated into the latest phase of activity which is running from May 2025 to March 2026.

3. PAC conclusion: Victims of fraud are being failed by Action Fraud, which risks undermining public trust in the police.

3. PAC recommendation: The Department should set out, as part of its Treasury Minute response, how Action Fraud's replacement in 2024 will improve the way it engages with victims of fraud and updates them about their case and any plans it has to make improvements in the interim.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Winter 2025

Original target implementation date: Spring 2024

3.2 The phased rollout of the new service (called Report Fraud) is expected to be completed in early December 2025.

3.3 The new Report Fraud will deliver:

- Simplified reporting and enhanced data-sharing infrastructure to boost submissions from the public and businesses.
- Faster and more accurate intelligence analysis of reports.
- More and higher quality intelligence packages for law enforcement and government agencies.
- Expanded data sharing with industry partners to support disruption efforts and deliver automated takedown notices for malicious websites, phone numbers, bank accounts, and social media.
- Enhanced victim support via National Economic Crime Victim Care Unit, including tailored advice and regular progress updates.

4. PAC conclusion: The Department has failed to support police forces to build the capacity or skills they need to tackle fraud effectively.

4. PAC recommendation: The Department should outline, as part of its Treasury Minute response, how it will increase both the priority of tackling fraud within territorial police forces and the capacity of police forces to investigate cases. The Department also needs to step up its support to police forces to ensure they can tackle fraud more effectively.

4.1 The government agrees with the Committee's recommendation.

Revised implementation date: ongoing until Spring 2026

Target implementation date: ongoing until Spring 2025

4.2 In Spring 2025 the department completed recruitment of a new National Fraud Squad (NFS) to establish a more proactive, intelligence-based approach to tackling the most serious fraudsters, both domestically and overseas, in close coordination with government and industry. The NFS will reduce the burden on local police by disrupting fraudsters before they reach potential victims and investigating the most complex cases.

4.3 The government is currently taking steps to refresh the Strategic Policing Requirements (SPR), including consulting on how to recognise the severity of the fraud threat, and to ensure all forces prioritise their fraud response. The updated SPR will guide Police and Crime Commissioners in setting local priorities, and support forces in working more effectively with national fraud capabilities. City of London Police continue to push fraud as a policing priority and engage with senior leadership to encourage greater allocation of specialised resources dedicated to addressing the fraud threat.

4.4 Fraud has now been formally incorporated into His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) Police Efficiency Effectiveness and Legitimacy (PEEL) framework. This marks significant progress in strengthening oversight and accountability. The upcoming PEEL inspection cycle for 2025-27 is expected to commence in 2026 and will formally assess each police force in England and Wales on their performance in tackling fraud, with supporting victims being a key criterion. Including fraud within the framework will help standardise the police response, improve coordination and provide valuable insight on the progress made since HMICFRS's last thematic inspection of fraud in 2019. Police and Crime Commissioners will have a crucial role in scrutinising how forces respond to inspection findings, helping to strengthen investigative practices and raise standards in tackling serious fraud at both local and national levels.

5. PAC conclusion: The criminal justice system's current approach to penalising and sentencing fraudsters is insufficient to prevent the UK being seen as a haven for fraudsters.

5. PAC recommendation: The Department should work with partners in Government to address the recommendations of the Justice Committee's report Fraud and the Justice System.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: end 2025

Original target implementation date: ongoing until Spring 2025

5.2 In October 2023, the department initiated an Independent Review. Given its scope, the Review was divided into two phases.

- Phase One examined how the criminal disclosure framework operates under the Criminal Procedure and Investigations Act 1996. Particular attention was given to cases involving extensive digital evidence. The Review also scrutinised the Attorney General's Guidelines on Disclosure. Its findings and recommendations were compiled in the report [Disclosure in the Digital Age](#), which was delivered to the government in November 2024 and published in March 2025.
- Phase Two then moved on to assess the effectiveness of fraud-related offences. This stage is scheduled to conclude by the end of 2025. The government will consider the recommendations from both phases alongside proposals from the Independent Review of

Sentencing and the Independent Review of Criminal Courts as part of a broader package of criminal justice reforms.

5.3 The corporate offence of failure to prevent fraud came into effect on 1 September 2025. This offence will hold large organisations to account if an ‘associated person’ commits fraud with the intention of benefiting that organisation.

6. PAC conclusion: The Department’s reliance on voluntary charters does not produce a strong enough incentive for industry to rapidly improve its response to fraud.

6. PAC recommendation: The Department should set out, as part of its Treasury Minute response, how voluntary charters will contribute to its fraud strategy, including what changes it expects to see as a result of the charters, by when these will be achieved and what action it will take if they are not.

6.1 The government agrees with the Committee’s recommendation.

Revised target implementation date: ongoing Spring 2027

Original target implementation date: ongoing Spring 2025

6.2 Development of an expanded Fraud Strategy is ongoing. Initial stakeholder engagement has been successfully completed, with valuable insights and ideas captured to inform the next phase of work. The government is committed to developing a robust and coordinated response to fraud, with further details to be published in due course.

6.3 The Home Office has set up a working group to monitor the implementation of the Insurance Fraud Charter. The Group provides progress updates at the Joint Fraud Taskforce board ([minutes available online at GOV.UK](#)). Work on all actions is ongoing with key progress in victim support and consumer awareness: since the launch of the Charter, signatories have launched an effective consumer awareness campaign on ghost broking, hosted the Association of British Insurers fraud conference with Mr Luke Charters MP, and worked with Victims Support to understand best practice on victim support within the sector.

6.4 The Telecoms Charter was published on 5 November 2025 and will run for 18 months. It will focus on preventing scam calls and texts by upgrading and securing the network, setting up data sharing systems, training staff and educating the public.

6.5 In regard to online fraud, the Online Safety Act which received Royal Assent in November 2023 requires social media platforms and search services to do more to tackle illegal harms originating on their platforms. As of 17 March 2025, Ofcom’s illegal harm duties are now in force. Ofcom will now start assessing platforms’ compliance with their new obligations under the Act and will launch enforcement action where they uncover concerns.

7. PAC conclusion: The Department has not prioritised developing relationships with international criminal justice agencies.

7. PAC recommendation: The Department should set out, as part of its Treasury Minute response, how it will achieve a step change in the breadth and strength of its international relationships as part of its efforts to tackle fraud.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

7.2 The UK is committed to strengthening the international response and making it a global priority. That is why we are supporting a UNODC-INTERPOL Global Fraud Summit, taking place in Vienna March 2026. This Summit will build on the UK hosted Summit, inviting all UN member states and senior members of Law enforcement and across the private sector to raise global standards on fraud and commit to international action to dismantle transnational fraud actors.

7.3 A key element of the government's international work is to tackle fraud at source. We are working with high-risk countries to raise the political profile of fraud and advance collaboration and develop their domestic responses to fraud. This may include identifying capacity building needs for local law enforcement and criminal justice systems, sharing expertise, exploring opportunities to enhance legal and regulatory frameworks, building industry partnerships, or strengthening digital investigative capabilities.

7.4 In April 2025, Lord Hanson signed a landmark memorandum of understanding between UK and Nigeria to formalise our joint commitment to tackling fraud. It set out a comprehensive action plan to provide increased protection for victims by focusing on earlier detection of threats, faster law enforcement intervention, and the disruption of cross-border criminal networks before they can cause harm. It will also support stronger systems to help prevent people from falling victim to fraud in the first place.

Forty-Fourth Report of Session 2022-23

HM Revenue and Customs

Digital Services Tax

Introduction from the Committee

HM Treasury and HMRC introduced the Digital Services Tax in April 2020 to capture the value added to major digital businesses by UK users interacting with online marketplaces, social media platforms and search engines. It is a tax on turnover, not profits, for business groups whose revenues from in-scope activities are more than £500 million and where more than £25 million is derived from UK users. HMRC collected £358 million for the year 2020–21 (30% more than forecast due to the unpredictable impact of the COVID-19 pandemic), with 90% coming from five business groups. Digital Services Tax is forecast to raise around £3 billion by 2024–25.

The UK is among many other countries seeking a multilateral solution to concerns about how the international tax system operates for global businesses. In mid-2023 OECD plans for around 140 tax jurisdictions to sign up to 'Pillar One and Two' reforms that are intended to allow countries where large multinational businesses derive income to tax them locally. This involves re-allocating some taxing rights over the largest and most profitable multinational business groups from their home countries to the tax jurisdictions where their customers and users are located. When the 'Pillar One' reform is introduced, the UK government will retire the Digital Services Tax. Legislation requires the tax to be reviewed by 2025.

Relevant reports

- NAO report: [Investigation into the Digital Services Tax](#) Session 2022-23 (HC 905)
- PAC report: [The Digital Services Tax](#) Session 2022-23 (HC 732)
- [Treasury Minute](#): June 2023 (CP 847)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

3: PAC conclusion: There are obvious challenges facing the OECD in implementing the multilateral Pillar One reforms to the planned timetable, which could have major implications for the future of the Digital Services Tax.

3: PAC recommendation: HMRC should update Parliament, within three months of international agreement on implementation of Pillar One, on progress with the implementation of the reforms.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: 2027

Original target implementation date: 2024

3.2 Since the last response to the Committee no international agreement has yet been made on the implementation of Pillar One. It remains the government's preference to implement Pillar One and remove the Digital Services Tax. Both the [G7 statement](#) of June 2025 and the [G20 Communiqué](#) of July 2025 refer to the possible resumption of international discussions on the taxation of the digital economy. It is not possible to provide a precise timeline, but HMRC will update Parliament within three months should an international agreement be made. The government has revised the target implementation date accordingly. In the meantime, Digital Services Tax remains in operation and raised over £800 million in receipts in 2024-25.

Fifty-First Report of Session 2022-23

Department of Environment, Farming and Rural Affairs

Tackling Defra's ageing digital services

Introduction from the Committee

Government as a whole faces a significant challenge from ageing IT systems, known as legacy IT. These systems are costly to maintain and have a large impact on services, with real-life consequences for people who use and rely on them. The Department for Environment, Food & Rural Affairs (Defra) is a complex organisation: as well as the main department, it comprises a range of arms length bodies (ALBs) and other bodies of varying size that make up the Defra Group. It provides services ranging from permits to move animals to monitoring air quality to paying grants, but many of the IT systems it uses are outdated.

In 2020, Defra estimated it needed to spend £726 million on modernising legacy services between 2021 and 2025, the second largest legacy spend requirement in government after the Home Office. Many of its 365 main applications use software that is now outdated: 30% of them are no longer supported by their supplier and 50% are in extended support, where Defra may have to pay additional charges for updates. Defra does not expect to resolve all its legacy issues until 2030. In the 2021 Spending Review, Defra received £871 million over three years for digital investment. This included £366 million for addressing legacy issues and bringing systems up to the necessary standard. The settlement was 58% of Defra's bid to HM Treasury.

The Central Data and Digital Office (CDDO) is part of the Cabinet Office. It leads the digital, data and technology function for government and is responsible for strategy, standards, and capability development. In June 2022, CDDO set out the government's latest approach to improving the conditions for digital transformation in *Transforming for a digital future: 2022 to 2025 roadmap for digital and data*.

Relevant reports

- NAO report: [Modernising ageing digital services](#) – Session 2022-23 (HC 948)
- PAC report: [Tackling Defra's ageing digital services](#) – Session 2022-23 (HC 737)
- [Treasury Minute](#): July 2023 (CP 902)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

6. PAC conclusion: Defra does not yet know how it will meet Government's ambitions for digital change within its existing resources.

6. PAC recommendation: Defra should:

- **strengthen its case for investment by developing its analysis of the efficiency savings that could be achieved through modernising its systems and processes;**

- ***write to the Committee within a year with the results of this analysis and what action it plans to take as a result.***

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

6.2 During the three-year period (2022-23 to 2024-25), Defra invested £312 million on modernising its legacy systems, updating 151 applications making them more resilient and secure and making many upgrades to its core infrastructure.

6.3 Defra's legacy technology is still considerable including legacy datacentres and hundreds of applications that are out of supplier support.

6.4 Defra has been allocated a further £107 million to continue remediating its legacy estate in 2025-26. Defra has subsequently closed one legacy Data Centre with advanced work underway to exit 3 more within this SR period.

6.5 Defra subsequently completed three business cases for further investment, focusing on fixing its legacy estate, improving its cyber security, and investing in digitally enabled transformation of its services. Defra will continue to prioritise investment to remediate and avoid legacy technology. Defra will manage this through a prioritised portfolio, agreed through regular business planning processes.

6.6 Defra wrote to the Committee on 14 November 2025, building off previous correspondence, to clarify work undertaken to upgrade laptop operating systems.

Fifty-Fourth Report of Session 2022-23

Department of Health and Social Care

Alcohol treatment services

Introduction from the Committee

The safe level of alcohol consumption continues to be the subject of research and policy debate worldwide, but excessive drinking can have costs for both society and individuals. An estimated 10 million people in England regularly exceed the Chief Medical Officers' low-risk drinking guidelines, including 1.7 million who drink at higher risk and around 600,000 who are dependent on alcohol. While most adults do not regularly drink to excess, according to the Health Survey for England 2021, an estimated 21% drink in a way that could risk their long-term health. Of the minority that are dependent on alcohol or are drinking at higher-risk levels, some seek support through alcohol treatment services.

The Department for Health and Social Care (the Department) is responsible for setting strategy on public health which includes setting national strategy and policy on tackling alcohol and drug misuse. The Office for Health Improvement and Disparities (OHID), part of the Department, is responsible for tackling preventable risks to health, improving the public's health and narrowing health disparities. Its responsibilities include providing data, guidance tools and support to help local authorities commission effective drug and alcohol treatment. Since 2012, local authorities have been responsible for commissioning drug and alcohol treatment services. In most cases, treatment provision has moved from separate alcohol and drug services to one integrated service. Local authorities receive an annual ring-fenced grant from the Department of Health and Social Care to help fund public health services. As a condition of the grant, government expects local authorities to improve take-up of, and outcomes from, their drug and alcohol treatment services. In December 2021, in response to Dame Carol Black's independent review on drugs, the government published a 10-year drug strategy which committed a further £533 million over three years on top of the public health grant to substance misuse treatment services. In 2021–22, local authorities reported spending £637 million on alcohol and drug services, a real term fall in spending of 27% compared with 2014–15.

Relevant reports

- NAO report: [Alcohol treatment services](#) – Session 2022-23 (HC 1129)
- PAC report: [Alcohol treatment services](#) – Session 2022-23 (HC 1001)
- Treasury Minute: [Alcohol treatment services](#) – Session 2022-23 (CP 902)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

4. PAC conclusion: We are concerned that a high proportion of people with alcohol dependency are not in treatment and that there are unnecessary barriers to people in need of treatment.

4. PAC recommendation: The Department should set out:

- ***how it is working with local authorities to address the barriers to people with alcohol dependency from getting the treatment they need: and***
- ***what it is doing to help improve integrated care for people with co-occurring alcohol and mental health problems and to ensure that they receive the support that they need.***

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: December 2025

4.2 Supporting people with alcohol and drug dependence is a government priority, including continued additional investment into the drug and alcohol treatment system for 2026-2027.

4.3 There was a 26% increase in the number of people in treatment for alcohol only and for alcohol and non-opiates between the year to March 2022 and the year to June 2025. Numbers in alcohol treatment in the year April 2024- 25 were the highest since records began in 2014. ([Community adult treatment performance reports -England](#))

4.4 The department is committed to promoting more cohesion between mental health services and substance use services, to ensure people no longer fall through the gaps of treatment. Work is ongoing to improve integrated, person-centred care across alcohol and drug treatment and mental health services. This work is focusing on improving several key areas including strategic leadership, data quality, and workforce transformation.

4.5 This work directly supports the recent [10 Year Health Plan](#)'s strategic visions to shift care from the hospital to the community, provide coordinated, patient-orientated services, and reduce health inequalities.

4.6 The department is on track to publish the first ever UK clinical guidelines for alcohol treatment in December 2025. The guidelines include recommendations on removing barriers to treatment and on effective treatment for people with co- occurring alcohol problems and mental health conditions. Drawing on good practice recommendations in these guidelines, the department has been providing support to local areas to improve the quality of alcohol treatment.

Fifty-Sixth Report of Session 2022-23

Department for Business and Trade

Supporting Investment into the UK

Introduction from the Committee

The government sees inward investment as important for supporting economic growth and for generating investment to support its priorities, which include meeting the net zero climate emissions target, reducing inequalities between regions of the UK by levelling up, and becoming a science and technology superpower through innovation. Factors that may attract investors to the UK include growth opportunities, consumer demand, ease of setting up a business and an established rule of law. While the UK is an attractive destination for inward investment, it competes with other countries. Obstacles to investing in the UK identified by investors include a lack of financial incentives to invest and lack of skills in the workforce. The government aims to develop relationships with investors and to persuade them that the UK is the best destination for their investment.

In 2021–22, the Department for International Trade spent approximately £80 million on supporting inward investment. An estimated 634 of the Department's staff in the UK and overseas supported investment through identifying opportunities for investment in the UK, promoting these opportunities to potential investors, and seeking to attract and retain high-value investors. In 2020, the Department established the Office for Investment, jointly reporting to the Department and to the Prime Minister's Office, to improve its service for high-value investors where more effective cross-government working could help secure foreign investment. In February 2023, the government created the Department for Business and Trade, bringing together the business functions in the Department for Business, Energy & Industrial Strategy and the Department for International Trade. The new Department for Business and Trade shares responsibility for supporting inward investment with other government departments who hold responsibility for policy in specific sectors or policy levers that are important for investment, such as tax, regulation, and visa requirements.

Relevant reports

- NAO report: [Supporting Investment into the UK](#) - Session 2022-23 (HC 1080)
- PAC report: [Supporting Investment into the UK](#) - Session 2022-23 (HC 996)
- [Treasury Minute](#): August 2023 (CP 921)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

2. PAC conclusion: The department focuses more on securing investment deals in the short term, rather than understanding the long-term economic benefits from investment.

2. PAC recommendation: The department should review major investments it has supported over the last five years to check the current position on forecast benefits and wider economic impacts and use this to inform future work. It should also implement a structured approach to monitoring and evaluating progress with achieving benefits, for high-value investments in particular.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

2.2 The Department for Business and Trade (DBT) has implemented a survey of businesses to understand their current position, whether they had experienced growth since their initial investment, their future expansionary plans and their current position. The department also linked external data to the businesses that invested in the last three to five years to understand their financial performance since investing in the United Kingdom. The department will continue to develop the methodology and the underlying research tools to improve the robustness of the monitoring and evaluation carried out to continue to measure benefits over the long-term. The key findings are below.

2.3 Since their first investment, businesses surveyed have continued to expand, with almost 80% saying they had expanded.

2.4 The nature of the expansion varies but includes increasing employees and expanding the products and services produced/supplied in the UK.

2.5 The businesses surveyed have continued to receive UK government support since investing in the UK, either specifically for expansionary activity or for general business support.

2.6 The businesses surveyed have engaged in various beneficial activities since setting up in the UK, such as transitioning operations to low carbon and networking with institutions like universities or local businesses.

2.7 The majority of businesses (70%) that invested in 2019-20 to 2021-22 were in profit. Existing investors at that point are more likely to be seeing profits than smaller ones (75% versus 55%).

7. PAC conclusion: The recent machinery of government changes provide the Department with an opportunity to review its alignment with other government bodies that support investment.

7. PAC recommendation: The department should review which government bodies have a role in supporting investment in the UK and consider how it could formalise working relationships, and align priorities and activities in supporting investment.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented: June 2025

7.2 The department has strengthened cross-government collaboration to align investment priorities. The expanded Office for Investment (OfI) now a joint unit of the Treasury (HMT), DBT and No10, provides a single, coherent entry point for investors, drives major deals, and coordinates activity across departments in line with the Industrial Strategy. Ministerial oversight is ensured through a joint HMT/DBT minister, while the OfI Board brings together departments to deliver major opportunities effectively. In addition, the newly launched Public

Investment Roundtable convenes CEOs of public financial institutions to improve coordination and ensure these bodies work together to channel investment into key sectors.

7.3 In June 2025, the government launched the enhanced Office for Investment (OfI), a joint unit across No10, HMT and DBT. This enhanced OfI brings together existing capability from across government, especially from DBT investment teams and the overseas network, under a single delivery brand.

7.4 The enhanced OfI will act as a coherent entry point into government for investors, with the ability to originate and execute major deals, develop commercially attractive investment propositions in partnership with local political leaders, market the United Kingdom to investors around the world, and coordinate investment activity across departments in line with the [Industrial Strategy](#) that was also launched in June 2025.

Fifty-Seventh Report of Session 2022-23

The Department for Work and Pensions

AEA Technology Pension Case

Introduction from the Committee

AEA Technology (AEAT) was the commercial arm of the UK Atomic Energy Authority (UKAEA), and it was privatised in 1996. Around 4,000 employees were transferred to AEAT and joined the company's new pension scheme, and they had several options for the pension benefits they had already accrued in UKAEA, and the movement of these accrued benefits to the new scheme was given impetus by statements by ministers in the House of Commons. This included either keeping the benefits in the UKAEA public sector scheme, which was backed by government, or taking a special offer to transfer their accrued pension to a closed section of the new AEAT scheme. The government made assurances, including in statements by ministers and an information note provided by the Government Actuary's Department (GAD) to help scheme members make their decisions, that the new scheme would have equivalent benefits to the public sector one. Nearly 90% of eligible members chose to transfer their pension benefits.

In 2012, AEAT went into administration and the pension scheme subsequently entered the Pension Protection Fund (PPF). The compensation the PPF pays is typically lower than the original pension benefits. Since then, scheme members have raised concerns with various parts of government about information provided to employees in 1996 that informed their decision to transfer their pensions, and about the company's administration in 2012.

Relevant reports

- NAO report: [Pensions transferred to AEA Technology when it was privatised](#) – Session 2022-23 (HC 1169)
- PAC report: [AEA Technology Pension Case](#) – Session 2022-23 (HC 1005)
- [Treasury Minute](#): August 2023 (CP 921)
- [Treasury Minutes Progress Report](#): December 2023 (CP 987)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last report to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

3. PAC conclusion: The AEAT case shows that there are gaps in the routes of appeal available for people raising complaints about their pensions.

3a. PAC recommendation: The government should review ombudsman arrangements to ensure that all aspects of people's interactions with their pensions have an adequate route of appeal.

3.1 The government disagrees with the Committee's recommendation.

3.2 The Department for Work and Pensions [wrote to the Committee](#) on 22 August 2025 explaining that the government has decided not to take forward the programme of independent reviews initiated under the previous administration. Therefore, the department will not be proceeding with a review of the Pensions Ombudsman at this time.

3.3 As the Committee may recall, the department's view is that the Pensions Ombudsman has acted within his statutory remit in considering complaints related to the AEAT pension scheme. These matters have been subject to extensive scrutiny over the past decade, including debates in Parliament.

Sixty-Second Report of Session 2022-23

Department of Health and Social Care

Department of Health and Social Care 2021-22 Annual Report and Accounts

Introduction from the Committee

The Department of Health and Social Care leads the health and care system in England. The Comptroller and Auditor General (C&AG) qualified his audit opinion on the department's 2021–22 accounts for several reasons. There was insufficient evidence to support; the Core Department & Agencies' and Group's consumables inventory balance of £1.36 billion at 31 March 2022 and £3.6 billion at 31 March 2021; £1.56 billion of inventory impairments in 2021–22 and £9.0 billion in 2020–21; inventory consumed during 2021–22 of £8.0 billion and £6.1 billion in 2020–21; and the £1.2 billion onerous contract provision recognised by the Department for inventory purchased but not received as at 31 March 2021.

UKHSA was created on 1 April 2021, becoming fully operational on 1 October 2021 when it became responsible for the health protection functions of Public Health England, NHS Test and Trace and the Joint Biosecurity Centre. The C&AG disclaimed his opinion on the 2021–22 UKHSA Accounts, and this led to him qualifying the transactions and balances relating to UKHSA in the department's Group Accounts as insufficient evidence was provided. This also led to a regularity qualification as there was not sufficient evidence to demonstrate that the spend incurred was applied to the purposes intended by Parliament and conformed with the authorities which govern it. In addition, Parliament authorised a Resource Non-Budget Expenditure limit of £Nil for the department in 2021–22. Against this limit, the department incurred an outturn of £2.457 billion, exceeding the authorised limit by £2.457 billion and causing an Excess Vote and a qualification of the C&AG's opinion on regularity.

Relevant reports

- [DHSC Annual Report and Accounts 2021 to 2022](#) – (HC 1043)
- PAC report: [Department of Health and Social Care 2021-22 Annual Report and Accounts](#) – Session 2022-23 (HC 997)
- [Treasury Minute](#) September 2023 (CP 941)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

5. PAC conclusion: The Department has not yet delivered a clear plan to remove the audit qualifications and deliver its accounts to a pre-summer recess timetable.

5. PAC recommendation: The Department must develop and implement a plan to remove the qualifications from the Departmental Group accounts and work with NHS England to restore timely financial reporting and local audit across the NHS, to support laying of the Departmental Group accounts to a pre-summer recess timetable.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: July 2027

Original target implementation date: July 2026

5.2 The Comptroller & Auditor General (C&AG) gave a [clean audit opinion](#) on the group accounts for the year ended 31 March 2024, with the only qualifications being legacy limitations of scope regarding the UK Health Security Agency (UKHSA) and consumables inventory.

5.3 The department has written to the Committee on [7 November](#) setting out its position and plans with regard to a return to pre-Summer Parliamentary recess publication of the DHSC Group Annual Report and Accounts

Sixty-Third Report of Session 2022-23

Department for Transport

HS2 Euston

Introduction from the Committee

Euston will be the London terminus for High Speed Two (HS2), a new high-speed, high-capacity railway between London, the West Midlands, and the north of England. The HS2 station also forms part of a wider Euston programme, with the redevelopment of the Euston conventional station by Network Rail and 'over-site' housing and commercial development in and around the two stations also taking place on the site. The Department for Transport is the sponsor of all three projects and HS2 Ltd is responsible for delivering the HS2 programme including Euston station.

Following recommendations from the Oakervee Review in 2020 on the HS2 programme, the department instructed HS2 Ltd to move to a simpler design for the Euston station. However, three years later in March 2023 the department announced that it would be pausing new construction work at Euston for the next two years. This pause followed on from HS2 Ltd.'s latest cost estimate in March 2023 of £4.8 billion (in 2019 prices) to build the station compared to its original £2.6 billion budget, alongside inflationary cost pressures across the Department's capital programme. The Department and HS2 Ltd plan to use the pause at Euston to give them more time to develop an affordable and deliverable design.

Relevant reports

- NAO report: [High Speed Two: Euston](#) – Session 2022-23 (HC 1201)
- PAC report: [HS2 Euston](#) – Session 2022-23 (HC 1004)
- [Treasury Minute](#): September 2023 (CP 941)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: *Despite spending over eight years on planning and designing the HS2 Euston station, the Department still does not know what it is trying to achieve with the station.*

1. PAC recommendation: *The Department needs to use the current construction pause to finally establish the design and expectations for the station against what it is willing to spend.*

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2026

Original target implementation date: Summer 2025

1.2 Work continues on the development of an alternative, more affordable design and layout for Euston, along with updated delivery model and financing arrangements. Learning from previous experience, the department is taking time to develop, refine and test these developing proposals prior to their adoption. Further detail on the emerging plans will be shared as they are matured, in particular following the establishment of the Euston Delivery

Company, which will be the single point of accountability for integrating design and delivery. For this reason, as well as work being conducted as part of the HS2 reset, the implementation date for this recommendation has been revised by 12 months since the last update to the Committee.

1.3 Since the publication of the previous [Treasury Minutes Progress Report](#) of March 2025, the department has been progressing plans for a new delivery model and private finance approach for Euston. These proposals, reflected in the government's [10-Year Infrastructure Strategy](#), include establishing the Euston Delivery Company, and exploring the use of a public-private partnership to design, build, finance and maintain the HS2 station, along with a tax increment financing-style mechanism to capture local development value. Further updates on this will be provided to the Committee in the future.

2. PAC conclusion: The £2.6 billion budget set in 2020 proved to be completely unrealistic for what the Department wanted to deliver.

2. PAC recommendation: The Department needs to be much clearer to Parliament and the public that the revised budget it sets is realistic and the station design it approves is affordable and deliverable with timescales for construction before it restarts construction work at Euston.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2026

Original target implementation date: Summer 2025

2.2 Work continues on the development of an alternative, more affordable design and layout for Euston, along with updated delivery model and financing arrangements. Learning from previous experience, the department is taking time to develop, refine and test these developing proposals prior to their adoption. Further detail on the emerging plans will be shared as they are matured, in particular following the establishment of the Euston Delivery Company, which will be the single point of accountability for integrating design and delivery. For this reason, as well as work being conducted as part of the HS2 reset, the implementation date for this recommendation has been revised by 12 months since the last update to the Committee.

2.3 In parallel, enabling works are continuing to ready the HS2 station site for the main construction programme.

6. PAC conclusion: The Department has not yet learned lessons from managing major rail programmes.

6. PAC recommendation: The department needs to demonstrate to Parliament and the public that they are successfully embedding the lessons from past rail projects and not just repeating the same mistakes. Specifically on Euston the Department and HS2 Ltd should report back to the Committee on:

- **what measures the Department and contractors took internally to address costs overruns and to identify who was responsible?**
- **what lessons they have learned from the Euston project and how it will apply them at both Birmingham Curzon Street, Manchester Piccadilly, having done so they will scrutinise the revised costs carefully to avoid further cost occurring in other parts of the HS2 programme?**
- **and how it will manage the integration of work on the Euston site once it has decided what it wants to achieve there.**

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

6.2 [The major transport projects governance and assurance review](#), independently led by transport consultant James Stewart and published in June 2025, makes important recommendations for HS2 and the wider government. In its [HS2 report to Parliament](#) of July 2025, the department summarised the key lessons from the programme and how those lessons will be applied.

6.3 The department is actively implementing the review's recommendations relating to HS2 through the reset programme. The department has also initiated a programme of work to ensure that the review's findings are applied to all its current and future major projects. This includes building on its on-going project delivery change programme in collaboration with the National Infrastructure and Service Transformation Authority and its delivery partners to address the system-wide challenges identified by James Stewart, as well as ensuring the learning is disseminated widely. The Euston programme will continue to learn lessons from the recommendations in the James Stewart review and wider lessons learnt exercises.

6.4 Further updates on the implementation of HS2-specific recommendations will be provided in the department's future six-monthly reports to Parliament.

Sixty-Fourth Report of Session 2022-23

The Home Office

The Emergency Services Network

Introduction from the Committee

All 108 police, fire and ambulance services in England, Scotland and Wales communicate using Airwave, a dedicated mobile communications network that is critical to their ability to do their jobs. Airwave performs well but is becoming obsolescent, is expensive and does not provide access to modern data services. The Department is replacing Airwave with the Emergency Services Network (ESN), which will use a commercial mobile phone network and so be cheaper whilst also providing modern data. In 2015, the Department awarded contracts to deliver ESN to EE, for the main network infrastructure, and to Motorola for software to replicate critical features, such as push-to-talk – the ability to be connected to a control room or another device at the push of a button, which Airwave has but which commercial mobile phone networks do not support.

The programme to deliver ESN has faced significant delays and was reset in 2018. We have questioned the Department about its management of ESN 13 times, and issued three reports, each finding the programme to be high risk and raising concerns about the department's ability to manage those risks. One such risk related to Motorola's dual position as owner of Airwave, and key supplier to ESN. In April 2021, the Home Office wrote to the Competition & Markets Authority (CMA) expressing concerns over Airwave's excessive profits and Motorola's weak incentives to complete ESN. To prevent the CMA from forcing it to sell Airwave, Motorola announced in November 2021 that it would leave ESN.

The programme successfully engaged IBM to deliver the User Services contract, previously contracted to Motorola, and extended the existing Mobile Services contract through a direct award with EE. Mobilisation with both delivery partners commenced in late 2024. The new delivery strategy, set out in the PBC, was endorsed by the Major Projects Review Group (MPRG) in September 2024. The Programme's new target plan, developed following Motorola's exit, has added some time to the 2026 date for Airwave Shutdown (ASD), and the endorsed PBC reflects a new delivery approach and revised target for ASD of 31 Dec 2029.

Relevant reports

- NAO report: [Progress with delivering the Emergency Services Network](#) Session 2022-23 (HC 1170)
- PAC report: [The Emergency Services Network](#) Sixty-Fourth Report of Session 2022–23 (HC 1006)
- [Treasury Minute](#): September 2023 (CP 941)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: The department is still far too optimistic about both the progress it has made and the challenges ahead, and therefore risks repeating the same mistakes again.

1. PAC recommendation: The department should test its confidence in its ability to deliver ESN by having the programme's Independent Assurance Panel publish an overview of progress and risks once the new user services contract that replaces Motorola is in place.

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: December 2025
Original target implementation date: June 2024

1.2 The target date for this recommendation has been revised to align with completion of an Independent Assurance Panel (IAP) review into progress made, since the contract for User Services (US) re-procurement was awarded to IBM in late 2024.

1.3 The IAP, a group of independent industry specialists who provide external advice and oversight, has independently assured the programme since 2015. It is tasked by, and reports directly to, the Home Office Investment Committee (InvestCo), on behalf of the Permanent Secretary.

1.4 The IAP has been commissioned to deliver a report, which will focus on delivery partner collaboration, milestone achievement and key risks. It will be informed by key senior representatives from across the Programme and is due to be released by the end of December 2025, which they are on track to complete.

1.5 The report will focus on the excellent progress the programme has made during 2025. Mobilisation was successfully achieved in March, the initial design work has been completed, and the Integrated Programme Plan to the Full Voice Service Ready milestone, due in March 2028, was baselined on 03 July 2025.

1.6 The report will also comment on the updated Programme Business Case (PBC), which reflects our strategic framework and mission for the programme, and a revised target date for the safe shutdown of Airwave of 31 December 2029.

3. PAC conclusion: The department cannot yet prove to the emergency services that ESN will be good enough to replace Airwave.

3. PAC recommendation: The department should set out an outline plan for the main building blocks of ESN by the end of 2023, including when they will be prototyped, built, and tested in real world conditions, and which includes sufficient time for testing by emergency services, and allows feedback to be incorporated into the final version of ESN. This information should inform the main business case which we understand is due in the first quarter of 2024.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

3.2 The programme delivered its updated Programme Business Case (PBC), the Mobile Services and User Services contract awards and successfully mobilised with its new partners from 16 December 2024. During 2024, a delivery POAP (plan on a page) supported by a draft detailed Integrated Programme Plan (IPP) was created. It became the overarching strategic plan for the programme and was incorporated into the PBC when it was finalised in August 2024.

3.3 Following contract awards the programme worked closely with its new partners to integrate their plans and develop a single Integrated Programme Plan (IPP). The new IPP to

Full Voice Service Ready (FVSR), due in March 2028 was baselined on 03 July 2025, and will be updated in Mar 2026, when work with the 3ES to develop the transition plan to Transition Complete is baselined.

3.4 From September 2024 to June 2025, BT/EE deployed and tested a range of network (RFT) optimisations to improve voice and data quality for our ESN user community. Since July 2025, the programme has been assuring the optimisations under real world conditions. Test events are planned collaboratively with the support of the User community (via the NPCC ESN and Airwave Team (NEAT)) and have included test events at Notting Hill, Latitude and the Eden Project. Future scheduled test events include simulations which will generate the high levels of demand experienced in past major incidents with this phase of testing due to complete in December 2025. Outcomes from these test events are shared with the User community with regular engagement events for feedback.

4. PAC conclusion: *We remain concerned the department does not have the capability to successfully bring the various elements of ESN together.*

4. PAC recommendation: *By the time the new user services contract is in place, the department should obtain an independent opinion on whether ESN has a credible integration plan and the resources in place to deliver it.*

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

4.2 The programme has made very good progress this year; the extension to the Mobile Services and re-procurement of the Users Services contracts were completed in late 2024, and the programme has successfully integrated with its new delivery partners. Mobilisation was completed on time and in July 2025, the programme baselined its Integrated Programme Plan (IPP) to the Full Voice Service Ready milestone, due in March 2028.

4.3 Baselining the IPP allowed the programme Authority Leadership Team to carry out a comprehensive review of its resource requirements and prepare for delivery. This review culminated in a Workforce Capability Board, on 01 October 2025, which examined each area, tested assumptions and produced an updated workforce plan and organisational structure to prepare the programme for the next stage of delivery.

4.4 Over the last 2-years the programme team has been extensively strengthened, through recruitment of a new Programme Manager, Deputy Programme Manager, Strategic and Delivery Directors, and Delivery leads. A Chief Information Security Officer (CISO) has been brought in, together with security and telco specialists, and key personnel requirements in the User and Mobile Services contracts have been updated. In addition, a Technical Delivery partner (CGI) was appointed in April 2024, with 5 defined work packages, to bring in subject matter expertise and process experience.

4.5 The Independent Assurance Panel is collaborating with key representatives from across the Programme to develop their report, which will be completed in December 2025, providing assurance and ensuring that the programme has satisfied this condition.

Sixty-Fifth Report of Session 2022-23

Department of Health and Social Care

Progress in improving NHS mental health services

Introduction from the Committee

Many people will experience mental health problems in their lives. Around one in six adults in England have a common mental health disorder, and around half of mental health problems start by the age of 14. People with mental health conditions often have poorer physical health, education and housing, so it is vital they are able to access the services and support that they need.

The Department of Health & Social Care (the Department) is responsible for mental health policy. NHS England (NHSE) oversees the commissioning of NHS-funded services, with most services commissioned locally by integrated care boards (ICBs), which replaced clinical commissioning groups (CCGs) in 2022. In 2021–22, the NHS spent £12.0 billion on mental health services, around 9% of its total budget. In 2011, the government acknowledged a large treatment gap for people with mental health conditions and sought to establish ‘parity of esteem’ between mental and physical health services. From 2016, the Department and NHSE made specific commitments to improve and expand NHS-funded mental health services. NHSE, working with the Department and other national health bodies, set up and led a national improvement programme to deliver these commitments.

Relevant reports

- NAO report: [Progress in improving mental health services in England](#) – Session 2022-23 (HC 1082)
- PAC report: [Progress in improving NHS mental health services](#) – Session 2022-23 (HC 1000)
- [Treasury Minute](#) September 2023 (CP 941)
- [Correspondence to the PAC](#): – February 2024
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

6. PAC conclusion: Preventive and public health services for mental health have not had the same priority and focus on improvement as NHS mental health treatment services.

6. PAC recommendation: The Major Conditions Strategy must clearly set out how preventive and public health services for mental health will be improved and expanded, including how the right workforce will be secured.

6.1 The Major Conditions Strategy will not be proceeding. However, the government agrees with the wider context of the Committee’s recommendation.

Recommendation implemented: July 2025

6.2 In April 2025, DHSC [wrote to the Committee](#) to confirm that the Major Conditions Strategy will not be proceeding and the government will instead explore how findings can be incorporated in the 10 Year Health Plan.

6.3 The [10 Year Health Plan](#) was published on 3 July 2025. The Plan sets out ambitions to boost mental health support across the country and transform the current mental health system, so people can access the right support at the right time in the right place.

6.4 It will achieve this by delivering three big shifts in how care is delivered:

- Hospital to community – the plan sets out a vision for the neighbourhood health service, which aims to end fragmentation and abolish the NHS default of ‘one size fits all’ care. This will strengthen primary and community-based care to enable more people to be supported closer to, or in, their own homes. NHS England are trialling 24/7 Neighbourhood Mental Health Centres as part of this shift.
- Analogue to digital – patients will get better access to support directly through the NHS App, including self-referral for talking therapies, encouraging people to reach out early for mental health support, and tackling barriers in access.
- Sickness to prevention – more people will be able to receive support for mental ill health much earlier, by increasing the rollout of mental health support in schools and introducing the new Young Futures Hubs.

6.5 Alongside this, the government is more than halfway towards the target to recruit an additional 8,500 mental health workers for children and adults by the end of this Parliament. Additionally, as of March 2025, Mental Health Support Teams cover 5 million pupils and learners - equivalent to 52% of the pupil population.

Sixty-Seventh Report of Session 2022-23

HM Revenue & Customs

Child Trust Funds

Introduction from the Committee

Child Trust Funds are tax-free savings accounts that were set up for all children in the UK who were born between 1 September 2002 and 2 January 2011. Anyone, for example parents or other family members, can add to children's savings by paying money into their accounts. Young people can choose to take over managing their account at 16 years old and can access the funds at 18 years old. The first young adults with Child Trust Funds reached the age of 18 in September 2020. In April 2021, the total value of all Child Trust Funds was £10.5 billion, and the average account value was £1,911.

Government launched the Child Trust Fund scheme in 2005, backdating it to include children born since September 2002, and announced its closure to new entrants in 2010. Around 6.3 million accounts were set up, into which government paid £2.0 billion. 72% of accounts were set up by parents and guardians using a voucher sent to them by HM Revenue & Customs (HMRC). HMRC set up the remaining 28% of accounts on children's behalf when their parents or guardians did not do so within a year of the voucher being sent.

HMRC is responsible for the administration of Child Trust Funds. It published an interim evaluation of the scheme in 2011. Other organisations are responsible for savings and assets policy or are involved in ensuring access to the scheme for specific groups of young people. In 2017, HMRC and the Department for Education transferred responsibility for managing Child Trust Funds belonging to children in local authority care with no 'responsible adult' to a charity called The Share Foundation.

Relevant reports

- NAO report: [Investigation into Child Trust Funds](#) – Session 2022-23 (HC 1197)
- PAC report: [Child Trust Funds](#) – Session 2022-23 (HC 1231)
- [Treasury Minute](#) September 2023 (CP 941)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

6. PAC conclusion: HMRC is not planning to re-evaluate the scheme or learn lessons from its implementation that could help in the design or improvement of similar schemes.

6. PAC recommendation: HMRC should, at the appropriate time within the next 24 months, evaluate the scheme to understand what has been achieved from government's £2 billion investment and what impact it has had on the lives of young people and identify lessons that would benefit similar schemes in the future, particularly around how to design and implement a scheme that works well for vulnerable groups.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026
Original target implementation date: Summer 2025

6.2 HMRC examined the case for an evaluation of Child Trust Funds in its recent research planning rounds (April 2025). Following consideration of competing priorities further evaluation was not deemed a priority in this round but the scheme will be kept under review as a potential future evaluation exercise. As a result, the due date has been extended to allow for further consideration.

Seventieth Report of Session 2022-23

Department for Science, Innovation and Technology

Digital Transformation in government: addressing the barriers to efficiency

Introduction from the Committee

Central government departments spend around £400 billion each year on the day-to-day running costs of public services, grants and administration. Digital transformation and modernisation of government services and data are key to achieving significant efficiencies.

Improvements in government's digital services over the last 25 years have focused on the citizen's online experience without substantially modernising the ageing legacy systems that sit beneath departmental and government websites. There have been 11 government digital strategies during that time but examples of successful digital transformation of services at scale are rare.

In January 2021, the Cabinet Office created the Central Digital & Data Office (CDDO) to lead the digital, data and technology function across government. In June 2022, CDDO published *Transforming for a digital future: 2022 to 2025 roadmap for digital and data* ('the Roadmap') to address some of the underlying issues which had prevented previous strategies from achieving their aims. Departments have agreed a set of commitments to complete within the current Spending Review period, which CDDO has deliberately designed to be ambitious and yet realistic given the starting point, resources and timeframe.

Relevant reports

- NAO report: ['Digital Transformation in government: addressing barriers to efficiency'](#) – Session 2022-23 (HC 1171)
- PAC report: ['Digital Transformation in government: addressing barriers to efficiency'](#) – Session 2022-23 (HC 1229)
- [Treasury Minute](#): November 2023 (CP 968)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below. The Department for Science, Innovation and Technology (the department), took over this area of responsibility as part of the Machinery of Government change announced on 24 July 2024. The new digital centre of government sits within the department and is comprised of CDDO, AI Incubator, Government Digital Service (GDS) and teams from the department, all under the name of Government Digital Service (GDS).

1. PAC conclusion: Government's public services need fundamental reform but often lack a single service owner and timely metrics on costs and performance which are essential foundations for identifying existing costs and tracking efficiency improvements.

1a. PAC recommendation: Departments should identify a suitably senior and experienced single owner for each government service.

Recommendation closed

1.1 [A blueprint for modern digital government](#), published in January 2025, sets out that Government Digital Service (GDS) will now close the top 75 programme in favour of a focus on catalysing deeper end-to-end service transformation. This will include taking forward the work to embed the Suitable Senior Owners (SSOs) approach more broadly across government services.

1.2 The Top 75 programme is now closed following the closure of the Chief Digital and Data office and completion of that organisation's 2022-2025 roadmap for digital and data. Identification of SSOs is a recommendation for departments to implement and GDS is no longer monitoring implementation rates. However, as of October 2025 a new Service Transformation Directorate has been established and the standard for SSOs remains within the Service Manual as best practice in digital service delivery.

1.3 The department has written to the Committee regarding the closure of this recommendation.

1b. PAC recommendation: Service owners should be tasked with identifying the full costs of the services for which they are responsible and for identifying and tracking the benefits gained from transforming those services or the opportunity costs of not doing so.

1.4 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

1.5 As of October 2025 GDS continues to work with service owners in departments to understand the full costs of their services through its work to pilot a new digital performance framework for government.

2. PAC conclusion: Departments are mainly making piecemeal changes to legacy systems rather than investing in more efficient wider service redesign which would reap greater benefits.

2. PAC recommendation: As part of business cases, departments should explicitly set out how they will resolve issues caused by changes to old legacy systems and data and demonstrate how wider service redesign will reduce the future costs of the services they support.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

2.2 As part of the Spending Review process for 2025-2028 departments set out their spend plans for digital transformation and these were assured by GDS. The SR process is also enabling new Treasury funding models, in line with modern digital practice, that focus on outcomes, allows for prototyping, iteration and pivots, addresses risks and enables joined-up action across the sector. The way digital investment is now funded, supports addressing cyber security shortfalls and technical debt - therefore preventing the creation of new and costly legacy.

3. PAC conclusion: The requirement for senior generalist leaders to have a better understanding of digital business has not been formalised, and training is not

focused on how digital developments interact with the complex government operational environment.

3a. PAC recommendation: Digital responsibilities, such as improving digital services and addressing the highest risk legacy systems, should be included in letters of appointment at the most senior levels in all departments. The Cabinet Office should set out the steps it will take to work with civil service HR and other relevant stakeholders in writing to the Committee by December 2023.

Recommendation closed

3.1 GDS has worked with Government People Group and existing digital governance structures to incorporate the acknowledgement of responsibility over digital risk into the delegation letters to accounting officers. Implementation has been left to the discretion of departments and GDS is not monitoring compliance.

3.2 The department has written to the Committee regarding the closure of this recommendation.

3b. PAC recommendation: All Departments should appoint at least one non-executive director with relevant digital, data and technology transformation expertise to their Board.

3.3 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

3.4 Based on ongoing engagements with departments as part of spend control and assurance processes at the digital centre, GDS understands a non-executive director with digital expertise is currently in place in each department.

4. PAC conclusion: Digital skills shortages, including those self-inflicted through headcount cuts, risk costing government much more in the long run because opportunities to transform are foregone, and delays increase the risks of prolonging legacy systems.

4b. PAC recommendation: Departments should, as part of its Treasury Minute response, quantify the impact of the under-resourcing of digital skills both on their 'business-as-usual' operations and change programmes, and take action to address these such as by scaling back programmes and being explicit about delays and missed opportunities.

Recommendation closed

4.1 This recommendation has been superseded since January 2025 by a range of initiatives being implemented as a result of the move of GDS to the Department for Science, Innovation and Technology and the priorities within [A blueprint for modern digital government](#). These include regular departmental performance reviews, chaired by DSIT Permanent Secretary and using data and analytics from GOV.UK which the department began piloting in November 2025. The performance framework includes a metric focused on % civil servants filling Government Digital and Data roles.

4.2 The department has written to the Committee regarding the closure of this recommendation.

Seventy-Second Report of Session 2022-23

Department for Energy Security and Net Zero

Update on the rollout of smart meters

Introduction from the Committee

Unlike traditional meters, which register a running total of energy used, smart meters can record half-hourly price and consumption data and provide data on energy demand and automatic meter readings to energy suppliers. When linked to in-home displays, smart meters also provide consumers with real-time information that helps them to monitor and reduce consumption and costs.

The Department for Energy Security and Net Zero (the Department), and its predecessor Departments have led the Smart Metering Implementation Programme (the Programme) since 2008. Smart meters are installed by energy suppliers who are regulated by Ofgem. In 2011, government set out a vision for every home and small business in Great Britain to have smart meters and set an intention to complete the rollout in 2019. Government recently consulted with suppliers and other industry stakeholders on its proposal for 2024 and 2025 and now has new targets for suppliers to install smart meters in at least 74.5% of homes and nearly 69% of small businesses by the end of 2025. In 2019, the Department estimated the rollout would cost £13.5 billion from 2013 to 2034 and provide £19.5 billion of benefits over the same period (both in 2011 prices). The rollout of smart meters is mostly funded by suppliers, which pass on some or all their costs to energy consumers.

Relevant reports

- NAO report: [Update on the rollout of smart meters](#) Session 2022-23 (HC 1374)
- PAC report: [Update on the rollout of smart meters](#) Session 2022-23 (HC 1332)
- [Treasury Minute](#): January 2024 (CP 1000)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

5. PAC conclusion: Too many smart meters are not fully functioning and millions more will be impacted when the 2G and 3G mobile communication networks close.

5b. PAC recommendation: The Department and Ofgem should set out:

- **a timetable for replacing the communication hub element of smart meters that will lose functionality when the 2G and 3G mobile networks are switched off.**

5.1 The government agrees with the Committee's recommendation.

Target implementation date: January 2026

5.2 In August 2025, the Department for Energy Security and Net Zero consulted on proposals to complete the domestic smart meter roll-out by the end of 2030 and deliver a step-change in the consumer experience. This includes proposed requirements for energy suppliers to provide detailed plans on all 2G/3G replacements as part of new proposed Licence Obligations requiring that they pre-emptively replace any communications hub (and

associated equipment) before a consumer loses their smart service. These plans would be submitted annually to Ofgem and subject to their scrutiny. The department will publish the outcome of this consultation in due course.

Seventy-Fourth Report of Session 2022-23

Department for Energy Security and Net Zero, HM Treasury

Bulb Energy

Introduction from the Committee

Average annual household bills for gas and electricity have increased from £1,200 in winter 2021–22 to £3,300 in the spring of 2023. Partly because of the increase, between July 2021 and May 2022, 29 energy suppliers failed, affecting nearly four million households in the UK. This includes Bulb Energy Limited (Bulb), which announced that it could no longer continue trading in November 2021. With around 1.5 million customers, Bulb was the largest energy supplier to fail and was considered too large for a Supplier of Last Resort (SoLR). To protect customers, on 24 November 2021, Ofgem and the Department for Energy Security and Net Zero (the Department) placed Bulb in a Special Administration Regime (SAR). Three individuals from Teneo were appointed by the High Court to be the joint energy administrators (also known as special administrators) for Bulb.

The Department was responsible for funding and overseeing both the SAR and the sale process. Its aim was to sell Bulb and exit the SAR as quickly as possible. HM Treasury advised the Department on the SAR and provided budgetary cover. Ofgem was responsible for selecting the special administrator, monitoring Bulb during the SAR and assessing the sale transaction and the potential impact on customers. A sale process was launched in February 2022 and took 10 months to complete. On 20 December, Octopus Energy Limited (Octopus) paid £113 million to the government to purchase Bulb. The sale of Bulb to Octopus was completed via the Energy Transfer Scheme (ETS), which allowed Bulb's supply licence and certain business assets, rights, liabilities, and full customer book, to be transferred to Octopus without the usual contractual forms and permissions. As part of the sale deal with Octopus, government agreed to financially support Bulb by paying for Bulb's wholesale energy costs up to 31 March 2023, thereby allowing Bulb to accumulate sufficient capital necessary to pay for its wholesale energy costs from 1 April 2023. As a result of this support, the total estimated cost to the taxpayer for funding Bulb was £3.02 billion as of the end of January 2023.

The SAR will continue until Octopus has repaid the taxpayer funding and Bulb's outstanding costs and liabilities have been settled. On 25 May 2023, Teneo reported that the estimated amount Octopus would be due to repay to government was £2.8 billion. This is currently expected to be repaid by September 2024, but government and Octopus have agreed some conditions under which the repayment could be deferred to September 2025. Government does not expect to recover the full amount of taxpayer funding committed to Bulb and has indicated that it intends to recover the shortfall from energy consumers. The Department will calculate the final cost to the taxpayer when the SAR ends.

Relevant reports

- NAO report: [Investigation into Bulb Energy](#) – Session 2022-23 (1202)
- PAC report: [Seventy-Fourth Report - Bulb Energy](#) – Session 2022-23 (HC 1232)
- PAC report: [Fifty-eighth Report - Energy Bills Support](#) – Session 2022-23 (HC 1074)
- [Treasury Minute](#): January 2024 (CP 1000)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

3. PAC conclusion: We are concerned that substantive risks and uncertainties remain to the recovery of the £3.02 billion of taxpayer funds currently committed to the funding of Bulb Energy.

3b. PAC recommendation: At the conclusion of the Bulb SAR, the Department should write to the Committee with details of the final cost to the taxpayer, including how much has been repaid by Octopus and any shortfall that it plans to recover from consumers.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation Date: Summer 2026
Original target implementation date: December 2025

3.2 As outlined in the department's [correspondence dated 19 June 2025](#) to the Committee, copied to the Energy Security and Net Zero (ESNZ) and Treasury Committees, the department has received full and final repayment of all amounts outstanding under Bulb's Administration Funding Agreement. The successful recovery of c. £3.8 billion, including c. £306 million in interest, means that the government's funding for Bulb's special administration has resulted in no net costs to taxpayers. Consequently, there's no requirement to consider socialising unrecovered costs among energy consumers.

3.3 This figure does not include the department's external expenditure of c. £5 million, which covered activities such as commissioning an independent fair value assessment of the Bulb (SAR) loan and securing legal support for the department's successful defence against a judicial review (JR) challenge and subsequent appeal. These costs, partially offset by the department being awarded its costs in the JR challenge, were met from the department's operational budget and were not part of the special administration process.

3.4 Bulb Energy is expected to transition from energy supply company administration to a voluntary liquidation process shortly. This will enable its energy administrators to make distributions to unsecured creditors, in addition to the 'prescribed part' distributions under section 176A(2)(a) of the Insolvency Act 1986, ultimately leading to the company's formal winding up.

3.5 Although the key actions from the Committee have been satisfied, the recommendation will remain open until the transition from energy supply company administration occurs and the department will notify the Committee of its occurrence in a timely manner. The implementation date has been revised to reflect this.

6. PAC conclusion: Government's approach to managing financial risks posed by fluctuations in energy prices does not adequately take into account recommended practice for privately financed energy suppliers operating in the sector.

6. PAC recommendation: In the next 12 months, HM Treasury should set out what information Accounting Officers should consider in making commercial decisions about companies that have been taken into the public sector from a sector where the accepted market practice involves the use of hedging or forward purchasing agreements.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: June 2025

6.2 The new version of [Managing Public Money](#), published in June 2025, included expanded guidance for Accounting Officers on the factors they should take into account when making decisions about the use of hedging or forward purchasing by organisations which have been brought into the public sector.

Seventy-Sixth Report of Session 2022-23

Home Office

The Asylum Transformation Programme

Introduction from the Committee

The Home Office is responsible for making decisions on whether to grant or refuse asylum applications, and for supporting and accommodating destitute people while they are waiting for a decision. At the end of June 2023, around 175,000 people were awaiting a decision and the Home Office was providing accommodation for around 113,000 of them. Over half of the people waiting for a decision had been waiting for at least a year.

The Home Office started to develop the asylum and protection transformation programme (the Programme) in 2021, to create a fair, supportive, and efficient system. So far, the Home Office has prioritised increasing the number of decisions it makes so it supports fewer people, and increasing its supply of accommodation so it can move people waiting for a decision out of hotels and into somewhere cheaper. The Home Office expects the Programme to save £15 billion on the cost of supporting people seeking asylum over the period 2022–23 to 2031–32.

Relevant reports

- NAO report: [The asylum and protection transformation programme](#) – Session 2022-23 (HC 1375)
- PAC report: [The Asylum Transformation Programme](#) – Session 2022-23 (HC 1334)
- [Treasury Minute](#): January 2024 (CP 1000)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

4. PAC conclusion: The Home Office is failing to engage meaningfully with local authorities on decisions that affect their residents and already strained public services.

4. PAC recommendation: The Home Office should, as part of its Treasury Minute response, set out how its 'place-based approach' will give local authorities a meaningful say on the use of accommodation in their areas, and what specific actions it will take to improve its relationships with local authorities.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: April 2025

4.2 The Home Office continues to share more data with Local Authorities through the place-based visibility tool and asylum support discontinuation data. This data includes the number of asylum seekers accommodated in a Local Authority area, both in hotels and dispersed accommodation, and the shows where the locations support has been discontinued. The department is currently testing, with two Strategic Migration Partners, the benefits of the place-based visibility tool app, which will provide ease of access to more regularly refreshed data and the ability to interrogate the data. This provides open access to current asylum accommodation plans and informs monthly discussions between local authorities, accommodation suppliers, and the Home Office.

4.3 The department recognises the need for a joined up, collaborative approach to funding and in September 2025 launched a new internal funding community, which simplifies team structures, reduces duplication, promotes consistency across funding streams and reduces the administrative burden on its Local Authority partners.

4.4 The funding community brings together internal Home Office teams that administer the Asylum, Unaccompanied Asylum-Seeking Children (UAS), Care Leave and Resettlement grants to Local Government and standardises the approach to grant management, assurance and monitoring of grants. The department has also merged the UASC and Asylum grant teams into one team and, as a result, reduced the management resource across the team. Local government now experience a more consistent approach in grant administration and monitoring.

4.5 The department's revised approach to grant monitoring now means that the department has a better understanding of Local Authority costs, how grant funding is spent and the outcomes resulting from grant funding. In addition, the approach reduces the need to run independent Local Authority cost exercises, which are burdensome for Local Authority partners to gather data and evidence their costs.

4.6 The department's funding community has been recognised by the Cabinet Office and members of the Funding Community are now members of the Cabinet Office Grants Community of Practice, meaning that the Home Office is better engaged with the wider government grants community and can benefit from guidance, support and sharing of best practice to improve capability.

4.7 The department considers this recommendation implemented given the changes the department have implemented and as these functions are now embedded in business as usual. The department will continue to work closely with the Local Government Association and councils to identify how to continually improve ways of working together.

Seventy-Seventh Report of Session 2022-23

Department for Levelling Up, Housing and Communities

Supported Housing

Introduction from the Committee

Supported housing in England provides much needed accommodation and support, supervision and care to vulnerable people who often have complex and multiple needs, to help them live as independently as possible in the community. Residents tend to include people at risk of, or who have experienced, homelessness, people with a learning or physical disability, or people recovering from drug or alcohol dependence. Responsibilities are spread across central and local government:

- the Department for Work and Pensions (DWP) reimburses local authorities for paying Housing Benefit claims and sets Housing Benefit policy;
- the Department for Levelling Up, Housing and Communities (DLUHC) is responsible for the supply and quality of supported housing;
- the Department of Health and Social Care (DHSC) develops policies that aim to give more people the choice to live independently and healthily in their own homes for longer; and
- local authorities are responsible for managing Housing Benefit claims and inspecting supported housing.

Gaps in oversight and regulation of supported housing allow some landlords to make large profits while providing poor quality accommodation and support. Demand for supported housing is largely unknown, and the Government is not expected to meet its original target for building 15,700 to 16,500 new supported housing units as part of the Affordable Home Programme. Housing Benefit can leave local authorities short-changed and allow for an unknown amount of fraud in the sector. The Supported Housing (Regulatory Oversight) Act 2023 contains measures to improve supported housing. The Act focuses on exempt accommodation (mostly short-term supported housing that is exempt from locally set Housing Benefit caps), rather than supported housing more broadly.

Relevant reports

- NAO report: [Investigation into supported housing](#) – Session 2022-23 (HC 1318)
- PAC report: [Supported Housing](#) – Session 2022-23 (HC 1330)
- [Treasury Minute](#): January 2024 (CP 1000)
- [Treasury Minute](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below by the Ministry for Housing, Communities and Local Government, formerly known as the Department for Levelling Up, Housing and Communities.

1. PAC conclusion: Demand for supported housing outstrips supply so vulnerable people do not always get the homes or support that they need.

1. PAC recommendation: Within six months of publishing the new snapshot of data on supporting housing, DLUHC should write to the Committee setting out how central government is maximising efforts to get supply of supported housing to meet demand, for example, through the Affordable Homes Programme.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

1.2 On 4 November 2024 the Ministry for Housing, Communities and Local Government (MHCLG) published research to provide an up-to-date assessment of the supply and demand of supported housing across Great Britain. At the Spending Review 2025, the government announced £39 billion for a new [Social and Affordable Homes Programme](#) over 10 years from 2026-27 to 2035-36 – the largest investment in social housing in a generation. The programme is designed with the flexibility necessary to support a greater diversity of social and affordable supply, including supported housing.

1.3 On 2 July 2025 MHCLG published the policy paper [Delivering a decade of renewal for social and affordable housing](#) focused on delivery of the biggest increase in supply in a generation. This publication recognised that some types of social and affordable homes that are much needed can often cost more to deliver including supported housing.

1.4 The Social and Affordable Homes Programme will open shortly for bidding and will encourage providers of supported housing to come forward with ambitious bids.

4. PAC conclusion: The Supported Housing (Regulatory Oversight) Act 2023 gives local authorities more powers over providers of supported housing but there is a risk of unintended consequences, including discouraging good quality providers.

4. PAC recommendation: MHCLG should assess how local authorities can set up licensing schemes with appropriate levels of fees that will deter poor providers and encourage good quality supported housing.

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Winter 2025-26

Original target implementation date: Winter 2024

4.2 The government consulted on proposals to implement measures in the Supported Housing (Regulatory Oversight) Act 2023 (the Act) between 20 February and 15 May 2025. MHCLG has analysed the responses and is preparing, with DWP, to issue a government response during Winter 2025-26. A New Burdens assessment will be completed for the set up of the licensing regime. The Act allows for licensing authorities to charge fees to administer and enforce the licensing regime.

4.3 It is important that local authorities have the resources they need to be able to stop rogue provision and to protect residents. But the department knows that it is also important to protect the supply of good quality supported housing, and the many excellent providers who work incredibly hard for their residents. The government is taking steps to ensure that the licensing regime is as simple but effective as possible, to give local authorities the powers that they need to tackle rogue providers but protect good quality provision.

Seventy-Ninth Report of Session 2022-23

Department for Energy Security and Net Zero, HM Treasury

Support for innovation to deliver net zero

Introduction from the Committee

In June 2019, Parliament passed an amendment to the Climate Change Act 2008 committing the UK to achieving net zero emissions by 2050. This will require the UK to reduce substantially its emissions from current levels, and the Government expects technological innovation to play a crucial part in the UK achieving this. In October 2021, The Government published its Net Zero Innovation Framework, setting out for the first time the 31 technology challenge areas it intends to support and the timescales within which it expects technological solutions to be delivered. In March 2023, the Government followed up the Framework with a delivery plan, setting out how government will prioritise investment into net zero innovation. The delivery plan set out £4.2 billion of government support, to be delivered across eight government departments, for the period from 2022 to 2025.

The newly formed Department for Energy Security & Net Zero (DESNZ) has responsibility for net zero policy, while the newly created Department for Science, Innovation & Technology (DSIT) has responsibility for supporting research and innovation and creating the underlying conditions for it to succeed. A host of public bodies may be involved in supporting the development and deployment of new technologies. This can range from UK Research and Innovation (UKRI) providing funding for research and the early stages of innovation, through to departmental policy teams creating the conditions to support market deployment, working with regulators and, for example, the UK Infrastructure Bank and British Business Bank.

Relevant reports

- NAO report: [Support for innovation to deliver net zero](#) – Session 2022-23 (HC 1321)
- PAC report: [Support for innovation to deliver net zero](#) – Session 2022-23 (HC 1331)
- [Treasury Minute](#): January 2024 (CP 1000)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

3. PAC conclusion: We are not convinced that the Government is paying sufficient attention to the practical challenges consumers can face in adopting low carbon technologies and how to overcome them.

3. PAC recommendation: When it next reviews progress against the innovation priorities, DESNZ, working with other government departments, should commit to assessing specifically the challenges consumers might face in adopting new technologies and whether these are being adequately addressed when re-assessing priorities.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

3.2 Consumer interests and the potential challenges they face have been addressed by a number of research and innovation programmes, such as DESNZ's Flexibility Innovation

Programme, which launched innovative tariffs, products and services to unlock consumer-led flexibility. Challenges consumers might face in adopting new technologies and government's role in addressing them have also been considered in the progress report to the [Net Zero Research and Innovation Framework Delivery Plan \(2022-25\)](#) which was published in November 2025, and in the design of future research and innovation programmes.

3.3 DESNZ wrote to the Committee on 19 November to explain the delay to the original target implementation date.

7. PAC conclusion: There is no clear mechanism for reporting publicly progress in each of the priority technology areas.

7. PAC recommendation: For each of the technology areas, the Government should report publicly on progress against the measures of success that it has defined, to make it visible whether the initial expectations are being met.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

7.2 DESNZ published a progress report on the [Net Zero Research and Innovation Framework Delivery Plan \(2022-25\)](#) in November 2025 which reports on the progress of all the research and innovation programmes covered in the Delivery Plan.

7.3 DESNZ wrote to the Committee on 19 November to explain the delay to the original target implementation date.

Government progress on the implementation of agreed recommendations from the Committee of Public Accounts: Session 2023-24

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Second Report of Session 2023-24

Department for Education

The condition of school buildings

Introduction from the Committee

There are 21,600 state schools in England, educating 8.4 million pupils. Between them, these schools have around 64,000 buildings, which can vary in age and design even on the same site. The ‘responsible body’ in control of the school—usually the relevant local authority, academy trust or voluntary-aided body—must manage the condition of its buildings and ensure they are safe. The Department for Education has overall responsibility for the school system in England, setting the policy and statutory framework and bearing ultimate accountability for achieving value for money from the funding provided to schools, including for school buildings.

The department distributes funding to responsible bodies, collects data on the condition of school buildings, conducts surveys on specific issues, and itself delivers some estate-related programmes. It has a clearly articulated principle to rebuild schools in the worst condition while allocating enough funding to allow responsible bodies to maintain the rest of the school estate. The department considers that exclusively spending money on the poorest condition buildings would not deliver best long-term value for money

Relevant reports

- NAO report: [Condition of school buildings](#) – Session 2022-23 (HC 1516)
- PAC report: [The condition of school buildings](#) – Session 2023-24 (HC 78)
- [Treasury Minute](#): February 2024 (CP 1029)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#) March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

5: PAC conclusion: DfE has incomplete knowledge of the prevalence of asbestos across the school estate.

5: PAC recommendation: As soon as possible, DfE should provide us with evidence that it has a full picture of asbestos across the school estate, having received survey returns from all schools and ensuring that every relevant school has an adequate asbestos management plan in place.

5.1 The government agrees with the Committee’s recommendation.

Target implementation date: December 2026

5.2 The Department for Education has almost completed updating its information on how bodies responsible for the school estate are managing asbestos where it is present in school buildings in England. Information collected through the Asbestos Management Assurance Process (AMAP) is being updated through the Condition Data Collection 2 (CDC2) programme, which is on track to complete in 2026.

5.3 As of October 2025, 1242 (83%) of non-responders to the original AMAP have been visited, reducing the number of non-responders from 1,491 (6.7%) to 249 (1.1%).

5.4 The department takes the safety of children and those who work with them incredibly seriously. The department refreshed its guidance on managing asbestos in schools and colleges in October 2024, working closely with the regulator, the [Health and Safety Executive \(HSE\)](#).

7: PAC conclusion: DfE has focused on reactive measures addressing immediate building concerns that often fail to take account of longer-term value for money considerations.

7a: PAC recommendation: Within the next year, DfE should set out its strategy for encouraging responsible bodies to carry out timely and effective repairs to better protect longer-term value for money.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented: June 2025

7.2 In April 2025, the department published its new [School Estate Management Standards](#) which are designed to help all schools and responsible bodies to manage their estate effectively, and to navigate, prioritise, and build on good practice requirements and expectations. In addition, the updated estate management [competency framework and relevant training guidance documents](#) include information on knowledge, skills, training and qualifications relevant to different estate management roles and responsibilities.

7.3 This builds on progress already made, including publishing updated guidance in October 2024 to help responsible bodies to effectively maintain their estates for the long-term through [Good estate management for schools](#) which supports long-term strategic management of their assets to deliver value for money. The [department has published guidance](#) on some of the types of older construction commonly found in the school estate to help estate managers identify building systems and prioritise appropriate maintenance and repair.

7.4 The government has also given a long-term commitment backed by long-term funding through to 2034-35 to improve the condition of schools and colleges. As part of its [10 Year Infrastructure Strategy](#) published in June 2025, the government is investing almost £3 billion per year by 2034-35 in capital maintenance and renewal to improve the condition of the school and college estate, rising from £2.4 billion in 2025-26. This is in addition to investing almost £20 billion in the School Rebuilding Programme through to 2034-35, including expansion of the existing programme.

7.5 The department continues to keep its approach under review, so it can best support responsible bodies to fulfil their roles and plan and deliver effective estate management for the long term.

7b: PAC recommendation: DfE should also reconsider its value for money analysis on fitting fire safety measures.

7.6 The government agrees with the Committee's recommendation.

Revised target implementation date: January 2026
Original target implementation date: September 2024

7.7 The department is currently undertaking a review of all of its school building standards, including those relating to fire safety, with work well progressed. These will form the basis of the new school output specification which is currently being tested with the market for deliverability. The new output specification sets the standards to which all DfE delivered schools are built and will underpin the DfE's new school rebuilding framework. The target date for this recommendation has been extended to January 2026 (from a revised date of December 2025), when the department now expects to launch the new framework.

9: PAC conclusion: *There is considerable variation across the school estate, including regional disparity in the condition of school buildings and differences in school types and governance models, which will influence the type of support DfE needs to provide.*

9: PAC recommendation: *DfE should review its guidance, support and financial allocations designed to help reduce variation in the condition of school buildings and the capability of those managing the estate, and make improvements where necessary.*

9.1 The government agrees with the Committee's recommendation.

Recommendation implemented: June 2025

9.2 Ensuring schools have the resources and buildings they need is a key part of the department's mission to break down barriers to opportunity and give every young person the best start in life.

9.3 In April 2025, the department published its new [School Estate Management Standards](#) which are designed to help all schools and responsible bodies to manage their estate effectively, and to navigate, prioritise, and build on good practice requirements and expectations. In addition, the updated estate management [competency framework and relevant training guidance documents](#) include information on knowledge, skills, training and qualifications relevant to different estate management roles and responsibilities.

9.4 As part of its [10 Year Infrastructure Strategy](#) published in June 2025, the government has given a long-term commitment through to 2034-35 to improve the condition of its schools and colleges across England. The government is investing almost £3 billion per year by 2034-35 in capital maintenance and renewal to improve the condition of the school and college estate, rising from £2.4 billion in 2025-26. This is in addition to investing almost £20 billion in the School Rebuilding Programme through to 2034-35, delivering rebuilding projects at over 500 schools across England within the existing Programme and expanding the School Rebuilding Programme, with a further 250 schools to be selected within the next two years.

9.5 An updated condition funding formula was introduced for financial year 2025-26, in March 2025. Where available, this was informed by the latest data on the condition of school buildings from the Condition Data Collection 2 to better target funding on relative need.

9.6 The department continues to keep its capital funding, support and guidance for the education estate under review, so that it can best support education that allows all children to thrive.

Fifth Report of Session 2023-24

Department for Environment, Food and Rural Affairs

Government's Programme of Waste Reforms

Introduction from the Committee

The 2018 Resources and Waste Strategy, published under the 2016 to 2019 May Conservative government aims to establish a circular economy, where products are used again or for longer through reuse, repair, and recycling. It contained five strategic ambitions including doubling resource productivity and eliminating avoidable waste by 2050. In 2019, the need to decarbonise the waste sector became more significant due to the UK's commitment to 'net zero' greenhouse gas emissions by 2050.

As part of its work to deliver the strategy, the department initiated three interrelated projects known as the collection and packaging reforms programme. The programme is intended to bring about major changes to how waste is paid for and collected. It includes:

- The extended producer responsibility for packaging scheme, which will require companies that produce packaging or sell packaged products in the UK to cover the full costs of collecting and sorting household packaging waste for recycling. The department estimates these companies will pay around £1 billion (2020 present values, 2019 prices) a year. It plans to introduce variable fees, depending on the recyclability of the material used.
- The consistent collections project which will require local authorities, businesses and organisations such as schools and hospitals in England to collect food waste and dry recyclable materials (paper and card, metal, plastic and glass) separately where possible. Local authorities will also need to provide a separate garden waste collection for households. Since the department took evidence in September 2023 the government has rebranded the project as 'simpler recycling'.
- The deposit return scheme in England and Northern Ireland, which will place a redeemable deposit on all single-use plastic and metal drinks containers up to three litres in volume.

The Infrastructure and Projects Authority (IPA) conducted two interviews in June and September 2022 on the deliverability of the programme. The first review gave the programme a 'red' rating and concluded that successful delivery of the programme to time appeared to be unachievable. The second review noted the department's progress in implementing recommendations but maintained a 'red' rating, as it did not have confidence the extended producer responsibility scheme (the first of the collection and packaging reform projects) could be delivered by its expected deadline in October 2024.

Relevant reports

- NAO Report: [The Government's Resources and Waste Reforms for England](#):– Session 2022-23 (HC 1513)
- PAC Report: [The Government's Programme of Waste Reforms](#):– Sessions 2023-24 (HC 333)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)
- [Correspondence to the PAC](#): May 2025 (Recommendation 5b)
- [Correspondence to the PAC](#): June 2025 (Recommendation 4 and 6)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 and correspondence above), the remaining recommendations are updated below.

4. PAC conclusion: While the Department recognises the importance of waste prevention and reuse, it is not clear what its plans are for meeting its target of doubling resource efficiency by 2050.

4. PAC recommendation: Within the next 12 months the Department should write to the Committee to explain:

- **What measures it expects to introduce next (within the next five years) to encourage waste prevention and reuse; and what contribution it expects these measures to make to meeting its target of doubling resource efficiency by 2050.**
- **Which measures it expects could make the biggest contribution overall to its target of doubling resource efficiency by 2050, and how long it expects it will need to prepare for and implement these changes.**

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: early 2026

Original target implementation date: early 2025

4.2 The department's agreement and response to recommendation 4 is on the basis that the above recommendation is amended to '*...meeting its ambition to double resource productivity*' as agreed with the Committee via email on 25 January 2024. This commitment is included in the Environmental Improvement Plan (EIP) 2023, which is currently under review. The aim of reviewing the EIP is to streamline and prioritise non-statutory commitments, ensuring the EIP focuses on key actions that result in meaningful environmental improvements and contribute to statutory targets and priority outcomes. Irrespective of the outcomes of the review, the department acknowledges the importance of improving England's resource productivity, and this remains a key priority.

4.3 The department has been working with the Circular Economy Taskforce and officials across government to develop a plan for moving to a circular economy in England, which will set out the interventions that government will make right across the economy, including in sectors like: agri-food; built environment; chemicals and plastics; electrical and electronic equipment; textiles; and transport right across the economy, including in sectors like: agri-food; built environment; chemicals and plastics; electrical and electronic equipment; textiles; and transport.

4.4 The department [wrote to the Committee](#) on 18 June 2025 setting out this approach and requested a change to the implementation date of the recommendation to align with the plan for a publication of the strategy in Autumn 2025. The new Secretary of State for Environment, Food and Rural Affairs has been briefed on these plans and the progress that has been made on developing the plan to move to a circular economy in England. The Secretary of State has considered advice on when to publish the plan, relative to other impending departmental publications, and has agreed to pursue a publication in the coming months.

5. PAC conclusion: The Department has not yet set out the waste infrastructure capacity it expects will be needed in England to meet its ambitions, which makes it more difficult for the private sector to make informed investment decisions.

5b. PAC recommendation: The Department should consult with key stakeholders after publication about whether this gives them sufficient clarity to make informed investment decisions and write to the Committee to explain how it will address any outstanding gaps this highlights.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: May 2025

5.2 The [Recycling Infrastructure Capacity Analysis](#) was published in February 2025. To support the transition to a Circular Economy the government is engaging with stakeholders, including investors and the financial sector, to explore how to unlock investment. This includes working with colleagues in the Dutch Government to establish a Circular Economy Finance Group. The Group, made up of representatives from leading lending banks, will explore how to remove barriers and unlock greater investment in the infrastructure needed to transition to a circular economy.

5.3 The department [wrote to the Committee](#) on 23 May 2025 setting out these plans and is pleased to confirm progress has been made, with the Circular Economy Finance Group meeting in September 2025. Whilst the department's engagement with stakeholders to understand and unlock the barriers to investment is ongoing, it considers this recommendation to have been completed in respect to the publication of the Recycling Infrastructure Capacity Analysis.

6. PAC conclusion: The government does not yet have good enough data to manage the waste system effectively, which it needs to understand how waste is recycled and to ensure waste exports are legal.

6. PAC recommendation: The Department should set out in its Treasury Minute what it sees as the priority data gaps and set ambitious timescales for filling the data gaps.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

6.2 The department's key performance metrics are publicly reported at least annually. The department publishes up to 10 regular resource and waste statistical releases. In April 2024 the department published its first release on [Estimates of Residual Waste in England](#) providing data on residual waste by material type. In 2025, the department also published new statistics on [developing indices of change for consumption-based UK GHG emissions accounts](#) to help understanding of what is driving changes in UK carbon footprint.

6.3 The department is now implementing its Resources & Waste Policy Programme Evaluation – this establishes critical survey data to monitor the effectiveness of policy delivery. The [Baseline Report](#) which shows recent data against outcome areas in which the programme seeks to achieve change has been published alongside a technical [Impact Evaluation Methodology](#) report.

6.4 The department is also progressing mandatory digital waste tracking (per [Government Response October 2023](#)). Since the last report, the department has changed the digital supplier and announced in July 2025 that the system will now be phased in from Spring 2026. The first phase will introduce requirements for waste receiving site operators to record information about waste they receive. The IT system for this will be publicly available from Spring 2026 and legal requirements will come into force from October 2026. The second

planned phase would expand data recording requirements to other waste operators such as waste carriers in 2027 subject to further funding. The department is currently testing the developing system with users.

6.5 The department is in the process of identifying any additional key data gaps and its outline plan for filling these gaps. The department [wrote to the Committee](#) on 18 June 2025 to set out its progress and lay out a plan for meeting key data gaps through the Circular Economy data strategy.

Sixth Report of Session 2023-24

Cabinet Office

Competition in public procurement

Introduction from the Committee

Government spent £259 billion on the procurement of goods and services in 2021–22. Of the total contract value of more than £100 billion awarded by major departments during 2021–22, around two-thirds were subject to competition in some form. Given this is a significant area of government spending, there is a genuine interest in ensuring government effectively uses competition to achieve value for money, public benefit, transparency, and probity. Illustrative scenarios included in the impact assessment for the Procurement Act suggest government could achieve savings of £4 billion to £7.7 billion per year through increased competition.

Departments and other public bodies are responsible for carrying out their own procurement exercises. The Cabinet Office, its central commercial teams within the Government Commercial Function, and its executive agency the Crown Commercial Service offer support publishing guidance, monitoring suppliers, offering advice, and running procurement frameworks for common goods and services.

The Crown Commercial Service is also responsible for providing some commercial services to the public sector, which includes running procurement frameworks. These frameworks are designed for procuring common goods and services and are intended to help departments access economies of scale and reduce administrative cost. Government departments and other public bodies are required to use open competition in their procurements, under the Public Contracts Regulations 2015 and related statutory instruments.

At the time we took evidence, Parliament was considering the Procurement Bill, which has now received Royal Assent to become the Procurement Act 2023 and will replace the current legislation. With the introduction of the Procurement Act, this is an opportunity to look at lessons learned from government's transformation programme in procurement from the last 12 years.

Relevant reports

- NAO report: [Lessons learned: competition in public procurement](#) – Session 2022-23 (HC 1664)
- PAC report: [Competition in public procurement](#) – Session 2023-24 (HC 385)
- [Treasury Minute](#): February 2024 (CP 1029)
- [Treasury Minutes Progress Report](#): May 2024 (CP 1102)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: Government is unable to evaluate competitive trends in markets or demonstrate that it is achieving value for money in public procurement, due to significant issues with the quality and completeness of data on contracts.

1. PAC recommendation: Within three months of the coming into force of the Procurement Act, the Cabinet Office should define how it will use data to evaluate competitive trends and set out clear directions and guidance for contracting authorities on:

- **the collection and publication of data relating to all contracts, including any modifications to the contracts.**
- **the requirements for timeliness of reporting information on the new contract database.**
- **the collection of data to assess the outcomes achieved.**
- **collecting data on supplier performance to inform future procurements.**

In order to enhance transparency, within the same timescale it should also provide a comprehensive report setting out a suite of measures designed to improve the publication of contract details, including in particular how the two contract databases (Contract Finder and Find a Tender) can be populated with complete and timely information.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

1.2 The go-live of the Procurement Act 2023 was delayed from October 2024 to February 2025 following the election and change of government in July 2024. Alongside the go-live date, the Central Digital Platform (Find a tender service) was launched and contracting authorities are required to submit a series of notices for their procurements and contracts. Cabinet Office published a suite of [guidance products](#) to assist with this activity and since go-live, there have been over 30,000 notices published. For every above threshold public contract, the contracting authority, supplier and procurement has a unique identifier which makes linking data and analysing trends much easier. This information is in the public domain and the Cabinet Office is monitoring trends with this data.

1.3 As part of Cabinet Office's commitment to continuous improvement, work has commenced to provide public dashboards, improved search functionality, publish data linking spend to contracts and retire Contracts Finder. This additional activity is planned to be completed during the financial year 2026-2027.

3. PAC conclusion: Framework agreements have become the most prevalent route for public authorities to buy common goods and services, but the Government Commercial Function has not provided sufficient guidance to address the potential risks to competitive benefits.

3. PAC recommendation: The Cabinet Office should issue guidance, for example a 'Framework Playbook', within six months to provide central guidance for government buyers on key policies about:

- **The project delivery model assessment to be carried out by government buyers to inform recommendations on whether a department should or should not use a framework.**
- **The effective management processes for frameworks.**
- **The collection of appropriate data to assess whether the outcomes of the framework have been achieved.**

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Winter 2025

Original target implementation date: Autumn 2024

3.2 The Cabinet Office and Crown Commercial Service have developed guidance on using frameworks in a way that maximises value for money. The guidance covers relationship management, performance monitoring, supplier financial distress, data collection and continuous improvement, along with reflecting changes introduced through the Procurement Act 2023. The Cabinet Office aims to publish the guidance before the end of 2025. The change in implementation date reflects further work to ensure that any early lessons from implementing the Procurement Act are reflected in the guidance.

Seventh Report of Session 2023-24

Department for Environment, Food and Rural Affairs

Resilience to flooding

Introduction from the Committee

In October and November 2023, heavy, persistent and widespread rain affected much of England when Storms Babet and Ciarán struck. The Environment Agency reported that, by the end of October, Storm Babet alone had caused 2,200 homes to be flooded. Surface water flooding is a growing issue with 3.4 million properties at risk in England. In July 2021, parts of London received a month's rainfall within a couple of hours and over 1,500 properties were flooded from surface water as a result. The government announced a new six-year capital investment programme (capital programme) for flood and coastal defence for the period April 2021 to March 2027. It committed to better protect 336,000 properties and help avoid £32 billion of wider economic damage by investing £5.2 billion in around 2,000 new flood defence projects. Government announced a further £370 million of capital funding for 2021–2027 in 2020 for innovative projects and to accelerate work on projects, taking the total capital funding for 2021–2027 to just under £5.6 billion. To monitor delivery of the programme, Defra and the Agency have developed a set of 18 metrics with the primary focus on the 'headline' metric of the number of properties better protected. In addition to central government funding, there is a range of other funding sources for flood risk management. Partnership funding is an important source of funding, where risk management authorities raise funds from the public and private sectors towards a flood defence project. The Agency estimates that £2.3 billion of partnership funding is needed to supplement central government funding for the period 2021–2027.

Relevant reports

- NAO report: [Resilience to flooding](#) – Session 2023-24 (HC 189)
- PAC report: [Resilience to flooding](#) – Session 2023-24 (HC 71)
- [Treasury Minute](#): March 2024 (CP 1057)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: Government has no overall measure of the resilience it expects to achieve and so does not know if it is making progress towards its ambition of a nation more resilient to flooding.

1. PAC recommendation: In its next annual report (for 2023-24), the Agency should provide a more holistic assessment of net progress towards a "nation more resilient to flooding", taking into account properties less well protected as well as those better protected. Defra should develop a measure which shows the net change in the number of properties at risk from flooding in order to give the true picture of England's resilience to future flood and coastal erosion risk and set a target for the net change it aims to achieve.

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: end of 2026

Original target implementation date: end of 2025

1.2 The Department for Environment, Food and Rural Affairs (Defra) and the Environment Agency are developing a way of reporting the net reduction in flood risk to properties.

1.3 In the first instance, the Agency will trial a new national metric for assessing how many fewer properties would flood in a theoretical average year due to investments made in flood and coastal projects. The Agency will implement this new metric alongside other changes in funding policy, from April 2026, also addressing recommendations by the National Audit Office in their 2020 report [Managing Flood Risk](#).

1.4 Building on that, the Agency's next Long Term Investment Scenarios (LTIS) will assess long-term trends in changes in risk associated with climate change, asset deterioration and development in the flood plain. The LTIS analysis will be complete in 2026 and will use the same metric from paragraph 1.3 above to provide the data on how many more properties would flood in a theoretical average year due to these factors. Combining these risk increases with the risk reductions resulting from our investment will allow us to present the net changes in flood risk at a national level.

1.5 As the Agency is extending the target date for completing the LTIS analysis to 2026, the government has written to the Committee on the 4 November to extend the target date for the implementation of this action to end of 2026.

1.6 Separately, the department has committed to exploring setting a long-term multi-decade target for flood risk management, also addressing recommendations from the National Audit Office and National Infrastructure and Service Transformation Authority. The work to explore setting a long-term target is ongoing and will also be informed by LTIS evidence.

3. PAC conclusion: Defra has not established what the appropriate balance is between building new defences and maintaining existing ones.

3. PAC recommendation: For the remaining years of the capital programme, the Agency should set out the value for money of different options for the balance between capital and maintenance budgets, and whether there is a case for transferring funds between the two. This should be reviewed annually. The results of the review should be reported to the Committee as soon as completed and used to inform Defra's and HM Treasury's funding decisions.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: Spring 2025

3.2 The department announced a new funding policy on 14 October 2025, and the government has committed a record £10.5 billion until 2036 – the largest flood programme in history which is projected to benefit nearly 900,000 properties. Under the new policy new projects will be eligible for 100% for the first £3 million, and 90% for costs above £3 million. Projects to refurbish existing assets will be eligible for 100% of costs. Projects will then be prioritised by their benefit-to-cost ratios to drive value for money, with partnership contributions boosting a project's prioritisation. The new rules will support the Agency to increase the investment needed in existing assets to deal with declining asset condition.

3.3 Rebalancing budgets is best done in a managed way. Longer term fixed budgets provide stability and certainty, which allows costs efficiencies and productivity improvements through packaging of delivery. However, unexpected events or fluctuations in project delivery, such as storm damage and inflation, mean that rebalancing midway through an investment programme can be required. Such switches are always done on the basis of a rigorous assessment between the Agency, Defra and the Treasury of the value for money, and outcomes achievable.

3.4 The department agreed with the Treasury to move £25 million from the capital budget into its maintenance budget for 2023–24.

3.5 In April 2024 the Treasury approved a revised business case for the flood investment programme which re-set the split between resource (RDEL) and capital (CDEL) to ensure compliance with international accounting standards. This reclassified £250-300 million of CDEL expenditure per year to RDEL. The new split of the funding then formed the baseline funding for SR24, alongside the existing RDEL the Agency already received for routine asset maintenance. This significantly increased the overall RDEL envelope available to fund flood asset work and provides increased flexibility to optimise asset investment decisions.

3.6 The department and the Agency continue to work together to identify the optimal balance of capital and maintenance and agreed to divert £36 million in 2024-25 and £72 million in 2025-26 from the FCERM capital investment programme to asset maintenance.

3.7 In future, flexibility will be achieved through the introduction of the new funding policy alongside increased ability to optimise the allocation of RDEL between routine asset maintenance and investment in projects. The Agency keeps the evidence to identify the optimal balance of capital and maintenance under continuous improvement to help maximise value for money.

5. PAC conclusion: Defra does not have sufficient understanding of the impact of its capital investment decisions on geographical distribution and we are concerned that smaller communities are losing out.

5a. PAC recommendation: Defra should set out how it intends to get a better understanding of the impact of its investment decisions on geographical distribution and on its progress in reviewing local government funding for flooding.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: Summer 2025

5.2 As part of the department's work to finalise new funding rules to allocate investment to flood and coastal erosion schemes, announced on 14th October 2025, the Agency carried out a pipeline analysis of opportunities for investment. This work, completed in Summer 2025, used a nationally consistent, evidence based, geographical distribution of risk onto which investment opportunities to mitigate that risk could be mapped.

5.3 Calculating benefits to determine value for money is the cornerstone of Defra's approach to FCERM funding, ensuring that the programme results in the maximum reduction in flood risk per pound of investment. Projects in places at higher risk of flooding, erosion, or both, and with a higher density of flood risk receptors such as properties, tend to have higher benefits in terms of damages avoided. This means the value for money approach incorporates an element of flood risk assessment.

5.4 The development of FCERM projects under the new funding policy will be informed by the best available data, information and modelling from both the Agency and local authorities. For the first time this includes projections for future flood risk.

5.5 When developing projects, the Agency takes account of the most appropriate actions to manage risk in a place, for example, maintaining existing defences, building new ones or using property flood resilience measures or natural flood management. This evidence-based approach takes account of the geographical need and distribution of risk.

5.6 The Agency has published annual investment levels and numbers of properties better protected by 15 geographical regions in their [Flood and coastal erosion risk management](#)

[reports](#) since 2021 (2024-25 report published in September 2025). As flood schemes take multiple years to complete, it is difficult to judge impact of geographical distribution of investment decision annually.

Eighth Report of Session 2023-24

Ministry of Defence

Improving Defence Inventory Management

Introduction from the Committee

The Ministry of Defence (MoD) holds more than 640,000 types of inventory and more than 740 million individual items at a net book value of £11.8 billion. It spent £1.5 billion buying inventory in 2022–23. The MoD's inventory falls into three categories:

- Capital Spares – items used for repairing and enhancing or converting a larger equipment platform, such as wheels, rotary wings and windscreens. This also includes other low value items, such as tents or stretchers, which the MoD can issue and re-use;
- Raw Materials and Consumables (RMC) – items such as munitions, food, clothing and medical supplies and fuels; and
- Guided Weapons Missiles and Bombs (GWMB) - explosive inventory used in operations and training.

Inventory management sits within the MoD's Support function, which is led by the Chief of Defence Logistics and Support (CDLS) and the Defence Support organisation within UK Strategic Command. However, many organisations contribute to the management of the MoD's inventory, including Defence Equipment and Support (DE&S), responsible for purchasing and delivering both equipment and support services to the Front Line Commands (namely the Army, Royal Navy, Royal Air Force and UK Strategic Command), which are responsible for the storage and distribution of inventory within their bases and at deployed locations.

Relevant reports

- NAO report: [Defence inventory management](#) – Session 2022-23 (HC 1793)
- PAC report: [Improving Defence Inventory Management](#) – Session 2022-23 (HC 66)
- [Treasury Minute](#): March 2024 (CP 1057)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

6. PAC conclusion: While the MoD has reduced the amount of stock it holds, it still holds large amounts of excess and unserviceable inventory.

6. PAC recommendation: In its Treasury Minute response, the MoD should set out how it is improving its ability to understand which inventory items need disposing of, and ensuring this is done so consistently. It should also set out details of any targets it has to reduce the amount of the inventory overall and in particular areas.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: July 2028

6.2 [The Strategic Defence Review](#) sets out in a new direction for Defence; learning the lessons from Ukraine and increasing the focus on warfighting readiness, will mean increasing inventory in some areas. However, understanding Ministry of Defence's inventory and

disposing of excess stock will remain crucial. Last year's disposal target of £12.6 billion was exceeded.

6.3 Defence Equipment and Support (DE&S) have made notable progress; centralising all Disposals teams into one group owning disposal policy. This team incorporates stronger governance and clear accountability, with one individual taking accountability for disposal decisions. Lessons are also being learnt from a very successful disposal team from the former Air Domain.

6.4 Defence will transition from 3 base inventory systems into one single system (BIWMS) by December 2025. This will create a platform from which the department can address data quality issues and improve the users' ability to describe items condition which will better inform disposal decisions.

6.5 Improving the Ministry of Defence's understanding of its inventory further and continuing to meet disposal targets will require clear authorities and accountabilities across Defence to prioritise disposal activity. Defence Reform and the appointment of the National Armaments Director makes crucial steps towards providing this senior accountability. However, consistency across the organisation and lower-level accountabilities within the organisation are still to be defined as part of the new Defence Operating Model. These will be defined prior to April 2026.

Tenth Report of Session 2023-24

Department for Transport

HS2 and Euston

Introduction from the Committee

The High Speed Two (HS2) programme aimed to construct a new high speed, high-capacity railway between London, the West Midlands and the north of England. It consisted of different phases, with Phase 1 (between London and the West Midlands) most advanced. On 4 October 2023, the Prime Minister announced that Phase 1 would continue but that all other phases would be cancelled in response to increasing costs on the programme. The government would instead invest £36 billion (in 2023 prices) from the cancelled phases into other transport programmes and projects as part of its Network North: transforming British transport plan. The government also announced that the HS2 Euston station design would be simplified and that private sector investment would be found to deliver the project, releasing £6.5 billion (in 2023 prices) of planned expenditure. The Department for Transport is the sponsor of the HS2 programme and HS2 Ltd is responsible for delivering it.

The department published an Accounting Officer Assessment, of whether completing Phase 1 of HS2 between Euston and Birmingham meets the value for money requirements of Managing Public Money. The department concluded that it did, based on continuing Phase 1 from this point in time, excluding money spent to date (sunk costs estimated at £24.6 billion at 2019 prices), and taking account of the cost of remediation work (estimated at £11 billion at 2019 prices) required were Phase 1 to be cancelled. The Accounting Officer also wrote to us to explain the details of the assessment, setting out the methodology used and the uncertainties in several of the assumptions used. In that letter the department also confirmed that if it considered Phase 1 as a whole then “Taking an estimated range for the total costs of Phase 1 and assessing them against the estimated total benefits (i.e. including sunk costs and excluding remediation costs) [it] would result in a BCR [Benefit Cost Ratio] range significantly below 1 and would represent poor Value for Money.”

Relevant reports

- NAO report: [High Speed Two: Euston](#) – Session 2022-23 (HC 1201)
- PAC report: [HS2 Euston](#) – Session 2022-23 (HC 1004)
- PAC report: [HS2 and Euston](#) – Session 2023-24 (HC 67)
- [Treasury Minute](#): March 2024 (CP 1057)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: HS2 now offers very poor value for money to the taxpayer, and the Department and HS2 Ltd do not yet know what it expects the final benefits of the programme to be.

1a. PAC recommendation: In its revised business case, the Department should set out clearly how it has sought to maximise benefits from Phase 1, what benefits it will now plan to deliver and how it will measure success; and

1.1 The government agrees with the Committee's recommendation.

Revised target implementation date: late 2026

Original target implementation date: during 2024

1.2 As mentioned in the previous [Treasury Minutes Progress Report](#) of March 2025, the programme needs to be reset before an updated business case can be produced. The Secretary of State for Transport has tasked the Chief Executive of HS2 Ltd with reviewing the remaining scope, cost and schedule needed to complete HS2 Phase 1, and with advising the government on what is required. The Department for Transport has therefore revised its target implementation date to reflect the fact that an updated business case will be developed at an appropriate point in line with the timings of the programme reset.

1b. PAC recommendation: [In its revised business case, the Department] should also set out when it will produce its benefits realisation plan and, as part of that, how it will work across government and local authorities to deliver the outcomes it seeks.

1.3 The government agrees with the Committee's recommendation.

Revised target implementation date: late 2026

Original target implementation date: during 2024

1.4 As mentioned in the previous [Treasury Minutes Progress Report](#) of March 2025, the department will set out how it intends to realise HS2 benefits in the programme's updated business case. The updated business case will capture and outline the process of benefits management and realisation for the programme. The department has therefore revised its target implementation date to reflect the fact that an updated business case will be developed at an appropriate point in line with the timings of the programme reset. Beyond the business case, the department and HS2 Ltd will continue to report publicly on the realisation of HS2 benefits, including through the department's six-monthly reports to Parliament.

2. PAC conclusion: Costs have continued to escalate and the Department and HS2 Ltd do not know how much the programme will now cost.

2. PAC recommendation: The Department and HS2 Ltd should set out in its next six-monthly update:

- Progress in recruitment of Executive and Non-Executive Board roles at HS2 Ltd.***
- How they are going to ensure that effective cost controls, oversight, transparency, design, and contracting are put in place so that cost overruns and delays which have been a constant problem throughout the whole HS2 project will now be brought under acceptable and properly accountable control.***
- Progress in reviewing existing contracts to ensure that contractors are now incentivised to minimise costs.***

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026 - updates to be provided in future reports to Parliament

Original target implementation date: Spring and autumn 2024

2.2 Non-executive board capability has been bolstered with a new HS2 Ltd Chair appointment in July 2025. The Chair brings decades of industry experience, having been Commissioner for Transport for London (2015-2020), where he oversaw multiple major projects. Reviewing board capability is an immediate priority. Working closely with the Chair,

the department concluded a recruitment exercise to strengthen board capability, with new non-executive directors starting as soon as possible. The CEO has appointed a new Chief Commercial Officer and Chief Transformation Officer to bolster leadership capability to support programme and organisation reset.

2.3 The department is actioning the recommendations of the recently concluded major transport projects governance and assurance review, including:

- Reinstating the HS2 ministerial task force;
- Introducing new senior pay flexibilities;
- Establishing a programme board;
- Introducing a shareholder board with an independent member.

2.4 The Secretary of State for Transport tasked the HS2 Ltd CEO with providing an initial assessment on how he intends to reset the programme. This was published in [June 2025](#) alongside [the Secretary of State's acceptance of all recommendations](#). While the reset is underway, the programme's overall cost and schedule remain in development. In the meantime, the department is holding the company to enhanced in-year controls and monitoring to ensure taxpayer value for money.

2.5 HS2 Ltd continues work with principal suppliers to focus on the cost-effective delivery of remaining civil works. The department will update Parliament on work in forthcoming reports, subject to commercial sensitivities.

3. PAC conclusion: The Department and HS2 Ltd do not yet know what the impact of the decision to cancel Phase 2 will be on the HS2 programme and how HS2 Ltd will need to adapt so it can be successfully delivered.

3a. PAC recommendation: The Department and HS2 Ltd should set out in its next six-monthly update:

- ***Progress in establishing what it needs to do to amend Phase 1 and manage the closedown of the other phases.***

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026 - updates to be provided in six monthly report to Parliament

Original target implementation date: Spring 2024

3.2 The department is working with HS2 Ltd to finalise detailed plans for necessary remediation works and associated costs as part of the Phase 2 closure programme. As this work is ongoing, the department was unable to meet the previously revised implementation target date of 2025.

3.3 The department will provide an update in its next six-monthly report to Parliament due for publication in early 2026.

3b. PAC recommendation:

- ***The work HS2 Ltd has done in re-establishing the organisation to deliver the revised programme, including identifying the skills and capability it requires.***

3.4 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026 - updates to be provided in six monthly report to Parliament

Original target implementation date: during 2024

3.5 A fundamental reset of the HS2 project is underway. A key part of this reset activity is to review and reform HS2 Ltd as an organisation to ensure it is fit for purpose however, the new CEO is beginning to make changes to strengthen Executive leadership capability (including appointing new Chief Transformation Officer and Chief Commercial Officer) and to reduce the size of the organisation in some areas. The department needs to revise its target implementation date for this recommendation as this work is being delivered through to 2026.

3.6 The department will provide an update in its next six-monthly report to Parliament.

Eleventh Report of Session 2023-24

Home Office, The Department of Health and Social Care

Reducing the harm from illegal drugs

Introduction from the Committee

The sale and use of illegal drugs costs UK society some £20 billion a year and inflicts significant harm on individuals, their families and wider communities. Around three million people in England and Wales use illegal drugs, with 10% of these people using the most harmful drugs, specifically opiates and crack cocaine. In 2021 almost 3,000 people in England died because of drug misuse, with thousands more suffering complex health problems. The distribution of drugs also generates significant levels of violence, with around half of homicides linked to gangs involved in the distribution and sale of drugs. The emergence of ‘County Lines’ has seen increasing violence as gangs compete for market share, and the exploitation of vulnerable people.

In December 2021, the government published a new 10-year drugs strategy – From harm to hope. The government is seeking to reduce drug use to a 30-year low and reduce drug-related deaths and crime. It has allocated £903 million of additional funding over the period 2022–23 to 2024–25, including £105 million to disrupt the supply of drugs; £768 million to help create a “world class treatment and recovery system”; and £30 million to create a “generational shift” in the demand for illegal drugs. The Home Office leads on UK drug policy, UK borders and organised crime, policing and crime reduction in England and Wales. The Department of Health & Social Care (DHSC) is responsible for overseeing the substance misuse treatment and recovery sector. In 2021, the government established the cross-government Joint Combating Drugs Unit (JCDU) to co-ordinate and oversee the implementation of its strategy. In addition to the Home Office and DHSC, the other departments involved are the Ministry of Justice (MoJ), the Department for Work & Pensions (DWP), the Department for Levelling Up, Housing & Communities (DLUHC), and the Department for Education (DfE). Local authorities are responsible for commissioning local drug and alcohol treatment services.

Relevant reports

- NAO report: [Reducing the harm from illegal drugs](#): Session 2022-23 (HC 1864)
- PAC report: [Reducing the harm from illegal drugs](#): Session 2023-24 (HC 72)
- [Treasury Minute](#): March 2024 (CP 1057)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: The progress achieved to-date will be wasted if the JCDU and departments fail to develop a compelling case for the sustained investment needed to reduce the harms from illegal drugs.

1. PAC recommendation: The JCDU should work with the departments to build the case for sustained investment – based on a deeper understanding of the cost of not addressing the harms from illegal drugs - to ensure that the strategy is appropriately prioritised at the next spending review.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: May 2025

1.2 The Joint Combating Drugs Unit (JCDU) worked with departments to deliver a joint budget making a strong case for continued investment in tackling drugs for the multi-year Spending Review 2025. JCDU and departments will continue to work together to ensure cross-government action to tackle drugs reflects the government's priorities.

2. PAC conclusion: Achieving the long-term aim of reducing drug-related harms will only be possible if departments work collaboratively and adapt their approach to the evolving threats.

2. PAC recommendation: The JCDU and departments should assess how the next phase of the strategy can build on progress in the first three years and embed a system level focus on the difficult issues involved in tackling drug-related harms. In doing so, they will need to address structural barriers (e.g., to recovery and continuity of care), take account of changing threats and set clear accountabilities for delivery.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

2.2 JCDU and departments have worked collaboratively to build a long-term and system-wide approach to reducing drug harms, learning from what works and ensuring this supports delivery of the government's missions.

2.3 The Synthetic Opioids Taskforce has led and coordinated a system-wide strategic response to synthetic opioids across the UK, and stands ready to adapt to addressing threats from other drugs if required. Further to the previous update, action taken includes developing [guidance for Combating Drugs Partnerships](#) to support local preparedness, strengthening detection capability at the border, delivering an enhanced national early warning system, and publishing [quarterly surveillance data](#) to support local police and health responses.

2.4 The Department of Health and Social Care's funding allocated to recovery services and communities has increased year on year (£5 million in 2022-23 to £38.8 million in 2025-26). Now in its second year, DHSC's capacity building project for lived experience recovery organisations (LEROs) is offering masterclasses, mentoring and good practice recourses, using peer-led initiatives to build self-sustaining recovery communities.

2.5 This work will remain a key part of the government's approach to drugs.

4. PAC conclusion: There are variations in local outcomes which the JCDU and DHSC have not yet addressed.

4. PAC recommendation: The JCDU and DHSC should build a comprehensive understanding of variations in local approaches, disseminating examples of good practice and innovation; providing support to local authorities that need it; and engage with local authorities to understand and address the incentives created by the strategy's performance metrics.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

4.2 The DHSC and JCDU jointly worked with the Combating Drugs Partnership (CDPs) to identify and share best practice, and the Shared Outcomes Fund evaluation of CDPs has now been completed. The learnings have been shared with the CDPs.

4.3 DHSC worked with 19 local authorities identified for targeted intensive support. This included holding quarterly review meetings to assess progress on ambitions and agreed milestones and providing bespoke support for aspects of treatment and recovery. When this work was completed in March 2025 there were over 9,000 additional adults in treatment compared to the number in June 2023. Between June 2023 and March 2025, the 19 areas that received targeted intensive support (which represent 13% of the 151 total local authorities) contributed 25% of the total growth of adults in treatment.

4.4 DHSC continues to share data and good practice (through face-to-face events, webinars, system case studies and via the National Drug Treatment Monitoring System) addressing key areas for improvement. We have completed an 'Innovate and implement' project where over thirty local authorities received support to improve access and retention for people who use opiates.

5. PAC conclusion: The JCDU and departments have not put sufficient emphasis on the importance of addressing the specific needs of different cohorts of people who use drugs.

5. PAC recommendation: The JCDU and departments should ensure that the barriers faced by differing cohorts of people who use drugs (such as women, young people, people from minority ethnic backgrounds) are properly understood and assure themselves that local authorities are sufficiently targeting these groups.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: April 2026

Original target implementation date: April 2025

5.2 As set out in the previous update, departments are delivering a range of work that addresses the needs of different cohorts of people who use drugs.

5.3 In particular, DHSC continues to provide a range of support to local authorities in commissioning drug and alcohol treatment and recovery services which meet the needs of different groups and populations, including women, children and young people and people from ethnic minority backgrounds.

5.4 Many women who often have experienced gender-based violence face stigma and barriers in accessing the person-centred care they need. To improve this, DHSC has an active workstream looking at how drug and alcohol treatment providers can better support the needs of women and improve local partnerships with wider support services. DHSC is also developing the first ever national framework for alcohol and drug services delivering targeted and specialist interventions for children and young people, as well as resources to help local areas identify vulnerable families and provide support to parents and carers with alcohol and/or drug problems and their children.

5.5 DHSC has also developed a Local Outcomes Framework (LOF) tool for local authorities, enabling them to analyse their adult and children's treatment data and outcomes, benchmarked to national and regional comparators. The tool has a function to analyse the data by protected characteristics, including sex, ethnicity and sexual orientation so Combating Drug Partnerships can assess where need is not being met and develop plans to ensure it is.

6. PAC conclusion: Despite previous attempts to reduce the demand for illegal drugs, the JCDU and departments still do not understand how to change behaviours and prevent people from taking drugs.

6. PAC recommendation: As a matter of urgency, the JCDU should co-ordinate work to develop an evidence-based plan for achieving the strategy's aim of reducing demand for illegal drugs to a 30-year low. It should draw research together to provide a compelling evidence base, understand the impact of local initiatives and work with other departments to build on related government strategies (e.g. deprivation, vulnerable families, mental health, homelessness etc).

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

6.2 The government remains committed to taking an evidence-based approach to achieving meaningful outcomes for those in need.

6.3 The Advisory Council on the [Misuse of Drugs \(ACMD\) report on prevention](#), published on 28 May 2025, brings together extensive research to provide a comprehensive set of recommendations to support our work to develop and deliver a whole system approach to prevention in the UK. JCDU, departments and local partners are drawing on the findings in the report to continue developing effective measures to reduce the demand for illegal drugs, prevent drug use and stop progression toward more harmful patterns or dependency.

6.4 JCDU and departments continue to monitor and respond to emerging trends and harms. For example, due to increased rates of misuse the ACMD has been commissioned to update its harms assessment of ketamine. The DHSC has launched a media campaign to raise awareness of the risks posed by new drug trends and products. The campaign focuses on adulteration of counterfeit medicines with other drugs like synthetic opioids, ketamine harms and adulteration of 'THC vapes'. Drawing on the evidence of what works the campaign includes information materials and short films, which are live on [FRANK](#), the national drug information and advice service, and shared via social media influencers.

6.5 Alongside this, there are a range of broader initiatives underway which will contribute to the evidence base on what works including the Innovation Fund to Reduce Demand for Illicit Substances. JCDU continue to engage across departments exploring opportunities to embed drug prevention into their work, including within the National Youth Strategy (DCMS) and Young Futures programme (DfE and DCMS).

Twelfth Report of Session 2023-24

HM Treasury, Cabinet Office

Cross-government working

Introduction from the Committee

Central government is organised into departments that plan and deliver their own objectives. In some cases, these objectives can be met by individual departments acting alone. But often, important government priorities, such as net zero, adult social care, rough sleeping and vulnerable families cut across departments, and require them to work together, through what is known as cross-government working. Successful cross government working can allow government to deliver outcomes more effectively and deliver better value for money. But it requires concerted effort. There are many different types of cross-government working, from sharing best practice between departments to delivering complex programmes that cut across different departmental objectives.

Relevant reports

- NAO report: [Lessons learned: Cross-government working](#) – Session 2022-23 (HC 1659)
- PAC report: [Cross-government working](#) – Session 2023-24 (HC 75)
- [Treasury Minute](#): April 2024 (CP 1070)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: Understanding what approach works best and in what circumstances is fundamentally important to optimise cross-government working.

1a. PAC recommendation: HM Treasury should analyse how different models of cross- government working are being used, so it can provide more support to departments on which models work best for different projects.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

1.2 HM Treasury remains strongly supportive of cross-government working and continues to take steps to facilitate joined-up policy development and delivery. In September 2025, the Treasury's Permanent Secretary [wrote to the Committee](#) with an analysis of where the models have benefited cross government working.

1.3 Following Spending Review 2025, Treasury officials, including the recently formed National Infrastructure & Service Transformation Authority (NISTA), have sought to identify which models for joint working have been most successful in encouraging cross-departmental cooperation. Alongside this, NISTA is undertaking work to review the Government Major Projects Portfolio (GMPP) to enhance oversight and support for projects, programmes and portfolios of critical national importance. This will include 'mega projects' which have transformational impacts on the economy, society or national security, involve multiple government departments and agencies, and take longer to deliver – typically over 10 years. Beyond mega projects, the government is reforming the assurance and approvals process for

government major projects, programmes and portfolios to better support the set up and delivery of projects.

1.4 The Six Models for Joint Working were first included in [Managing Public Money](#) in May 2023. They are clear descriptions of the various governance structures that were already available for joint working. The six models were introduced to provide guidance on some of the different approaches available to coordinate delivery across multiple government departments on cross-cutting projects, including major projects, by offering an improved framework for departments to assess and implement the most suitable approach for their cross-cutting work. The six models are not exhaustive of the ways that departments can work together, and each of the approaches will be appropriate in different situations. The National Audit Office has also published a [good practice guide on cross-government working](#), which is designed to support departments when working across government boundaries.

3. PAC conclusion: Effective cross-government working is fundamental to delivering government's priorities but there is a lot of work to do to make it more than just a 'nice to have'.

3a. PAC recommendation: HM Treasury and the Cabinet Office should share lessons learned from the Shared Outcomes Fund.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: March 2025

3.2 In March 2025 the Treasury's Permanent Secretary [wrote to the Committee](#) sharing lessons learned from the Shared Outcomes fund.

3.3 Earlier learnings from the Shared Outcomes Fund (SOF) informed the NAO joint working guidance and how the Treasury approached cross-government working during recent Spending Reviews and will continue to inform wider government strategy.

5. PAC conclusion: Government does not consistently report on cross-cutting outcomes.

5a. PAC recommendation: Cabinet Office should publish departments' ODPs to improve transparency, along with plans to deliver them.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

5.2 The government announced in the Autumn Budget on 26 November 2025 that departments will publish the outcomes that were funded at Spending Review 2025 and the first in a set of annual strategic plans in Spring 2026. These are a key element of the government's new planning and performance framework that focuses on delivering the [Plan for Change](#) and securing strong outcomes for taxpayers.

Thirteenth Report of Session 2023-24

Department for Science, Innovation and Technology and Ofcom

Preparedness for online safety regulation

Introduction from the Committee

People are increasingly living their lives online, with UK adults spending, on average, just under four hours online a day. There are challenges to this online activity. Of internet users in the UK, 68% of child users (aged 13–17), and 62% of adult users (aged 18+), indicated in 2022 that they had experienced at least one potential online harm in the last four weeks. Harmful content can vary in nature, from child sexual abuse material and terrorist content to online fraud and the encouragement of self-harm.

The government has set itself an objective of making the UK the safest place in the world to go online. The Department for Science, Innovation and Technology (the Department) was responsible for delivering the Online Safety Bill and in October 2023 the Online Safety Act (the Act) became law. The Act introduces new duties on search engines, firms which host user-generated content, and providers of pornographic content, to minimise the extent of illegal content and content that is harmful to children experienced by their users. Providers failing to meet these duties will be accountable to Ofcom, the UK's existing communications regulator, in its new role as the UK's online safety regulator.

The Act requires Ofcom to secure the adequate protection of citizens from harm arising from content on regulated services, through the appropriate use by service providers of systems and processes designed to reduce the risk of such harm. Ofcom has been preparing for its new regulatory role since 2020 when the government confirmed its decision to appoint Ofcom as the regulator for online safety.

Relevant reports

- NAO report: [Preparedness for online safety regulation](#) – Session 2022-23 (HC 1660)
- PAC report: [Preparedness for online safety regulation](#) – Session 2023-24 (HC 73)
- [Treasury Minute](#): April 2024 (CP 1070)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: It will take a long time for Ofcom to implement the regulatory regime in full and it is therefore crucial that it meets its interim deadlines on the priority areas of illegal harms and protecting children.

1. PAC recommendation: Ofcom must meet its deadline to introduce codes of practice in the two priority areas of illegal harms and protecting children within 18 months of the Online Safety Bill becoming law.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: April 2025

1.2 The Online Safety Act 2023 (the Act) required Ofcom to submit its Codes of Practice on illegal harms and protection of children to the Secretary of State within 18 months of the Act becoming law, by 26 April 2025.

1.3 Ofcom has met the deadline of introducing codes of practice in the two areas of illegal harms and protecting children within 18 months of the Online Safety Bill becoming law. Ofcom's illegal harms consultation closed in February 2024 and the illegal harms codes were submitted to Secretary of State for approval on 16 December 2024. The illegal harms code passed through Parliament and came into force on 17 March 2025. Ofcom's protection of children consultation closed in July 2024 and the protection of children's codes were submitted to Secretary of State for approval on 24 April 2025. The protection of children codes passed through Parliament and came into force on 24 July 2025.

3. PAC conclusion: Ofcom lacks clarity about how it will identify and respond to non-compliance and when to use its enforcement powers.

3. PAC recommendation: Ofcom should urgently finalise its automated compliance monitoring systems and clarify its enforcement approach with service providers where engagement has not proved possible.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: April 2025

3.2 Now that the Online Safety Act has come into force, Ofcom has moved quickly with enforcing against non-compliant providers. They have opened investigations into companies responsible for 69 sites and have opened five umbrella enforcement programmes, looking at wider issues across the sector.

3.3 Ofcom reports that all of the larger platforms are engaging with the process and have conducted risk assessments as required by the legislation. Ofcom are now scrutinising these and the measures that companies are taking to address them, through active supervision.

3.4 Several small but risky sites and apps that initially failed to comply with their duties to carry out risk assessments or respond to statutory requests for information have changed their approach in response to enforcement action from Ofcom and have taken steps to begin to come into compliance.

3.5 Some smaller sites which are particularly risky for United Kingdom users have chosen to shut down or geoblock the UK rather than take steps to protect UK users on their service.

Fourteenth Report of Session 2023-24

Department for Levelling Up, Housing and Communities, Home Office

Homes for Ukraine

Introduction from the Committee

The UK government launched the Homes for Ukraine scheme on 14 March 2022, following the Russian invasion of Ukraine in February 2022. The scheme enables people in the UK to sponsor and host Ukrainian nationals who are seeking refuge from the war. Individuals are granted three-year visas to stay in the UK, with full access to public services, benefits, and other support. By January 2024, 141,200 Ukrainians had come to stay in the UK.

The scheme is jointly run by the Department for Levelling Up, Housing & Communities (DLUHC) and the Home Office. The Home Office primarily leads on operational matters relating to the processing of visas and checks on the suitability of the sponsor. DLUHC leads on all aspects of the scheme from the point of arrival of Ukrainians into the UK, working closely with local authorities and devolved governments.

Just under 74,000 sponsors had applied to host Ukrainians under the scheme by September 2023 and DLUHC continues to provide funding for new arrivals, about 400 people a week. Any adult in the UK can act as a sponsor providing they pass eligibility checks conducted by the Home Office and local authorities. Sponsors must commit to hosting for a minimum of six months and can claim thank you payments from government worth £350 a month for the first year and then £500 a month for years two and three. The local authority where the sponsor is based receives a one-off tariff payment of £10,500 per arrival (reduced to £5,900 for all arrivals since 31 December 2022) to help with support and integration needs.

By the end of September 2023, the government had provided £2.1 billion in funding for the scheme. The government announced in the Autumn Statement in November 2023 that it will extend thank you payments for another year and provide a further £120 million funding to the devolved administrations and local authorities in England to invest in homelessness prevention.

Relevant reports

- NAO report: [Investigation into the Homes for Ukraine scheme](#) – Session 2023-24 (HC 1863)
- PAC report: [Homes for Ukraine](#) – Session 2023-24 (HC 69)
- [Treasury Minute](#): April 2024 (CP 1070)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below. The Ministry for Housing, Communities and Local Government was formerly known as Department for Levelling Up, Housing and Communities.

5. PAC conclusion: The scheme was set up at speed and has helped 141,200 Ukrainians come to the UK, but DLUHC does not know fully what aspects of the scheme have or have not worked and whether overall the scheme has been value for money.

5. PAC recommendation: As part of its Treasury Minute response, DLUHC should set out what plans it has to evaluate the scheme, both while it is still ongoing and at the end of the scheme. These evaluations should include:

- ***how lessons learned from the scheme, and best practice examples, could be used for potential future resettlement schemes; and***
- ***a consideration of the overall value for money of the scheme.***

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: May 2025

5.2 The Ministry for Housing, Communities and Local Government ministers have agreed to launch an evaluation of the Homes for Ukraine scheme. The evaluation will aim to consider the value for money of the scheme, alongside providing practical evidence-based recommendations for future resettlement/sponsorship schemes. Steps are being taken to develop the evaluation proposal, which began in May 2025. The final evaluation design will soon be agreed with the provider. It is expected that the research will launch in early 2026, with the findings to be published in 2027.

Fifteenth Report of Session 2023-24

HM Treasury

Managing government borrowing

Introduction from the Committee

Government borrows when its spending exceeds its income, which has been the case in all but five of the last 53 years. Borrowing allows government to continue to deliver important public services when tax receipts fall, or spending requirements increase. Government needs to pay interest on the money it borrows, and government's overall debt increases when it borrows more than it repays. Public sector net debt excluding the Bank of England (PSND ex BoE) is government's preferred measure for reporting on public finances. PSND ex BoE, which is the amount by which total government spending exceeds its total receipts, excluding assets and liabilities held by the Bank of England, was an estimated £2,251 billion at the end of 2022–23, equivalent to 86.1% of the UK's gross domestic product (GDP). Interest payments on this debt totalled an estimated £112 billion. The government's debt stock is forecast to continue rising through to 2028–29.

The Treasury is responsible for the government's fiscal and debt management policy, and for delivering the government's overall debt management objective which is "to minimise, over the long term, the costs of meeting the government's financing needs, taking into account risk, while ensuring that debt management policy is consistent with the aims of monetary policy". Ministers make judgements about taxation, spending and the total amount of borrowing required. Government borrows by issuing bonds, known as gilts, through the UK Debt Management Office (DMO) to large investors in the capital markets, or by encouraging savers to invest in National Savings & Investments (NS&I) retail products such as Premium Bonds. In 2023–24, the DMO was tasked with raising £232.3 billion, while NS&I was required to raise £7.5 billion. The Treasury's Debt and Reserves Management (DRM) team is responsible for stress-testing and challenging any analysis the DMO and NS&I provides during the preparation of the annual borrowing requirement known as the "remit". The Office for Budget Responsibility (OBR), which is independent of government, examines and reports on the sustainability of the public finances, in addition to forecasting the government's borrowing needs.

Since 2009, the Bank of England's quantitative easing (QE) programme has acted as a guaranteed buyer of government gilts, purchasing just under £900 billion, thereby indirectly helping the DMO sell the gilts it needed. However, QE is now unwinding, meaning for the first time the DMO will be selling gilts at the same time as the Bank of England. With interest rates having risen to levels not seen since 2008, the government is forecast to make a £126 billion loss on the QE programme, further increasing the government's borrowing needs. These higher interest rates, together with inflation-linked debt, lead to higher debt interest payments for government, which risks eroding government choices for public spending.

Relevant reports

- NAO report: [Managing government borrowing](#) – Session 2022-23 (HC 1658)
- PAC report: [Managing government borrowing](#) – Session 2023-24 (HC 74)
- [Treasury Minute](#): April 2024 (CP 1070)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

3. PAC conclusion: The Treasury and the DMO lack the information needed to better identify unlawful activity and understand the risks posed by overseas investors, potentially reducing the value for money from future gilt sales.

3a. PAC recommendation: The Treasury, together with the DMO, should write to us, within two months of the conclusion of the CMA's investigation, outlining what steps they will take to address the information gaps around identifying potentially unlawful activity, including:

- **The changes the Treasury will make to its gilt selling process in response to the CMA's investigation;**
- **Undertaking a formal review of the DMO's gilt selling process to identify any additional changes that could further limit the possibility of collusion, including the information it collects to help monitor unlawful activity.**

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

3.2 On 16 July 2025, the Competition and Markets Authority (CMA) [published its detailed findings](#) concluding its investigation into anti-competitive arrangements in UK government bonds (gilts) between 2009 and 2013, involving five banks in their capacity as Gilt-edged Market Makers (GEMMs). The CMA noted that since this historical period of misconduct, the banks involved have introduced extensive compliance measures to ensure that this behaviour does not recur. Moreover, it is also important to highlight that the CMA's findings did not relate to the UK Debt Management Office's (UK DMO's) own systems and processes and the DMO was not under investigation.

3.3 However, the government takes the protection of public money, and the delivery of value for money for the taxpayer, extremely seriously. In line with the Committee's recommendation, the Treasury and the UK DMO have undertaken a review of the gilt selling process, with the intention to identify enhancements that could be introduced to limit further the possibility of collusion in the gilt market.

3.4 The government [wrote to the Committee](#) on 15 September 2025, setting out enhancements made to the gilt selling process as a result of this review. These include changes to the UK DMO's operational rules and procedures, improvements to information gathering processes, and increased surveillance of communications between staff at the UK DMO and GEMMs in market chatrooms.

3.5 The report shared with the Committee on 15 September 2025 outlines how the identified enhancements have addressed information gaps and supported the government's overall objective of limiting and identifying any unlawful activity to the extent that the UK DMO as a non-regulator is able to do so.

3.6 The government recognises the importance of – and is committed to – continuous improvement, with the intention further to build on an already robust framework. In line with this commitment, the government will look to ensure that the UK DMO's data collection arrangements, GEMM framework, and internal policies remain appropriately attuned to the regulatory and market environments within which it operates, as well as broadening engagement with other authorities with an interest in the gilt market.

Sixteenth Report of Session 2023-24

HM Revenue & Customs

HMRC performance in 2022-23

Introduction from the Committee

HMRC employs around 64,000 people and is responsible for administering the UK's tax system. For 2022–23, HMRC's strategic objectives were to: collect the right tax and pay out the right financial support; make it easy to get tax right and hard to bend or break the rules; maintain taxpayers' consent through fair treatment and protect society from harm; make HMRC a great place to work; and support wider government economic aims through a resilient, agile tax administration system. In 2022–23, HMRC reported £814.0 billion of tax revenues, an increase of £82.9 billion (11.3%) compared with 2021–22. HMRC estimates the tax revenue generated from its tax compliance activities (compliance yield) in 2022–23 was £34 billion, up 10% compared with 2021–22 (£30.8 billion). It estimated the tax gap (the difference between the amount of tax that should, in theory, be paid to HMRC, and what is actually paid) to be £35.8 billion, or 4.8% of total theoretical liabilities (£739.3 billion) in 2021–22, the latest year available. HMRC paid out £34 billion in 2022–23, including £8.8 billion of Personal Tax Credits and £11.6 billion of Child Benefit. As part of administering the tax system HMRC is also responsible for managing tax reliefs, including the research and development reliefs available to businesses.

Relevant reports

- NAO report: [HM Revenue & Customs 2022-23 Accounts](#)
- PAC report: [HMRC Performance in 2022-23](#) – Session 2023-24 (HC 76)
- [Treasury Minute](#): April 2024 (CP 1070)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

4. PAC conclusion: We are concerned that HMRC's approach to serious abuse is not deterring criminal activity sufficiently, while at the same time its approach to tackling IR35 is deterring legitimate economic activity.

4a. PAC recommendation: HMRC should:

- **provide to the Committee further detail of the value of tax at stake in cases of criminal prosecutions in recent years**

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: Summer 2025

4.2 HMRC now publishes disaggregated compliance yield data, generated from its civil and criminal investigations, in its [Annual Report and Accounts](#) and accompanying [Chief Executive's performance report](#).

4b. PAC recommendation: HMRC should:

- ***provide further explanation of how HMRC is using fewer prosecutions to achieve greater deterrence of egregious non-compliance.***

4.3 The government agrees with the Committee's recommendation.

Recommendation implemented: May 2025

4.4 HMRC [wrote to the Committee](#) in May 2025 describing the actions the department has taken in response to this recommendation.

Seventeenth Report of Session 2023-24

Cabinet Office, HM Treasury

Cabinet Office functional savings

Introduction from the Committee

The first government functions were formally established in 2013. They are groups of professionals who work across government to provide expert skills in areas such as procurement, major project delivery and finance. Through their work, functions seek to increase the efficiency of the work undertaken by government. By October 2023, there were 14 functions across government. In the 2021 Spending Review, HM Treasury set multi-year budgets for departments, encouraging them to achieve savings of approximately 5% on their “day-to-day” budgets by 2024–25. The Cabinet Office is responsible for ensuring that the functions provide data on their efficiency savings, for verifying the data provided, and reporting on the overall annual efficiency savings made across government. The Government Internal Audit Agency (GIAA) is responsible for assuring the claimed savings before publication, by assessing the methodologies used. The Cabinet Office started measuring and reporting on the financial efficiency savings and wider benefits made by the functions in 2021. So far, it has reported that functions, departments and other central bodies achieved £3.4 billion of cash-releasing savings in 2020–21, and £3.4 billion of cash-releasing savings and £1.0 billion of non-cash-releasing savings in 2021–22.

Relevant reports

- NAO report: [Cabinet Office functional savings](#) – Session 2022-23 (HC 1865)
- PAC report: [Cabinet Office functional savings](#) – Session 2023-24 (HC 423)
- [Treasury Minute](#): April 2024 (CP 1070)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: Reporting on efficiency across government is essential to enable government to make effective decisions about where to spend public money.

1b. PAC recommendation: After reviewing the first sets of departmental reporting using the new Efficiency Framework, HM Treasury should set a timetable for when departments will report these savings in their annual report and accounts, including determining, in consultation with the National Audit Office, what assurance arrangements these figures will be subject to.

1.1 The government agrees with the Committee’s recommendation.

Recommendation implemented: July 2025

1.2 The Treasury provided an [update on this recommendation](#) to the Committee on 28 July 2025. This addressed this recommendation and set out the timetable for reporting efficiency savings, and the assurance processes alongside plans for continuous improvement.

2. PAC conclusion: Different functions are still at different levels of development, and different levels of maturity in their approaches to calculating and reporting savings.

2b. PAC recommendation: By the end of 2024, the Cabinet Office should publish a balanced scorecard for each function which includes savings of all types made by the functions.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

2.2 In July 2025, the Cabinet Office [published](#) a range of benefits delivered across functions, implementing the Committee's recommendation.

3. PAC conclusion: Cabinet Office and HM Treasury do not have a full picture of the performance of functions.

3. PAC recommendation: As part of the Treasury Minute response, the Cabinet Office should set out how it will work with functions to develop consistent methodologies that report the totality of the costs, benefits and savings delivered by functions, using metrics that can be compared across time and different areas of government.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

3.2 The Cabinet Office wrote to the Committee on 8 July 2025 providing an [update on recommendations 2b, 3, 4a, 4b and 5a](#) of this report.

3.3 Functions are now expected to use consistent methodologies in respect of efficiencies in accordance with established Government Efficiency Framework (GEF). This will enable costs and efficiency savings delivered, to be compared across time and different areas of government. The Government will ensure functions continue to support delivery of the efficiency savings agenda.

4. PAC conclusion: Cabinet Office and HM Treasury have not ensured that functions have fully reported the efficiencies they achieve.

4a. PAC recommendation: The Cabinet Office and HM Treasury should set out what the targets are that functions are working towards in the next functions' savings exercise.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

4.2 The Cabinet Office provided the Committee with an [update on recommendations 2b, 3, 4a, 4b and 5a](#) on 8th July 2025. The government had previously committed to meet this recommendation through delivery of publication of a range of functional benefits in accordance with recommendation 2b above, and as the [publication of functional benefits](#) is now complete, this implements the Committee's recommendation.

4b. PAC recommendation: Once the new targets have been set, the Cabinet Office and HM Treasury should work with all the functions to more robustly test the amount and scale of savings they report, and challenge functions to report wider savings where necessary.

4.3 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

4.4 The Cabinet Office provided the Committee with an [update on recommendations 2b, 3, 4a, 4b and 5a](#) on 8th July 2025. The government has set out a new approach to delivering efficiencies at the Spending Review. Each departments' delivery plan sets out how it will deliver efficiencies as it delivers its priorities, including those from the functions (e.g. through better grants management; estates management, or digital improvements.) This will ensure a holistic approach to efficiency reporting, where functional efficiency activity is captured alongside departments' wider efficiencies.

5. PAC conclusion: Cabinet Office and HM Treasury have not finalised how they will manage the risks of double-counting and cost-shunting.

5a. PAC recommendation: HM Treasury and the Cabinet Office should incorporate into the 2023–24 efficiencies exercise:

- **Examples of best practice on calculating, recording and reporting of savings with departments and functions;**
- **Clearer guidance on how to avoid cost-shunting and double-counting, as well as any other adverse effects.**

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

5.2 The Cabinet Office provided the Committee with an [update on recommendations 2b, 3, 4a, 4b and 5a](#) on 8th July 2025. Through the adoption of the Government Efficiencies Framework, all efficiencies will be required to be reconcilable to departmental budgets and as such will avoid double counting by requiring common and comparable baselines. In respect of guidance, the Treasury will support functions to provide examples/case studies for further iterations of the GEF.

Nineteenth Report of Session 2023-24

Ministry of Defence

MoD Equipment Plan 2023 - 2033

Introduction from the Committee

The Ministry of Defence (the MoD) has published its Equipment Plan (the Plan) each year since 2012, setting out its 10-year spending plans on equipment procurement and support projects. The MoD's aim is to produce a reliable assessment of the affordability of its equipment programme, and to demonstrate to Parliament how it intends to manage its equipment funding. Each year, the National Audit Office (NAO) publishes a report examining the MoD's assessment of the Plan's affordability and its response to the financial challenges it faces.

This year's Plan, which is based on financial data at 31 March 2023 and was published in December 2023, covers the period from 2023 to 2033. It contains forecast costs for some 1,800 equipment projects that the MoD has chosen to fund following the 2021 Integrated Review of security, defence, development, and foreign policy and the associated Defence Command Paper. Both the Integrated Review and the Command Paper were refreshed and broadly endorsed by the government in 2023. The Plan includes equipment in early-stage development, equipment that is already in use and budgets to support and maintain military capabilities.

The MoD has allocated a budget of £288.6 billion to the current Plan's 10-year timeframe. This is £46.3 billion more than the MoD allocated in the 2022–2032 Plan and is 49% of the entire 10-year forecast defence budget. However, forecast costs have increased by £65.7 billion to £305.5 billion, resulting in a £16.9 billion deficit between the MoD's capability requirements and the budget available to provide them. This is the largest affordability gap in any of the 12 Plans published by the MoD to date. Based on a report by the National Audit Office, the Committee took evidence on 22 January 2024 from the Ministry of Defence. The Committee published its report on 8 March 2024. This is the government's response to the Committee's report.

Relevant reports

- NAO report: [The Equipment Plan 2023–2033](#) – Session 2023-24 (HC 315)
- PAC report: [MoD Equipment Plan 2023–2033](#) – Session 2023-24 (HC 451)
- [Integrated Procurement Model: driving pace in the delivery of military capability](#) – 28 February 2024
- [Strategic Defence Review 2025 – Making Britain Safer: secure at home, strong abroad](#) – 2 June 2025
- [Spending Review 2025](#) – 30 June 2025
- [Defence Industrial Strategy: Making Defence an Engine for Growth](#) – 8 September 2025 (CP 1388)
- [Treasury Minutes](#): May 2024 (CP 451)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

2. PAC conclusion: The Plan is inconsistent because some parts of the Armed Forces include the costs of all capabilities that the government expects them to deliver, while others only include those they can afford.

2. PAC recommendation: In future Plans, the MoD should ensure that all budget holders adopt the same approach to including forecast costs. This will help the Plan to achieve its aim of providing a reliable assessment of the affordability of its equipment programme, and improve transparency so allowing the Plan's users, including Parliament, to compare contributors' positions on a like-for-like basis.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Autumn 2025

Original target implementation date: Spring 2025

2.2 The government agrees with the Committee's recommendation, which will be reflected in the Defence Investment Plan to be published shortly.

2.3 All Area Budget Holders (ABHs) already operate within the same standardised financial planning processes. The creation of the National Armaments Directorate Group (NAD Group) will ensure effective financial management of the department's equipment procurement. The NAD Group will work closely with industry to streamline and speed up procurement processes and ensure the cost-effective delivery of defence priorities.

2.4 The government is committed to improving transparency, including around affordability and financial management. Since the publication of the [Strategic Defence Review \(SDR\)](#), the Committee will be aware that the department is developing the Defence Investment Plan (DIP) which will set out the MoD's spending plans on equipment, as well as infrastructure and other spending. The DIP will set out how the department is driving forward the recommendations of the SDR within the affordability of the department's [Spending Review settlement](#).

4. PAC conclusion: Uncertainty about the MoD's future demand for equipment hinders its work with industry to develop a resilient, responsive, and cost-effective supply chain.

4. PAC recommendation: In order to build industry's confidence to invest in supply chain capacity, the MoD should develop and communicate clear and funded schedules of work for the procurement and support of its military equipment.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

4.2 The department published the [Defence Industrial Strategy \(DIS\)](#) on 8 September 2025, setting out how defence will be an engine for growth by 2035. The DIS sets out the measures the MoD are putting in place to improve the demand signal to industry and incentivise investment. The department will engage industry earlier in the procurement process to provide the defence sector, their investors and non-traditional suppliers with the certainty of MoD's demand signal that will stimulate long term investment and crowds-in private finance.

4.3 Section 7 of the [DIS](#) outlines the actions that the department have taken and will continue to take as part of business-as-usual, to ensure clear demand signal provides industry with long-term direction. This includes delivering the Defence Investment Plan in Autumn 2025, which will support DIS outcomes including strengthening long-term procurement demand signal; reforming the Acquisition Pipeline to provide industry with a 5-year forecast of planned procurements, with the ambition to review and extend this; and increasing early market engagement to involve industry in setting a stronger demand signal prior to acquisition.

4.4 A stronger demand signal is being delivered through new forums established in the DIS including the Defence Office for Small Business Growth, which will be launched by late January 2026. This will provide better access to opportunities through equality of information and market engagement; and in support of innovation through UKDI's defence innovation portfolio.

4.5 The department is also working with industry to improve its approach to market engagement by bringing industry early into the procurement process, from the conception and development of ideas, through to the final stages of delivery and are involving industry at all levels earlier in the military capability development processes. The department is working to ensure there is a collaborative technical environment, operating at secret levels of classification, to share information with industry in a more dynamic way.

5. PAC conclusion: The MoD's strategy for replacing ageing capabilities is undermined by the slow delivery of new systems, resulting in military capability gaps.

5. PAC recommendation: The MoD should include in next year's Plan an assessment of what impact its new procurement strategy has had on improving the delivery of new capabilities and set out how this will provide continued improvement going forward.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: Autumn 2025

5.2 Since the last update to the Committee, the department has set out in the Strategic Defence Review (SDR) and Defence Industrial Strategy (DIS) the broader procurement and acquisition system reforms now being taken forward by the National Armaments Director Group. These reforms were informed by insights and learning from testing of the key features of the previous procurement model announced in February 2024.

5.3 Examples include delivery through portfolios, an SDR commitment which is key to driving adaptability and pace in capability delivery. Spiral acquisition will be embedded in a new segmented approach to procurement. The importance of balancing a wider range of strategic factors and expert advice in decision-making is recognised in the introduction of a consistent approach to commissioning new programmes. This will ensure decisions on procurement are informed at an early stage by the full range of government policy drivers, including export potential and growth.

5.4 Other initiatives highlighted in the previous model, such as tailored commercial pathways and new approaches to supplier management, have also been taken forward into the wider reforms now underway. Five commercial pathways have been launched for Spiral, Urgent, Design to Cost, Digital & Technology and Low Complexity Procurement, including clear accessible guidance and case studies alongside practical support to assist teams adopt more innovative and adaptable commercial approaches. These pathways underpin the segmented approach to procurement that will allow tailoring of policy and processes based on the type of capability, supplier and risk involved.

5.5 The impact of the previous model can be seen in the embedding of key features into wider reforms. The key themes of pace and agility continue to inform the department's drive to improve delivery of new capabilities by transforming the acquisition system to ensure it is fit for the future.

6. PAC conclusion: The MoD is becoming increasingly reliant on the UK's allies to protect the UK's national interests, which carries the risk that such support might not always be available.

6. PAC recommendation: The MoD should assess the extent to which its capability requirements are reliant on support from the UK's allies and develop mitigations for how it would manage the risk of allied support being curtailed or withdrawn.

6.1 The government agrees with the Committee's recommendation.

Revised implementation date: Autumn 2025

Original target implementation date: Spring 2025

6.2 The Strategic Defence Review has now been published and has set out how the MoD will operate under a 'NATO First' approach, meeting the Alliance's Capability Targets and improving burden sharing between Europe, Canada and the United States. The Trinity House Agreement with Germany is an example of the department's push for greater collaboration with allies, including through joint procurements and burden-sharing arrangements. NATO's Conference of National Armaments Directors (CNAD) is a vital forum for pursuing joint procurements and collaborative research and development opportunities amongst alliance member states. The MoD's future force development plans which are currently being developed will key to the 'NATO First' approach, and the Committee will have further opportunities to scrutinise these, such as through the DIP.

Twentieth Report of Session 2023-24

HM Treasury, Cabinet Office

Monitoring and responding to companies in distress

Introduction from the Committee

The government relies in various ways on private companies to support policy objectives and deliver some public services. Government departments are responsible for managing the relationship with companies and suppliers in their sectors, and for monitoring the risks to their policy objectives including any risks related to company failure or distress. Where failure of a strategically important company or key supplier could expose the government, taxpayers or service users to high levels of risk, the government sometimes decides it is necessary to intervene. This might involve supporting the company and preventing it from failing, rescuing it, or managing the situation so it does not fail in a disorderly way. Government intervention in private companies and markets can be complex and requires access to specialist skills not held widely across government. Many government bodies, including regulators and central government, may also need to be involved in resolving the situation and managing any wider effects.

Relevant reports

- NAO report: [Lessons learned: Monitoring and responding to companies in distress](#) – Session 2022-23 (HC 1866)
- PAC report: [Monitoring and responding to companies in distress](#) – Session 2023-24 (HC 425)
- [Treasury Minute](#): May 2024 (CP 1085)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

5. PAC conclusion: The Cabinet Office has not assessed or coherently identified the skills and expertise needed for monitoring and responding to companies in distress.

5. PAC recommendation: The Cabinet Office Commercial Function should set functional standards for monitoring and responding to companies in distress. As part of this process, the Function should write to the Committee within six months, explaining:

- **The skill requirement across government for monitoring and responding to companies or suppliers in distress;**
- **The current level of these skills and expertise across government and where gaps exist;**
- **How the Commercial Function plans to close the gaps identified; and**
- **How the Commercial Function will ensure departments know where, how and when to access support.**

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: April 2026

Original target implementation date: April 2025

5.2 The Government Commercial Function has ensured departments know where, how and when to access support through updated internal guidance on departmental responsibilities and accountability for managing and responding to special situations and economic shocks. The update in August 2025 includes alignment and integration with the Procurement Act 2023, more explicit guidance on the frequency of monitoring, more detail on escalation routes and sets out support available for departments. A further update to the guidance regarding monitoring the financial standing of suppliers referenced in the Government Commercial Functional Standard is due to be published in early 2026.

5.3 An initial exercise to identify current skills proved challenging but highlighted the need for expertise in risk monitoring and management, corporate finance and corporate governance in support of policy objectives, an understanding of specific markets and critical supply chains, supported by contracting and procurement expertise. This included the need to understand corporate structures, undertake financial negotiations and an analysis of contingent liabilities for government.

5.4 The Commercial Function is working with lead government departments with recent experience of managing these situations to identify lessons learnt in monitoring and responding to companies in distress. A more detailed reporting mechanism is being designed to assess current and future skills across government.

5.5 The Commercial Function will continue to work with the Risk Centre of Excellence in the Government Finance Function, UKGI, the Treasury's Special Situations team and Department for Business and Trade's Economic Shocks team to close any gaps identified.

5.6 The change in implementation date reflects the need to collect more detail from a wider range of sources to get a more effective reporting mechanism in place.

Twenty-First Report of Session 2023-24

Department for Levelling Up, Housing and Communities

Levelling up funding to local government

Introduction from the Committee

The Department for Levelling Up, Housing & Communities, or DLUHC (“the Department”) has a lead role in Levelling Up funding, which forms a key part of the government’s levelling-up agenda to reduce geographic inequality by targeting a broad range of economic and social measures across the UK. There are three significant funds to support local places:

- Towns Fund – consisting of Town Deals and the Future High Streets Fund (England only);
- Levelling Up Fund (UK wide); and
- UK Shared Prosperity Fund (UK wide).

Each of the funds started in different years and have different end dates by which government funds needs to be spent, but all funding must be spent by 31 March 2026. Between them, these funds will allocate up to £10.47 billion to be spent during the period 2020–21 to 2025–26. As of December 2023, the Department had given out £3.7 billion to local places. The Levelling Up Fund and the UK Shared Prosperity Fund involve several other government departments in aspects of their design and delivery. All three funds have overlapping investment themes around regeneration, culture and transport, but the Department allocated funds in different ways. Some funds were allocated by a competitive process after local authorities had submitted bids: this includes the Future High Streets Fund and Rounds 1 and 2 of the Levelling Up Fund. Round 3 of the Levelling Up Fund was allocated exclusively to some of the unsuccessful bids from Round 2, rather than being open to new bids, which was the Department’s original intention. The Town Deals were offered to 101 selected towns. The UK Shared Prosperity Fund was allocated to places based on a formula. The Levelling Up Fund and Towns Fund are supporting more than 1,300 individual projects between them, while the UK Shared Prosperity Fund is supporting more than 3,000 projects.

Relevant reports

- NAO report: [Levelling up funding to local government](#) – Session 2023-24 (HC 191)
- PAC report: [Levelling up funding to local government](#) – Session 2023-24 (HC 424)
- [Treasury Minute](#): May 2024 (CP 1085)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below. The Department for Levelling Up, Housing and Communities is now known as The Ministry of Housing, Communities and Local Government.

4. PAC conclusion: We welcome the intentions to simplify the funding system, but the Department has more to do to implement its plans.

4. PAC recommendation: In its Treasury Minute response, the Department should update us on the progress with simplification including its work with other government departments and progress with the ten simplification pilots. In the future, it should update the Committee by letter once every six months of further

developments in this regard, along with the costs and benefits (both to the Department and local authorities) arising from greater simplification.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

4.2 The department has now completed the simplification of levelling up funds. Launched in September 2025, the Local Regeneration Fund consolidates the Levelling Up Fund, Town Deals, and Pathfinders into one flexible allocation, devolving decisions to local authorities to empower leaders, reduce bureaucracy, and improve efficiency in delivering regeneration projects. By bringing levelling up investments together, the new fund provides local authorities with greater flexibility to push forward sustainable place-based growth.

4.3 Details of the fund, including technical guidance have been [published on GOV.UK](#).

4.4 The department continues to take the steps needed to move towards a more flexible, and simplified approach to funding, enabling Local Authorities to better deliver against local and national priorities.

4.5 In June 2025, the government published [The Fair Funding Review](#) which included a commitment to radically simplify the revenue grant landscape from 2026-27. The government will work across departments, consolidating grants that are aiming to achieve similar outcomes, for example a Homelessness and Rough Sleeping Grant that brings together separate funding streams.

4.6 A Local Government Outcomes Framework (LGOF) is being developed to support this reset. It will provide a single streamlined approach based on a refined set of central priorities agreed across central government and aligned with the Missions and Plan for Change.

4.7 The Local Growth Fund will be launched in 2026. The fund will introduce a long-term, flexible capital settlement for Mayoral Strategic Authorities, consolidating fragmented funding into a single, locally led pot aligned with Local Growth Plans.

5. PAC conclusion: The Department is providing focused support to some local authorities with project delivery, but it remains to be seen how the Department will use any learning from these activities to support all local authorities.

5. PAC recommendation: The Department should set out in its Treasury Minute response the lessons it is learning from its local support work and how it will disseminate the lessons to all local authorities.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

5.2 The department is committed to sharing lessons from local support work in ways that are accessible, collaborative, and responsive to local authority needs.

5.3 Although the Delivery Associate Network (DAN) has now closed, the department continues to build on its legacy. It utilised the learnings from the DAN to inform the changes instigated in the delivery of funding simplification through the [Local Regeneration Fund](#) (LRF).

5.4 Several peer networking groups established through the programme remain active, supporting the ongoing exchange of good practice and shared learning.

5.5 Access to the [Local Growth Knowledge Hub](#) has been retained (currently archived), which hosts a wide range of high-quality resources including newsletters, blogs, and webinars. The department is in the process of making these materials fully available via a publicly accessible website, which is due to go live in November.

5.6 Where systemic issues are identified across programmes, the department convened targeted webinars led by subject matter experts to share insights and solutions. It will continue to update case studies to reflect evolving delivery experience and showcase innovative approaches and post them on the website.

5.7 Extra funding is being provided for the Local Government Association (LGA) throughout 2025 and 2026 to support them in leading, co-designing and providing a robust programme of support to strategic authorities. This includes a dedicated Strategic Authorities Hub on the LGA website to collate and showcase good practice and guidance. This is in addition to the £19 million per annum LGA funding which is already in place to support local and combined authorities.

6. PAC conclusion: We recognise the Department's plans to evaluate these funds in the short-term, but we are concerned it has no long-term plans to measure the impacts.

6. PAC recommendation: In its Treasury Minute response, the Department should:

- update us on its progress with evaluation and provide us with regular updates thereafter; and***
- update us on how it will ensure it has the right data and how it will carry out evaluation over the long-term to assess whether the investments have led to sustained improvement.***

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

6.2 The department has published interim reports on The [Levelling Up Fund \(LUF\)](#) and [Towns Fund](#) evaluations. The LUF process evaluation's particular focus on delivery mechanisms, cost and risk management, and LA capability will be of value to central and local government. Interim findings from the LUF evaluation have informed the approach to funding simplification.

6.3 The LUF and Towns Fund evaluations will conclude in the 2026-27 financial year. Final reports on LUF process evaluation and Towns Fund process, impact and VfM evaluation will be published on GOV.UK. As LUF and Town Deals have been consolidated into the Local Regeneration Fund (LRF), the intended impact evaluation questions for LUF are no longer feasible.

6.4 Following the Spending Review 2025, resources previously committed to the LUF impact evaluation will be repurposed for the LRF evaluation, including conducting a feasibility study. The department is targeting an approach that will avoid duplication of existing evaluations and focus on evidence gaps.

6.5 The LRF feasibility study will assess which evaluation methods will be the most appropriate to demonstrate impact, considering interventions-focused and placed-based approaches. The department will also conduct a process evaluation to see whether there are increases in efficiency, enhanced effectiveness, and accelerated project delivery. The department intends to publish the recommendations of the LRF feasibility study on GOV.UK

6.6 The department will share lessons learnt across government through continuous discussion of thematic insights and findings with policymakers, and with external audiences through publications on GOV.UK.

Twenty-Third Report of Session 2023-24

Cabinet Office

Civil Service workforce: Recruitment, pay and performance management

Introduction from the Committee

There were 519,780 civil servants employed across the UK in March 2023. Departments are responsible for recruiting staff at grades below senior civil service (SCS) level, and for setting their pay and performance management arrangements. This creates challenges for efforts to tackle system-wide Civil Service workforce issues, such as speeding up recruitment or reducing the level of underperformance in the civil service, because these typically require concerted action to be taken across all departments.

The Cabinet Office has broad oversight of the civil service workforce as a whole and supports departments to manage workforce issues effectively. The Cabinet Office has set out its vision for the civil service in its Civil Service People Plan for 2024 to 2027. The People Plan aims to set a clear direction for the civil service over the next three years, focusing on five people priorities: learning, skills and capability; pay and reward; employee experience; recruitment, retention and talent; and a high-performing HR function.

Relevant reports

- NAO report: [Civil Service workforce: Recruitment, pay and performance management](#) – Session 2023-24 (HC 192)
- PAC report: [Civil service workforce: Recruitment, pay and performance management](#) – Session 2023-24 (HC 452)
- [Treasury Minute](#): May 2024 (CP 1085)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

4. PAC conclusion: Chronic pay issues within the civil service have lowered morale and risk departments not being able to recruit and retain skilled staff.

4. PAC recommendation: In its forthcoming civil service pay and reward strategy, the Cabinet Office should clearly set out the specific actions it will take to address longstanding issues such as declining real-terms pay; variation between roles paid at the same grade; and disparities in pay between departments, including disparities in the use of performance-related pay and the risk of indirect discrimination.

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2026

Original target implementation date: Winter 2024

4.2 The focus is on developing a sustainable pay and reward framework to enable the Civil Service to attract and retain the best workforce possible in order for the government to deliver on its priorities and deliver for the public. The ambition is to deliver reform within this parliament. The aim is a more efficient and value for money pay system that provides taxpayer value and enables delivery for citizens by addressing the long-standing issues identified in the

recommendation and some identified more widely by those responsible for the pay system and through discussions with trade unions.

4.3 Overall work is on track to deliver to the timeframes agreed with Civil Service leadership and ministers, and so the implementation date has been revised. This has changed from the original timing due to the need to reflect changes in government and the subsequent work on the Spending Review and long-term Civil Service Strategy.

4.4 Whilst agreeing with the recommendation, the government acknowledges that under the current delegated pay model, departments have control of their own individual pay systems within the cost parameters set out in the Civil Service Pay Remit Guidance. This places constraint on what can be directed by the Cabinet Office in terms of pay and reward.

5. PAC conclusion: Departments do not collect enough data on staff under performance to know if it is being managed effectively.

5. PAC recommendation: By the time of its Treasury Minute response, the Cabinet Office should mandate all departments to collect data on the number of underperforming staff, how underperformance is being managed, and the outcomes for underperforming individuals.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: August 2025

5.2 Managing under and poor performance below the Senior Civil Service (SCS) is delegated to departments. The Civil Service Performance Management Framework provides a blueprint for departments to develop policies and processes for managing employee performance. The framework includes elements that require departments to focus on differentiating performance and ensuring under performance and poor performance is monitored and addressed.

5.3 To better understand the extent of under performance and poor performance, and how it is being managed, the Cabinet Office now provides an annual data collection tool to departments, which requires departments to provide future data and the outcomes for individuals. The Cabinet Office has reviewed pre-existing policy to address poor performance; making changes and providing new tools for departments, aimed at making the process streamlined, effective and robust, whilst ensuring fairness for all employees.

5.4 For the SCS, the performance and poor performance policies are set centrally, and then managed and implemented by departments. The Cabinet Office has reviewed performance in the SCS. In light of this recommendation, the first cross-government consistency check meeting was held in June 2025. As part of this, departments shared and were held to account on, amongst other things, the frequency of under-performance, how this was managed, and the eventual performance outcomes for those individuals. This provided good insight and will continue annually.

Twenty-Fourth Report of Session 2023-24

Department of Health and Social Care

NHS Supply Chain and efficiencies in procurement

Introduction from the Committee

The NHS collectively spends approximately £8 billion annually on buying medical equipment and consumables, from gloves and paper to stents and prosthetic hips. The Department of Health & Social Care (the Department) created NHS Supply Chain in 2018 in response to a report by Lord Carter which found greater scope for efficiencies in the NHS by aggregating its spending power and reducing the variation in prices that trusts pay for the same goods.

NHS Supply Chain is responsible for procuring products, warehousing, and delivering consumables and medical equipment on behalf of the NHS. It became fully operational in April 2019, under the ownership of the Secretary of State for Health and Social Care. Its key objectives were, by 2023–24, to deliver £2.4 billion of savings and have 80% of relevant NHS spending on medical equipment and consumables (known as ‘market share’) go through NHS Supply Chain. It has a catalogue of more than 600,000 products and its annual operating budget for 2023–24 was £240 million. Since 2021, NHS Supply Chain has been owned by NHSE.

Relevant reports

- NAO report: [NHS Supply Chain and efficiencies in procurement](#) – Session 2022-23 (HC 390)
- PAC report: [NHS Supply Chain and efficiencies in procurement](#) – Session 2023-24 (HC453)
- [Treasury Minute](#): May 2024 (CP 1085)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

4. PAC conclusion: The way NHS Supply Chain has calculated and reported its savings has caused confusion and mistrust.

4. PAC recommendation: A year after implementing the new savings method, NHSE should assess whether trusts accept the savings that NHS Supply Chain reports. The new method for calculating savings should be used in all cases to ensure consistency.

4.1 The government agrees with the Committee’s recommendation.

Revised target implementation date: March 2026

Original target implementation date: Summer 2025

4.2 NHS England (NHSE) have consulted procurement leaders nationally across Integrated Care Systems (36% response rate), to assess adoption of the NHS Procurement Value and Savings Methodology. Responses indicate an 80% adoption rate currently. Further investigation suggests that the barrier to full adoption is local finance team acceptance of the methodology. More engagement is planned with the providers that are yet to adopt the

methodology, and with the finance community to reinforce higher adoption of the national NHS procurement value and savings methodology.

4.3 NHSE asked the same group to confirm whether they accept the savings reported by NHS Supply Chain (NHSSC). 60% responded *Yes* or *Sometimes* and respondents identified key improvement themes to move towards full acceptance (improved data accuracy, prior engagement and timing and base-line alignment).

4.4 NHSE also looked at savings reported to NHSE directly by NHS Trusts, and those reported by NHSSC to identify areas of divergence. For a range of Trusts, there is a significant variation in the reported savings as achieved through NHS Supply Chain. NHS England will be undertaking root cause analysis with 7 NHS Trusts where variance is large, to identify where these discrepancies in reported savings are originating from. Following this understanding of root causes, we will work with NHS Supply Chain and the efficiency reporting team to address these by March 2026.

4.5 Whilst NHSE appreciates the importance of reconciling the reported information, NHS England takes comfort from the internal governance over the validation of savings within NHS Supply Chain as evidenced through an independent Internal Audit report.

5. PAC conclusion: It will be several years before the NHS sees the benefits from NHS Supply Chain's efforts to improve its business.

5. PAC recommendation: Alongside its Treasury Minute response, NHS Supply Chain should provide a clear and realistic road map setting out the timetable for transformation and modernisation and when benefits will materialise. In carrying out this exercise NHS Supply Chain should also examine whether the eight-year timetable should be reduced.

5.1 The government agrees with Committee's recommendation.

Recommendation implemented: October 2025

5.2 The Transformation and Modernisation programme business case received full approval in September 2025 following approvals by NHS England, DHSC and the Treasury. Based on the actual approval date, the programme milestones have been reconsidered, with full implementation expected to slip to 2030-31 and benefits starting to generate during 2027-28.

5.3 As set out in the letter sent to the Committee in November, NHS England has revised the implementation date to reflect the actual approval date.

Twenty-Fifth Report of Session 2023-24

Cabinet Office

Scrutiny of sound financial practice across Government

Introduction from the Committee

The Public Accounts Committee (PAC) has accrued a number of poorly codified procedures to address cases where the sensitivity of information related to Government expenditure is neither within the remit of the statutory Intelligence and Security Committee nor suited to conventional committee practice.

We are concerned that the ad hoc approach taken towards these matters provides varying degrees of accountability to Parliament in different cases, while the processes themselves lack transparency. In some important but sensitive areas of policy, where areas of expenditure do not fall within the mandates or practical working arrangements of other committees such as the Defence Select Committee, the Joint Committee on the National Security Strategy, or the statutory Intelligence and Security Committee of Parliament, this leads to worrying ‘scrutiny gaps’. That approach fails to provide appropriate assurance to the public, to Parliament or indeed to Government on matters which could be of vital national interest.

Relevant reports

- PAC report: [Scrutiny of sound financial practice across Government](#) – Session 2023-24 (HC 673)
- [Treasury Minute](#): October 2024 (CP 1174)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1284 above), an update on the recommendation is provided below.

1. PAC recommendation: We recommend that a select committee is established with a specific remit to consider sound financial practice and value for money in sensitive areas which are outside the remit of the statutory Intelligence and Security Committee of Parliament.

2. PAC recommendation: We recommend that this new committee, like the Public Accounts Committee, should be provided with the assistance of the National Audit Office.

3. PAC recommendation: The committee should be established as soon as possible, and before the dissolution of the current Parliament.

4. PAC recommendation: We would be pleased to work with the Government to develop this proposal further.

1.1 The government notes the Committee’s recommendation.

1.2 The government recognises the value in Committee oversight of government expenditure. Given the sensitivities attached to this information, the government is taking time to consider these recommendations, balancing a commitment to transparent scrutiny and information security. The government will continue to meet with the Committee over the coming months.

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Twenty-Sixth Report of Session 2023-24

BBC

The BBC's implementation of Across the UK

Introduction from the Committee

In March 2021, the BBC published The BBC Across the UK, setting out its ambitions to strengthen its delivery for the whole of the UK, particularly in areas where perception of the BBC's relevance is relatively low, and to ensure that every household gets value from the BBC. The Across the UK programme builds on the BBC's previous relocation of several departments to a new regional centre in Salford in 2012, but the BBC considers it a much bigger transformation affecting every part of the BBC and all four UK nations.

The BBC planned to spend a further £700 million outside London between March 2021 and March 2028, and to move around 400 roles outside London. The BBC believed that moving expenditure and decisions on budgets outside London will change the culture of its commissioning, production and news journalism. The BBC will also commission shows that portray different regions of the UK, to better reflect the lives and communities of audiences outside London. It expected this approach to reduce regional differences in audience portrayal perceptions, increase the BBC's regional economic footprint and support growth of local creative industries. It estimated implementing the programme will generate an additional economic benefit totalling around £850 million in local economic growth.

Relevant reports

- NAO report: [The BBC's implementation of 'Across the UK'](#) – Session 2023-24 (HC 190)
- PAC report: [The BBC's implementation of Across the UK](#) – Session 2023-24 (HC 426)
- [Treasury Minute](#): October 2024 (CP 1174)

Update to the BBC's response to the Committee

Any further updates to the recommendations in the Committee's report can be found on the [Committee's website](#).

Twenty-Seventh Report of Session 2023-24

Cabinet Office

Government resilience: extreme weather

Introduction from the Committee

Government assesses the most serious risks facing the UK or its interests overseas over the next few years via the National Security Risk Assessment, a classified document, and its public-facing version, the National Risk Register. Out of the 89 risks on the National Risk Register, eight are extreme weather events. Extreme weather events are those weather events that are significantly different from the average or usual weather pattern and include droughts, high temperatures and heatwaves, floods and storms.

The COVID-19 pandemic highlighted the need to strengthen resilience to the national risks that the UK faces. In December 2022, the UK Government Resilience Framework was published, setting out the government's strategic approach to strengthening resilience and the key actions that it intends to undertake by 2025 or 2030. This work will be taken forward by the Cabinet Office's new Resilience Directorate, its Head of Resilience and the Resilience Steering Board. Government defines resilience as "an ability to withstand or quickly recover from a difficult situation, but also to get ahead of those risks and tackle challenges before they manifest".

Relevant reports

- NAO report: [government resilience: extreme weather](#) – Session 2023-24 (HC 314)
- PAC report: [government resilience: extreme weather](#) – Session 2023-24 (HC 454)
- [Treasury Minute](#): September 2024 (CP 1151)
- [Correspondence to PAC](#): 13 September 2024
- [Correspondence from PAC](#): 14 October 2024

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1151 above), the remaining recommendations are updated below.

1. PAC conclusion: Government is too focussed on short-term reactive responses at the expense of developing the UK's medium- and long-term resilience to extreme weather events.

1. PAC recommendation: The Cabinet Office, working with HM Treasury and relevant departments, should ensure sufficient focus is given to building the UK's medium- and long-term resilience to extreme weather events and other national risks, so that it is better able to withstand these risks and minimise damage. The recommendations set out in this report aim to support this.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

1.2 As set out in the [UK Government's Response to the Covid-19 Inquiry Module 1 report](#), the government agrees with the need for a greater Cabinet Office role for whole-system civil emergencies. This is in addition to the Lead Government Department model which retains an essential role in preparedness and resilience.

1.3 In July 2025, the government published the [Resilience Action Plan](#), which sets out the strategic vision for a stronger and more resilient UK and the steps being taken to deliver this. The Resilience Action Plan will deliver against three objectives in this Parliament to:

- continuously assess how resilient the UK is to target interventions and resources effectively;
- enable the whole of society to take action to increase their resilience; and
- strengthen the core public sector resilience system.

1.4 The Cabinet Office has also taken steps to strengthen its leadership role for whole-of-system risks, which has been codified within a substantial update of the [Central Government Concept of Operations for Emergency Response and Recovery](#) (HMG CONOPs), published on 28 April 2025. The HMG CONOPs establishes the leadership role that the Cabinet Office has in the immediate response to whole-of-system crises, as well its role in co-sponsoring the planning phase with the Lead Government Department which owns the risk.

1.5 For extreme weather risks, the Cabinet Office oversees government departments with responsibility for their sectors who often manage the impact of weather-related risks, to ensure effective preparedness and response.

2. PAC conclusion: The Cabinet Office is taking too long to develop its approach to investment in resilience, including private sector investment.

2. PAC recommendation: By 2028, the Cabinet Office should:

- **implement the government's coordinated and prioritised approach to investment in resilience;**
- **give infrastructure regulators consistent climate resilience roles; and**
- **work with HM Treasury and other government departments to encourage greater private investment in climate adaptation.**

2.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2027

2.2 In July 2025, the government published the [Resilience Action Plan](#), which sets out the strategic vision for a stronger and more resilient United Kingdom and the steps being taken to deliver this. The Resilience Action Plan will deliver against three objectives in this Parliament to:

- continuously assess how resilient the UK is to target interventions and resources effectively;
- enable the whole of society to take action to increase their resilience; and
- strengthen the core public sector resilience system.

2.3 To inform the focus of the Resilience Action Plan, the government developed a new approach to understand investment in resilience activity in order to inform and coordinate decision-making as part of Spending Review 2025. Information gathered in this process was analysed and gaps identified to focus resilience objectives.

2.4 HM Treasury's [Green Book](#) sets out that all policies, programmes, and projects must be developed and assessed against how well they deliver on the government's climate and environmental objectives, as well as other policy priorities. In April 2025, Defra updated the supplementary Green Book guidance on Accounting for the Effects of Climate Change. The guidance supports the value for money assessment of spending decisions across government, enabling analysts across departments to use a consistent methodology for incorporating the impacts of climate change into the appraisal of policies.

2.5 The Department for Environment, Food and Rural Affairs is the Lead Government Department for climate adaptation and is leading a programme of cross-government work to take forward specific work on climate adaptation, including in support of the publication of the fourth National Adaptation Plan in 2028. Cabinet Office will continue to support Defra on cross-government activity, including through Defra's Climate Resilience Steering Board (CSRB), which provides senior-level oversight and strategic direction to address and strengthen resilience to climate change related risks that threaten the UK economy, security, and the life and health of its citizens.

3. PAC conclusion: For most extreme weather risks government has not set out what level of resilience it wants to achieve or how it will attain this, including targets and standards for the desired level of national, local or sectoral resilience.

3. PAC recommendation: Using extreme weather risks as a pilot with a view to then applying more widely to other sets of national risks, the Cabinet Office should set out what a resilient UK looks like for these risks and a strategy to deliver this. This could include identifying the gap between the tolerable and acceptable level of risk and the current position, producing costed plans to drive down the risk to this level, bringing this information together to develop a coordinated and prioritised approach to investment, and monitoring and tracking progress in driving down the risk to this level.

3.1 The government disagrees with the Committee's recommendation.

3.2 In July, the government published the [Resilience Action Plan](#). This action plan set out the government's strategic vision for a stronger and more resilient UK and the steps being taken to deliver this. This action plan articulates an 'all hazards approach' to build resilience across the increasingly volatile and varied risks we face.

3.3 The [National Risk Register](#) (NRR) is the government's principal risk assessment framework which focuses on the reasonable worst case 'acute' risks, which are discrete events requiring an emergency response and likely to occur over the next 2-5 years. The National Risk Register was last updated in January 2025. Severe weather is explored in the NRR. All risks in the National Risk Register, including those related to severe weather, are kept under review to ensure that they are the most appropriate scenarios to inform emergency preparedness and resilience activity.

4. PAC conclusion: In building resilience to extreme weather events, it will be vital to better understand how different communities and groups will be disproportionately affected.

4. PAC recommendation: The Cabinet Office should set out how it will better engage different communities and vulnerable groups to understand the risks and impacts that affect them, for example, by using the results of its 2025 survey to better protect vulnerable groups.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2026

4.2 Evidence gathering in the lead up to the Cabinet Office publishing the Resilience Action Plan included consultation with organisations who represent disproportionately impacted groups, to ensure that the resulting approach to resilience reflects the characteristics of the whole of the United Kingdom. To that end, the government has enhanced the assessment of societal vulnerabilities by creating an independent Vulnerable People expert

panel who provide advice to risk owners engaging in the National Security Risk Assessment (NSRA) process; and developed a Risk Vulnerability Tool allowing for rapid UK-wide analysis and understanding of disproportionate impacts of societal vulnerabilities, before and during crises.

4.3 The Cabinet Office has also worked with Go-Science to develop new guidance to improve the 'identification and assessment of disproportionate impacts of emergencies to vulnerable people in the NSRA', which was issued to Lead Government Departments in November 2025. As risks are updated as part of the dynamic NSRA process, they will be informed by this updated guidance in future NSRA cycles. The government will also use the data gathered for the [UK Public Survey of Risk Perception, Resilience and Preparedness 2025](#) to understand public readiness, and inform decisions around the prioritisation of specific at-risk groups within future public communication strategies.

5. PAC conclusion: If the government does not learn lessons on leadership and oversight for system-wide risks, this may come at a high cost to individuals, the economy and society in the future.

5. PAC recommendation: By 2025, the Government should establish a Government Chief Risk Officer role to oversee the identification and proactive management of cross-cutting consequential risks in government and the resolution of system-wide concerns in a cohesive and coherent manner. This role should be independent and have sufficient seniority to not only provide professional leadership and expert advice across the risk profession but also advise and constructively challenge senior leaders in government.

5.1 The government disagrees with the Committee's recommendation.

5.2 Work has been done to demonstrate how the "challenge" envisaged from someone in the role is already provided by several different groups of people. This analysis was reviewed at the Civil Service Board to ensure the understanding of roles, including those of permanent secretaries and ministers, was correct.

5.3 The government has continued to improve the quality of risk management in its many shapes and forms (including the quality of challenge) and believes the progress trajectory means that the substance of the recommendation will be addressed without the appointment of a Government Chief Risk Officer.

5.4 Examples of progress include:

- Publication of the UK Government Resilience Action Plan, which includes actions in relation to publishing Lead Government Department Expectations, setting out clear roles, responsibilities and what 'good' looks like for all UK government departments, including the Cabinet Office, in planning, preparing, responding to and recovering for emergencies, including whole-system risks; also introducing a new mechanism of independent external assurance to scrutinise plans and whole-system preparedness, convened by the UK Resilience Academy.
- The development and provision of new risk management training including for new ministers, new accounting officers and as part of cross-government SCS induction as well as risk culture and behavioural leadership training available for all SCS
- Improvements to and increased cohesion of risk-related content in influential documents such as: Managing Public Money, Green Book, Spending Review Guidance, Consolidated Budgeting Guidance, Orange Book, and NISTA documentation.
- The provision of new tools and assets to help departments and ALBs enrich decision making with better risk information and be more effective and efficient at managing risk.
- A national exercising programme and tests of the emergency alerts system.

- Continued development of the cross-government risk management network and profession including task-related collaboration, communications, knowledge sharing and events.
- Other work to strengthen leadership and enhance credibility; collaborate across boundaries; and enhance capabilities and drive professionalism.

5.5 The Head of the Government Risk Profession (in collaboration with others at the centre who have senior risk management related responsibilities including the COBR Director who is the Head of Resilience and provides leadership and coordination across the UK resilience system) will continue to consider ways in which risk management can be further improved across government. They will work with Permanent Secretaries and others who have the authority to drive change in their departments and ALBs.

6. PAC conclusion: The Cabinet Office has yet to set out the respective roles of central government, local government, the devolved administrations, the private and voluntary sectors, and the public for developing and maintaining national resilience.

6. PAC recommendation: The Cabinet Office should set out clear roles, responsibilities, and guidance for citizens, the third sector, the public sector and the private sector on prevention and preparedness for national risks, and how this links with the roles and responsibilities of central and local government.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2029

6.2 The government has completed, and continues to develop, a number of work strands addressing the respective roles of central government, local government, the devolved governments and the private and voluntary sectors. It published the updated Central Government Concept of Operations for Emergency Response and Recovery (the [Amber Book](#)) in April 2025. The Amber Book articulates clear roles and responsibilities for central government departments, the devolved governments, and the local tier within our national crisis management arrangements. It also details expectations for how central government is expected to work with the private and voluntary sectors in the response to an emergency, to ensure a whole-of-society response is taken to the response to national emergencies.

6.3 The government is also undertaking a wider programme of work to update wider resilience guidance which will reinforce the importance of working with wider partners in preparing for, responding to and recovering from emergencies.

6.4 The government is also working with the Voluntary Community and Faith Sector (VCFS) to ask members of the public to take steps to prepare for emergencies. It will develop specific advice aimed at supporting the needs of individuals most at risk of being disproportionately impacted. VCFS is being integrated in planning and crisis response. This will increase awareness and engagement with organisations who provide services for those likely to be disproportionately impacted. Work will include a data collaboration between VCFS leaders and the National Situation Centre; and a consultation launched alongside this action plan to consider ways to strengthen partnership working between emergency responders and

7. PAC conclusion: Local organisations have a critical role to play in developing UK resilience, but the Cabinet Office does not know if they have the capacity or capability to fulfil their role effectively.

7. PAC recommendation: The Cabinet Office, working with the Ministry of Housing, Communities and Local Government should put measures in place to gain assurance on local organisations' capacities and capabilities and to gain assurance on local risk registers and plans so support and resources can be targeted where improvement is most needed.

7.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2027

7.2 The government has been building processes to better understand Local Resilience Forums (LRF) in order to strengthen their performance, capacity and capability.

7.3 Following the introduction of Local Resilience Forum core capacity and capability funding in 2021, it has introduced formal reporting to better understand LRF preparedness and have a local capability assessment process in train. Insights from Tranche 3 of the Local Capabilities Assessment will be shared with LRFs and across government by the end of 2025, and Tranche 4 will be commissioned in Spring 2026. The aims of the Local Capability Assessment are to: provide an overview of local tier preparedness on a range of capabilities and provide a baseline for longitudinal comparison of capabilities; help Lead Government Departments identify and understand gaps between local and national level capability preparedness and identify areas for improvement and where further investment and support is required; and highlight and promote good practice amongst local responders and help to identify local level barriers.

7.4 It is also planned to introduce a new peer review protocol for LRFs to assess their planning, response and recovery activities, including training. The peer review protocol will help both UK government and local partnerships understand where their strengths and weaknesses are, support knowledge and best practice sharing, and inform decision-making and improvements. These measures are on top of initiatives like the Stronger Local Resilience Forum Trailblazers – launched in five local areas over the initial two-year period (2025-26 and 2026-27) – to explore models of stronger leadership and local accountability to more effectively build the resilience of their area.

Twenty-Eighth Report of Session 2023-24

Department for Education

Student loans issued to those studying at franchised higher education providers

Introduction from the Committee

Universities and other higher education providers are autonomous with a high degree of financial as well as academic independence. They are free to conduct commercial activities alongside teaching and research, and may create partnerships, also known as franchises, with other institutions to provide courses on their behalf. To award degrees, and for students to receive student loan funding, providers must register with the Office for Students (OfS). The provider creating the partnership (the lead provider) registers those students studying at their franchise partners, which allows those students to apply for funding administered by the Student Loans Company (SLC).

Students may apply for loans covering tuition fees (up to £9,250 a year) and maintenance support (up to £12,667 for the 2022-23 academic year). Students normally start to repay these loans, including interest, once they have finished studying and earn above a certain amount. There is a long-term risk to taxpayers from loans that are not repaid. Since early 2022, SLC and OfS have detected several instances of potential fraud and abuse of the student loan system involving franchised providers. In 2022/23, 53% of the £4.1 million fraud relating to students detected by SLC was at franchised providers, while the number of students at franchised providers was just 4.7% of the total student population in 2021/22 (the latest year for which we have data).

Relevant reports

- NAO report: [Investigation into student finance for study at franchised higher education providers](#) – Session 2023-24 (HC 387)
- PAC report: [Student loans issued to those studying at franchised higher education providers](#) – Session 2023-24 (HC 455)
- [Treasury Minute](#): September 2024 (CP 1151)
- [Treasury Minute Progress Report](#) March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

1. PAC conclusion: Lack of transparency about student outcomes, teaching quality and arrangements with franchised providers does not give students the information they need to make well-informed decisions.

1b. PAC recommendation: Developing information already available, OfS should publish student outcome data for individual franchised providers.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

1.2 The Office for Students shared student outcome indicators with each lead provider, showing performance of each of its delivery partners in Autumn 2024, and published a [pilot](#)

[set of information](#) in December 2024. This was followed with publication of student outcomes data for all partnerships on [15 October 2025](#). This data will form part of the OfS's normal annual data publication in subsequent years.

Thirtieth Report of Session 2023-24

Cabinet Office

Non-executive appointments

Introduction from the Committee

Non-executive directors (NEDs) serve on the boards of government departments and arm's length bodies (ALBs). The role of NEDs, and the process for appointing them, differ significantly depending on the body that they are appointed to. Departments and their ministers are primarily responsible for the appointment of their own NEDs, including those to ALBs.

The Cabinet Office has important oversight responsibilities and provides support and guidance to departments. The Cabinet Office also determines which appointments are regulated under the relevant Order in Council, and maintains the Governance Code for Public Appointments which sets out the rules that govern regulated appointments. The Cabinet Office also collects data on, and publishes an annual report about, regulated public appointments. Some regulated appointments are for non-executive directors, but not all. Many other types of appointment are regulated, such as trustees, commissioners, advisers, chief inspectors, and adjudicators. The Cabinet Office does not collect or publish data on 'unregulated' appointments. An unknown number of NEDs are unregulated appointments.

Relevant reports

- NAO report: [Non-executive appointments](#) – Session 2023-24 (HC 513)
- PAC report: [Non-executive appointments](#) – Session 2023-24 (HC 460)
- [Treasury Minute](#): October 2024 (CP 1174)
- Treasury Minute [Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: It is taking far too long to make non-executive director appointments.

1a. PAC recommendation: The Cabinet Office should use data from its new applicant tracking system (see below) to report publicly by September 2024 on appointment delays, identifying average length of time for appointments and at what stages delays are occurring. In addition to aggregate data, consideration should be given to providing information at the departmental level, in particular highlighting the best performers to help encourage the sharing of best practice.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: May 2025

1.2 The government committed to implementing a refreshed approach to data and transparency in relation to public appointments, including their timeliness. The Cabinet Office are ensuring that future data publications utilise the increasingly granular and real-time data in the public appointments digital system. To enable this, a number of key changes have been made:

- to simplify public appointments reporting, the Cabinet Office, managing the digital system, will become the sole publisher of data. This allows the Commissioner for Public Appointments to concentrate on regulatory analysis, leveraging the digital system as the single, consistent source for comprehensive information;
- to ensure consistent and comparable data, the government will now primarily report on 'in post' appointee data. This change addresses previous confusion from mixing in-year appointment data with current appointee data, allowing for more stable and meaningful year-on-year trend comparisons; and
- the scope of published public appointments data has greatly expanded. The Cabinet Office's 2024-25 report included new data on appointees' socio-economic background, departmental and individual-level diversity, campaign duration, and candidate feedback. Future reports will also include data on Advisory Assessment Panel composition.

1.3 Moving forward, the government will keep under review the appropriate scope, granularity and frequency of the public appointment data that is published.

2. PAC conclusion: The Cabinet Office does not yet have the data it needs to oversee the appointments process effectively.

2a. PAC recommendation: In response to this report, the Cabinet Office should:

- **confirm in the Treasury Minute that all regulated appointments are now being run through the new applicant tracking system and what steps it is taking where departments do not comply.**

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

2.2 The Cabinet Office has continued to make improvements to the public appointments digital platform, increasing the accuracy and granularity of the system's data and the functionality and flexibility available to departments when managing their public appointment campaigns. All appointments (both regulated and unregulated) must now be managed through the digital service, with the eventual aim of the system holding real-time appointments data across the entirety of the public appointments landscape.

2.3 Working systems are now in place to capture the data of those public appointment campaigns where departments choose to use the services of external executive search firms, which is particularly important for ensuring that diversity data produced by the digital system represents all public appointees. The single exception to these arrangements is in relation to Independent Monitoring Board appointments. Due to the scale and distinct nature of these appointments, there is a long-standing delegation in place for officials to make these appointments on behalf of ministers. The Ministry of Justice has made the decision to run these appointments on a new, separate digital platform for reasons of cost and efficiency. The Cabinet Office is working with the Ministry of Justice to ensure that efficient and effective data sharing arrangements are in place.

2.4 To ensure compliance, under the revised Governance Code on Public Appointments (October 2025), all departments must now use the public appointments digital service to record and maintain all of their public appointment information, including campaign progress and the status of their public appointees. The Commissioner for Public Appointments provides independent assurance that public appointments are made in accordance with the Principles of Public Appointments and this Code.

3. PAC conclusion: The Cabinet Office does not publish transparent information about NEDs, the diversity of panels who select them, or the requirements for independence in these roles.

3a. PAC recommendation: The Cabinet Office should include data in its annual public appointments data report about numbers and diversity of:

- **non-executive directors specifically; and**
- **unregulated public appointments**

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

3.2 The government committed to making the data published on public appointments as comprehensive and granular as current data collection mechanisms allowed. As set out in response to recommendation 1a above, new data metrics will report on appointees at the departmental level and will distinguish between appointees of Chair roles, those occupying board member roles and those appointees who are individual office holders (e.g. Adjudicators, HM Inspectors, Ombudsman, Lay Observers, etc.).

3.3 As previously reported, the Cabinet Office does not currently hold comprehensive central data on all unregulated appointments across government. However, the representation of data on unregulated appointments on the public appointments digital system has continued to grow over the last year as departments have now been instructed to use the system for recording and managing all of their appointment campaigns. The Cabinet Office will keep under review moving forward whether the digital system holds sufficiently comprehensive and accurate data on unregulated appointments to start publicly publishing data on this area across the public appointments landscape.

3b. PAC recommendation: The Cabinet Office should:

- **centrally collect data about those who serve on Advisory Assessment Panels, including diversity data, and publish the aggregate data at least annually.**

3.4 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

3.5 The Cabinet Office previously undertook to scope out the technical feasibility of centrally collecting and publishing data on those who serve on Advisory Assessment Panels. It has identified internal processes which will allow for the data to be captured and has completed investigatory work on how such processes will function. The Cabinet Office has also tested these assumptions with departments and has determined that publication of data on the composition of Advisory Assessment Panels can be achieved. The process itself will be tested with some departments in the near future. The Cabinet Office plans to have the process fully functional across all departments by April 2026, from when comprehensive data from across government will begin to be formally collected. It is the intention that this comprehensive data will then be published from 2027 onwards (as outlined in the response to recommendation 1a above).

4. PAC conclusion: The appointments process is not set up to encourage diversity amongst NEDs.

4b. PAC recommendation: In its Treasury Minute response to this report, the Cabinet Office should:

- ***Set out the steps it has taken so far to review the feasibility and usefulness of compiling data on the diversity makeup of members of Advisory Assessment Panels, and the date by which it would report its conclusions to Parliament.***

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

4.2 As set out in the response to recommendation 3b above, the Cabinet Office shortly plans to test the technical processes it has identified for collection of this information. If this data capture process proves successful, the Cabinet Office plans to have the process fully functional across all departments by April 2026, and to publish the data from 2027 onwards. As previously reported, this will require co-operation from individual panel members to create an account and provide their information, along with consideration as to whether the requirement to provide this information may act as a disincentive to individuals volunteering to be panel members.

4.3 The government will look to build mitigation strategies into the Advisory Assessment Panel recruitment process to prevent the latter from happening (which will also be tested and evaluated alongside the technical process with some existing volunteer panel members).

4.4 Further information is set out in the Cabinet Office's approach to data and transparency (as outlined in the response to recommendation 1a above).

6a. PAC recommendation: The Cabinet Office should:

- ***carry out a review to identify in-built bias in the public appointments process and set out what it will do to tackle any bias identified. This review should be reported to Parliament within 12 months of the date of this Report's publication.***

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

6.2 The Cabinet Office, in conjunction with the Commissioner for Public Appointments, has undertaken a review of the extent of potential bias in the public appointments process. The Commissioner's independent opinion is that the available data on the diversity of public appointees provides evidence of both over- and under-representation in some groups, but that there is no evidence of inherent bias within the system. The Commissioner's overall assessment is, of course, caveated with an acknowledgement that there is one deliberate underlying bias built into the very heart of the current public appointments system, which is a disposition towards the prerogative powers and rights of ministers. The first principle underpinning all public appointments, as set out in the Governance Code, is that of ministerial responsibility, for which ministers are accountable to Parliament for their decisions and actions. The Governance Code describes a process by which ministers should receive independent advice when making these appointments.

6.3 The Cabinet Office considers, in the light of the Commissioner's findings, that there is no specific action required following this review. However, the government is not complacent about the need to keep ensuring Ministers receive unbiased advice. The newly published [Governance Code](#), along with the latest Cabinet Office guidance for departments on Advisory Assessment Panels (as set out in the response to recommendation 3b above), both reinforce the need for departments to ensure that the composition of panels themselves are diverse, avoiding the introduction or perception of bias, and ensuring that panels are viewed as

credible by both stakeholders and the public. The Cabinet Office's plan to improve diversity across the public appointments system also stresses the need for departments, at the very early stages of planning appointments, to have awareness of and regard to processes which can prevent bias from encroaching into new appointments at the design stage (such as early consideration of their responsibilities under the Public Sector Equality Duty).

6b. PAC recommendation: The Cabinet Office should:

- ***Within 6 months of the publication of this report, commence a public consultation on the appointment process of the Advisory Assessment Panels. The consultation should, among other things, seek the public's views on the current process and how it might be improved to achieve greater diversity in the NED recruitment and selection process. The process should include a section that makes clear that any unsuccessful candidates will be provided with feedback on their performance. The Cabinet Office should publish the findings of this consultation and its response to it within 18 months of the date of this report's publication.***

6.4 The government agrees with the Committee's recommendations.

Recommendation implemented: November 2025

6.5 The government committed to consult on improvements to appointments processes to improve diversity, and for the outcome of that process to be reflected in the new approach on diversity across public appointments. The Cabinet Office undertook substantive desk-based research on diversity good practice which fed into a wide-ranging discussion exercise across departments to formulate initial proposals, including the opportunity for departments to suggest their own. A range of key interested stakeholders also fed into the process, such as the Public Chairs Forum and the Business Disability Forum, including attendees at a ministerially hosted roundtable event on diversity.

6.6 The outcome of these consultations are reflected in the Cabinet Office's plan to improve diversity across the public appointments system.

Thirty-First Report of Session 2023-24

Department of Health and Social Care

Department of Health and Social Care 2022–23 Annual Report and Accounts

Introduction from the Committee

The Department leads the health and social care system in England. The Department and its Agencies spent £176.8 billion in 2022–23. The C&AG has qualified¹ his opinions on the Department's accounts for the last four years as a result of a number of different issues within both the Department itself and its wider group of organisations that form part of its accounts. Whilst a lot of these issues have been due to the pandemic, the range and scale of them has highlighted issues with oversight across the group, including financial and compliance issues.

UKHSA, an agency of the Department, became fully operational on 1 October 2021 when it took on responsibility for the health protection functions of Public Health England, NHS Test and Trace and the Joint Biosecurity Centre. The C&AG has been unable to provide any opinion (a disclaimed opinion) on the 2022–23 UKHSA accounts for the second consecutive year as a result of a lack of audit evidence. UKHSA is a key component of the Department's group accounts. As a result of the disclaimer over UKHSA's accounts, there was also a lack of assurance over the UKHSA transactions and balances included in the Department's group accounts. This resulted in the C&AG being unable to provide assurance over all areas of the Department's group accounts, with a limitation of scope of his audit opinion in respect of the UKHSA transactions and balances.

Parliament expects Departments' accounts to be published before the summer recess each year. The Department of Health and Social Care has not met this expectation since 2019, instead publishing its accounts in January each year, six months after this deadline. The Department's 2022–23 accounts were largely delayed as a result of ongoing issues at UKHSA which led to a disclaimed opinion of UKHSA's accounts, and delays to local NHS audits. The Department's Annual Report and Accounts rely on assurance from the NHS England Accounts and the Consolidated NHS Provider Accounts for over £100 billion of expenditure. These accounts themselves rely on assurance from the audits of NHS commissioners and NHS providers.

Relevant reports

- DHSC report: [Department of Health and Social Care Annual Report and Accounts 2022-23](#) (HC 33)
- PAC report: [Department of Health and Social Care 2022-23 Annual Report and Accounts](#) – Session 2023-24 (HC 459)
- [Treasury Minute](#): September 2024 (CP 1151)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

2. PAC conclusion: *The Department's continued failure to deliver its accounts to an earlier timetable hampers effective and timely accountability of taxpayers' money.*

2. PAC recommendation: *The Department must return to publishing its accounts to a pre-summer recess deadline and set out a timetable to achieve this. To do this, the Department must:*

- ***support and hold to account group bodies to ensure timely accounts production;***
- ***work effectively with the auditors of local NHS bodies to ensure audit deadlines are met; and***
- ***work across government, to build resilience in the local audit system.***

2.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2027

2.2 The department [wrote to the Committee](#) on 7 November setting out its position and plans with regard to a return to pre-summer Parliamentary recess publication of the DHSC Group Annual Report and Accounts. The letter explains how the department is holding group bodies to account for the production of timely, high-quality accounts, and describes the work the department is doing with stakeholders to address the challenges in the private sector audit market, which continue to constrain the NHS's and department's ability to go faster.

2.3 As set out in that letter, the department will keep the implementation date for this recommendation under review given the key dependency on the private sector local audit market.

5. PAC conclusion: We are disappointed that the Department lacks adequate controls over its inventory and, four years after the COVID-19 pandemic began, still does not have a plan for stockpiling for future pandemics.

5b. PAC recommendation: The Department must, within six months, set out:

- ***the outcome of its work on procurement fraud and associated recoveries.***

5.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

5.2 With support from the wider counter fraud function and law enforcement partners, DHSC has prevented and recovered a total of £238 million in high-risk procurement payments to date.

5.3 Of the £238 million prevented and recovered, £163 million was prevented in relation to PPE, £5 million related to ventilators and £70 million of PPE payments have been recovered. DHSC is not investigating any further PPE contracts for fraud but has referred PPE contracts worth c. £283 million to law enforcement partners as suspected fraud on the balance of probabilities. In addition, all UK PPE supplier data has been shared with HMRC under a Memorandum of Understanding, to ensure that the correct amount of tax has been paid at the right time by the right entities. This has resulted in HMRC opening both criminal and civil investigations into UK based PPE suppliers and/or company directors.

5c. PAC recommendation: The Department must, within the next six months, develop, and implement, a clear and cost-effective plan, including adequate controls, for stockpiling items required to plan for a future pandemic. This should not be delayed until after the end of the COVID-19 inquiry.

5.4 The government agrees with the Committee's recommendation.

Recommendation implemented September 2025

5.5 The department has replenished pandemic preparedness PPE stockpiles using excess stock originally procured for the COVID-19 pandemic where possible and appropriate.

5.6 The Chancellor allocated £460 million in the Autumn 2024 Budget to strengthen the UK's pandemic preparedness, including replenishing personal protective equipment (PPE) stockpiles. Target volumes for England's PPE stockpiles, agreed by ministers in August 2024, are informed by expert advice on PPE ensemble requirements and the volume of PPE that the department would expect the health and adult social care sector to use in the time it takes for further stock to arrive during a pandemic. Targets and stock levels are reviewed regularly, and procurements are underway to reach (and maintain) target volumes.

5.7 The department is dynamically rotating stock in the PPE stockpile where possible: this means PPE is sold to the NHS wherever possible before it expires, which funds the procurement of replacement product for the stockpile. This reduces the need to dispose of expired stock and replace it with new stock, consequently reducing costs and waste.

5.8 The PPE stockpile is managed by Supply Chain Coordination Limited (SCCL), underpinned by a service level agreement between SCCL and DHSC, effective from 1 April 2025 to 31 March 2028. This sets out SCCL's and the department's responsibilities and includes clear and cost-effective plans for the procurement, storage, quality assurance, rotation, disposal and mobilisation of PPE and hygiene consumables for pandemic preparedness purposes. The agreement will be reviewed at least annually and updated as needed.

Thirty-Second Report of Session 2023-24

HM Treasury and the Infrastructure and Projects Authority

Delivering value from government investment in major projects

Introduction from the Committee

Major projects represent a significant element of government expenditure. As at March 2023, the Government Major Projects Portfolio—the government’s biggest and riskiest projects—included 244 projects with an estimated total whole-life cost of £805 billion. Major projects present unique challenges for government. The success of a project and whether it represents value for money will ultimately be determined by whether the intended value—such as economic growth or improved, more efficient public services—has been delivered, and whether the value of the project justifies its cost. The Comptroller and Auditor General’s recent report made a series of observations and drew out lessons based on an examination of projects that had been complete for some time and which had been broadly successful in delivering value from the investment. Delivering to budget and schedule are important in determining whether a project has been delivered for value for money. This report also therefore covers important areas related to project delivery and the challenges that government faces in ensuring that projects do not go over time and over budget, as we so often see on this Committee. These areas include the supply of project delivery skills in government departments and the supply chain, cost estimating and government’s ability to learn from other projects.

Relevant reports

- NAO report: [Lessons learned: Delivering value from government investment in major projects](#) – Session 2023-24 (HC 554)
- PAC report: [Delivering value from government investment in major projects](#) – Session 2023-24 (HC 456)
- [Treasury Minute](#): October 2024 (CP 1174)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below. The Infrastructure Projects Authority (IPA) is now known as the National Infrastructure and Service Transformation Authority (NISTA) after merging with the National Infrastructure Commission in April 2025.

1. PAC conclusion: Government departments spend too little time and effort establishing what value they expect a project to deliver and ensuring that major projects deliver the intended value.

1. PAC recommendation: The IPA and HMT should review the case for a centrally mandated review stage to look at what value a major project has achieved once it has been operational for some time, such as a new Gate 6 review.

1.1 The government agrees with the Committee’s recommendation.

Revised target implementation date: December 2025

Original target implementation date: Spring 2025

1.2 This recommendation was taken forward by NISTA following its creation in 2025 and is jointly sponsored by HMT and the Cabinet Office.

1.3 In August, HM Treasury [wrote to the Committee](#) with an update on the broad review of assurance processes currently underway, including Gate 5 reviews. This work forms part of wider reforms to the Government Major Projects Portfolio (GMPP). The review aims to identify opportunities to streamline assurance and approval processes, strengthening the effective set-up and delivery of major projects. HM Treasury and NISTA will provide a further update to the committee in December, once the review is complete.

2. PAC conclusion: Government departments still have few incentives to commission and carry out high-quality evaluations of major projects.

2. PAC recommendation: HM Treasury and the evaluation task force should develop a plan that addresses the root causes of why evaluations are not routinely carried out and how to incentivise departments to carry out more high-quality and independent evaluations.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: April 2025

2.2 In April 2025, the Cabinet Office Parliamentary Secretary [wrote to the Committee](#) informing them that the Cabinet Office published an [assessment of evaluation coverage in the Government Major Projects Portfolio \(GMPP\) conducted by the Evaluation Task Force](#). The report also contains an assessment of the barriers to evaluation and an action plan for improving the coverage of evaluation across the GMPP. Since publication in April 2025, the Evaluation Task Force has been working closely with the Treasury and NISTA to deliver this action plan, tackling the root causes of why evaluations are not routinely carried out and incentivising departments to carry out more high-quality and independent evaluations. For example, a recent success representing progress on delivering the action plan was a new section in [SRO appointment letters](#) that reminds them of their responsibility to evaluate their programmes robustly and resource their teams appropriately to enable this.

3. PAC conclusion: There are signs of improved cross-government working but government still struggles to establish effective governance and accountability arrangements on the most complex projects where multiple departments are involved.

3a. PAC recommendation: HM Treasury and the Infrastructure Projects Authority should analyse what governance structures and incentives work well to encourage cross-government working.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

3.2 Following Spending Review 2025, the Treasury and NISTA took forward work to identify which models for joint working have been most successful in encouraging cross-departmental cooperation. On 23 September 2025, the Treasury [wrote to the Committee](#) to share the findings of this analysis.

4. PAC conclusion: Government departments and the broader economy lack the necessary skills and capacity to deliver the government's ambitious portfolio of major infrastructure projects.

4. PAC recommendation: Alongside their response to this report HM Treasury and the Infrastructure Projects Authority should write to the Committee with an analysis of risks to the government's portfolio of infrastructure projects caused by the lack of skills.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: August 2025

4.2 The Treasury and NISTA [wrote to the Committee](#) in August 2025 to set out the work that the government is undertaking to better understand the skills and capacity needed to deliver the government's portfolio of infrastructure projects.

4.3 As set out in the [10 Year Infrastructure Strategy](#), the government will build its knowledge of the UK's infrastructure skills requirements – better identifying where it needs to provide support. Skills England will collate a national picture of skills gaps by working closely with mayoral strategic authorities, while bodies such as the Office for Clean Energy Jobs will build a clear picture in individual sectors.

4.4 NISTA is supporting the Construction Skills Mission Board, which is an industry-led partnership between industry and government, working together to address the construction sector's skills challenges and future workforce needs.

4.5 The Infrastructure Pipeline will also be part of the solution to skills shortages - the detailed information it provides will facilitate better planning, including by providing industry and investors with greater certainty to invest in good quality jobs across the country. By providing a regularly updated credible overview of projects and programmes coming forward, it will enable the supply chain to plan ahead, to strengthen their capacity and capability for more on-time and efficient delivery.

Thirty-Third Report of Session 2023-24

Ministry of Justice

Value for Money from Legal Aid

Introduction from the Committee

Legal aid refers to publicly funded legal advice or representation in courts and tribunals for people who meet the government's eligibility criteria. This includes support for people accused of a crime (criminal legal aid) and those involved in civil legal matters (civil legal aid), for example, family law cases involving children being taken into care. In England and Wales, the Ministry of Justice (MoJ) is responsible for setting legal aid policy. Its executive agency, the Legal Aid Agency (LAA), is responsible for administering legal aid funding, which was around £2 billion in 2022–23. Legal professionals from private firms or not-for-profit-organisations provide legal aid advice for those eligible for support, and bill LAA based on rates set in legislation.

In 2013, MoJ introduced reforms to legal aid in the Legal Aid, Sentencing and Punishment of Offenders Act (LASPO), with the aim of reducing spending on legal aid and of targeting support at those who need it most. LASPO reduced the circumstances in which legal aid was payable, in particular it significantly limited the types of civil cases for which legal support was available, such as most issues relating to employment, consumer matters, debt and clinical negligence. It also made some financial eligibility thresholds more restrictive and reduced fees paid to civil legal aid providers.

When this Committee last reported on civil legal aid in 2015, it reported that MoJ was on track to significantly reduce legal aid spending. However, MoJ had not assessed whether it had made any progress on its other objectives of discouraging unnecessary litigation, targeting legal aid to those who need it most, and of delivering better overall value for money.

Relevant reports

- NAO report: [Government's management of legal aid](#) – Session 2023-24 (HC 514)
- PAC report: [Value for Money from Legal Aid](#) – Session 2023-24 (HC 481)
- [Treasury Minute](#): September 2024 (CP 1151)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: Over a decade since the legal aid (LASPO) reforms, the Ministry of Justice (MoJ) and the Legal Aid Agency (LAA) still do not have sufficient data to assess whether those eligible for legal aid can access it.

1. PAC recommendation: In its Treasury Minute response, the Ministry of Justice and the Legal Aid Agency should set out how they intend to improve the data they collect on demand for and access to legal aid so that they can better monitor:

- **whether an area has sufficient provision for a particular category of law to meet demand. This should include details of how they plan to consider specific local variation such as deprivation or access to public transport and demographics such as disability; and**

- ***the extent to which capacity constraints may mean people are unable to access legal aid in areas where there are providers.***

1.1 The government agrees with the Committee's recommendation.

Target implementation date: May 2026

1.2 The Ministry of Justice (MoJ) and Legal Aid Agency (LAA) are progressing a number of work strands in response to this recommendation.

1.3 The MoJ and LAA have launched a new survey of providers, designed to improve our understanding of their capacity. There was an initial pilot launch in March – May this year, to c.20% of the provider base (a representative sample across civil and criminal legal aid), which allowed the MoJ and LAA to test the approach and questions. Timing for the full launch is under consideration, in light of the cyber-attack on LAA services and consequent impact on providers, though the intention is for it to be recurring.

1.4 The MoJ has commissioned a feasibility study on options for the routine monitoring of demand for civil legal aid, which will report back by the end of March 2026. Researchers have been asked to consider the burdens placed on providers under the various options. They have also been asked to consider how to measure demand for sub-groups of the population.

1.5 The LAA will be collecting more information about the location of accredited representatives and their sponsoring criminal legal aid firm, when they sign up to become accredited representatives. This will help improve understanding about the number of accredited representatives in duty scheme areas.

4. PAC conclusion: The Ministry of Justice has been slow to review financial eligibility thresholds, leaving fewer people eligible for legal aid, and it has not set out how it plans to review thresholds in future.

4. PAC recommendation: In its Treasury Minute response, the Ministry of Justice should set out what it will do to:

- ***ensure that financial eligibility thresholds for legal aid are kept under review in light of changes in the economy; and***
- ***ensure that any proposed changes can be implemented quickly and efficiently.***

4.1 The government agrees with the Committee's recommendation.

Target implementation date: Thresholds will be reviewed three to five years after Means Test Review implementation, intended to be August 2026

4.2 The MoJ continues to consider carefully the financial criteria that governs eligibility for legal aid.

4.3 On implementation, the MoJ and LAA have embarked on a programme to transform the delivery of legal aid. This transformation will challenge complexity and replace systems with more flexible technology. A key outcome will be that future policy changes will be able to be implemented more quickly and efficiently.

Thirty-Fourth Report of Session 2023-24

The Home Office

Asylum Accommodation and UK-Rwanda Partnership

Introduction from the Committee

The Home Office is responsible for asylum and immigration policy in the UK. This includes making decisions on whether to grant or refuse asylum applications and providing accommodation to asylum seekers who would otherwise be destitute. It is also responsible for removing people who have no right to be in the UK. Under the Illegal Migration Act 2023, this includes the majority of people who arrive in the UK by small boat or other irregular means, whose asylum claims are inadmissible in the UK.

In April 2022, the Government announced a partnership with the Government of Rwanda to relocate to Rwanda people identified as being in the UK illegally or seeking asylum after arriving via an illegal route. Under this partnership, the Home Office has agreed to pay significant sums to Rwanda and, at the end of March 2024, had paid £240 million. This covers payments to the Economic Transformation and Integration Fund, which is designed to support economic growth in Rwanda, and payments to cover asylum processing and operational costs for individuals relocated to Rwanda. The government hopes that the partnership will deter people from making dangerous journeys across the English Channel.

The government is introducing these measures in response to growing numbers of people arriving in the UK to claim asylum, many of whom the Home Office will support while it considers their claim, or until it can remove them from the UK if their claim is deemed inadmissible. In the 2023–24 financial year, the Home Office spent an estimated £4.7 billion on asylum support, including £3.1 billion on hotels. The Government counts much of this spending against its Overseas Development Assistance target, meaning it reduces the amount spent on overseas aid projects. At the end of December 2023, there were more than 100,000 asylum seekers in Home Office accommodation, including nearly 46,000 in hotels. The Home Office intends to reduce the number of hotels it is using and reduce costs to the taxpayer. As part of this, it is identifying alternatives to hotels, such as vessels or ex-military bases (large sites) for single adult males, while also increasing room-sharing. It expects its programme to open four large sites to cost £1.2 billion.

Relevant reports

- NAO report: [Investigation into asylum accommodation](#) – Session 2023-24 (HC 635)
- NAO report: [Investigation into the costs of the UK–Rwanda Partnership](#) – Session 2023-24 (HC 577)
- PAC report: [Asylum Accommodation and UK-Rwanda partnership](#) – Session 2023-24 (HC 639)
- [Treasury Minute](#): September 2024 (CP 1151)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendation is updated below.

6. PAC conclusion: We are disappointed that, despite the Committee previously raising concerns, the Permanent Secretary is still not providing the necessary transparency to enable Parliament to hold the Home Office to account on its asylum and immigration plans.

6. PAC recommendation: As a matter of urgency, and no later than one month after the publication of this report, the Home Office should:

- ***Publish all outstanding Accounting Officer Assessments, including those where there has been a significant change to an ongoing programme, and in the future should publish all Accounting Officer Assessments in a timely manner; and***
- ***Write to the Committee to explain how it intends to share information about negotiations with other countries it is considering for third country processing, while respecting confidentiality.***

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

6.2 The department published the majority of outstanding [Accounting Officer Assessments](#) in December 2024. At the hearing with the Committee on 9 December 2024, the department confirmed that the Asylum Accommodation Programme remains the only unpublished Assessment.

6.3 An Accounting Officer Assessment for the Asylum Accommodation Programme was published in November 2025.

Thirty-Fifth Report of Session 2023-24

Department for Science, Innovation and Technology

Supporting mobile connectivity

Introduction from the Committee

For most people in the UK, accessing the internet is part of daily life. Mobile connectivity allows people to access the internet and communicate while on the go and in locations where a wired connection does not exist. The Government therefore considers that access to good-quality mobile connectivity is key to growing the economy.

While a competitive market plays a key role in delivering mobile connectivity, the Government may choose to intervene where there is a weaker commercial case for investment, such as in remote areas. One such intervention is the Shared Rural Network programme, in which the Department for Science, Innovation & Technology and Building Digital UK (BDUK), an agency of the Department, are working with the four mobile network operators—EE, Three, Virgin Media O2 and Vodafone—to deliver reliable 4G mobile coverage to 95% of the UK landmass by December 2025. In support of the 95% target, Ofcom licence obligations commit each mobile network operator to increase its 4G coverage to 88% of the UK landmass by 30 June 2024, and to 90% by 31 January 2027.

The Shared Rural Network programme consists of three elements:

- **Partial Not Spots:** This element aims to increase coverage in areas where there were at least one, but not all four, mobile network operators offering 4G coverage so that there is coverage from all four in more areas, at an estimated cost to the operators of £532 million.
- **Extended Area Service:** The Home Office is making available up to 292 masts in remote parts of the UK that it is building as part of its Emergency Services Network programme, and will upgrade these masts so that the mobile network operators can then install the equipment they need to provide commercial 4G coverage.
- **Total Not Spots:** This element aims to provide 4G coverage in the hardest-to-reach areas of Scotland that did not previously have any such coverage. The Government will provide £501 million over 20 years for this element and to develop the Extended Area Service.

The Government also funds other programmes that aim to create favourable conditions for investment in technologies for the UK's future connectivity needs, such as 5G mobile, and has committed over £500 million since 2017 to this. It has set out its plans in its 2023 wireless infrastructure strategy.

Relevant reports

- NAO report: [Supporting mobile connectivity](#) – Session 2023-24 (HC 555)
- PAC report: [Supporting mobile connectivity](#) – Session 2023-24 (HC 650)
- [Treasury Minute](#): September 2024 (CP 1151)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

3. PAC conclusion: The Department has not confirmed which specific areas are in the 5% of the UK landmass that will not have 4G connectivity, and it does not yet have a plan for ensuring that consumers and businesses in these areas get the connectivity they need.

3. PAC recommendation: With clearer information about the proposed location of masts, the Department should now confirm which areas of the UK will still not have 4G connectivity once the Shared Rural Network programme is complete. It should assess the impact of this on communities in these areas and develop a plan for alternative ways of ensuring they get the connectivity they need.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: January 2027

3.2 The Shared Rural Network (SRN) has already delivered 4G mobile coverage to 95.6% of UK landmass and is forecast to deliver to at least 96% of UK landmass by the end of the programme in January 2027. On 30 June 2025 Building Digital UK (BDUK) wrote [an update](#) to the Committee on the renegotiated Total Not Spots (TNS) project with the Mobile Network Operators (MNOs).

3.3 As the SRN programme nears completion, the government and MNO's will gain better understanding of the United Kingdom's 4G coverage landscape. Mova has published an [updated map](#) of where coverage is expected to reach by the end of the programme and this alongside enhanced Ofcom data will offer improved insights into the remaining 4G coverage gaps by the end of the programme.

3.4 As more data becomes available, the government will consider if any alternative interventions are required, including exploring the potential of emerging alternative technologies such as, satellite Direct to Device (D2D) services.

3.5 As part of the SRN evaluation commissioned by BDUK, a baseline survey in rural communities was carried out in 2024 to understand the economic, environmental and social situation in rural areas where the SRN is being delivered prior to the delivery of any subsidised build. Subsequent surveys and evaluation activity will allow the department to both compare changes in outcomes once the build has taken place and aid understanding of the impact on those without connectivity and feed this into future programmes.

6. PAC conclusion: Progress in improving connectivity on UK railways has been hampered by a lack of up-to-date coverage data.

6. PAC recommendation: Working with Ofcom and the Department for Transport, the Department should make a plan for more frequent collection of coverage data on the UK rail network to help it prioritise the rail lines where improvements in coverage is most needed. This information should be published on a regular basis so that rail travellers have clearer information on the coverage they will experience.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: end of 2026

Original target implementation date: Spring 2025

6.2 Improving mobile coverage data on the UK Rail network remains a priority for the department and the Department for Transport (DfT). In the draft Statement of Strategic Priorities for Ofcom, published in July 2025, the department underlined the importance of

Ofcom continuing to improve the quality of its mobile coverage reporting. This includes providing coverage and performance data for road and rail infrastructure, based on drive and walk test measurements. Ofcom continues to update its mobile coverage reporting.

6.3 Ofcom has recently conducted a pilot study on the London to Brighton rail line, measuring coverage and performance across the Mobile Network Operators and in-carriage Wi-Fi at a granular level. This pilot will inform Ofcom's approach to a wider measurement study covering a portion of the UK rail network, which is expected to complete by Summer 2026 and be published by the end of 2026.

6.4 Network Rail's Mobile Signal Data Project, which collects data from scanners fitted to engineering trains, began in 2024 but has experienced challenges which have impacted the collection of reliable data. The project is now expected to complete in 2026. Ofcom expects to publish this data when Network Rail completes the project.

6.5 Following the completion of these studies, Ofcom expects to be able to advise how ongoing reporting on mobile connectivity on trains might best be delivered. The Department and DfT will work with Ofcom to determine how to take the findings forward.

7. PAC conclusion: The Department's plans for supporting investment in 5G infrastructure are undeveloped and it has not articulated what it has achieved from taxpayers' investment to date.

7. PAC recommendation: The Department should set out more clearly what it has achieved from its investment to date in 5G, as well as setting more meaningful and measurable targets for assessing its progress in supporting the roll-out of standalone 5G mobile coverage.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented: May 2025

7.2 The department continues to work closely with mobile network operators to ensure that government's ambition for all populated areas to be able to access higher quality 5G standalone by 2030 is achieved.

7.3 Ofcom began reporting on 5G Standalone coverage separately from non-standalone for the first time in November in their 2025 Connected Nations report, providing a clear view of 5G standalone coverage across the UK.

7.4 The MNOs continue to expand their standalone 5G networks. BT/EE announced that their 5G standalone network is already available to over 34 million people and Virgin Media O2 announced that its 5G Standalone network is now available to more than 49 million people. Following the merger, Vodafone Three has also confirmed that it will reach 95% of the population by 2030 and 99.95% by 2034.

7.5 The department is launching a Mobile Market Review to assess how key technological, structural, and financial changes in the mobile sector may affect long-term infrastructure investment. This will help build a robust evidence base to inform future policy and enhance government support for widespread, high-quality connectivity. A call for evidence will be issued before year-end to support the review.

7.6 The 5G Testbeds & Trials (5GTT) final evaluation is underway and due in Spring 2026, and the final evaluation of the Open Network Programme is scheduled for 2027. The evaluation of the 5G Innovation Regions (5GIR) programme is also ongoing, with interim findings due to be published in Spring 2026, and final evaluation due Autumn 2026.

Thirty-Sixth Report of Session 2023-24

Cabinet Office

Investigation into whistleblowing in the civil service

Introduction from the Committee

Whistleblowing is when someone raises a concern about wrongdoing, malpractice or poor practice in the workplace that has a public interest aspect to it. It is important that there are consistent policies and a culture across the civil service that supports and encourages people to speak up. Effective whistleblowing arrangements are important to picking up potential problems early.

The Cabinet Office has oversight of whistleblowing arrangements in the civil service and supports the work of departments. It provides support across government organisations by setting a model policy, offering guidance, training, and collecting whistleblowing data. However, individual departments are responsible for setting their own whistleblowing arrangements and procedures.

In 2023, the government launched a review of the whistleblowing legislation. This is being led by the Department for Business & Trade who are responsible for the Public Interest Disclosure Act 1998 (PIDA).

Over the three-year period from 2019–20 to 2021–22, civil service organisations reported a total of 939 concerns to the Cabinet Office. Around 77% of these were reported by five departments and 40% related to fraud.

Relevant reports

- NAO report: [Investigation into whistleblowing in the civil service](#) – Session 2023-24 (HC 357)
- PAC report: [Investigation into whistleblowing in the civil service](#) – Session 2023-24 (HC 457)
- [Treasury Minute](#): September 2024 (CP 1151)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: The Cabinet Office has made slow progress on improving data collection on whistleblowing in the civil service.

1a. PAC recommendation: In its Treasury Minute response to this report, the Cabinet Office should set out the additional data it plans to collect from departments in its annual data collection in 2024 and 2025.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented date: April 2025

1.2 The Cabinet Office has worked with departments to significantly improve the quality and the consistency of Civil Service data by revising and streamlining the data collection methodology and questions in the 2024-2025 collection.

Key improvements include providing clarity and consensus regarding:

- Case and outcome categorisations.
- Clarification of time frames taken to conclude investigations.
- Additional information on whistleblowers' experiences, including any instances of unfair or detrimental treatment.

1.3 The Cabinet Office Government Chief People Officer wrote to HR Directors on 9 April 2025 to commission the data return for 2024-2025. A 100% response rate from all in-scope government departments and their agencies was achieved. The final data report was shared to HR Directors and Accounting Officers on 11 July 2025, to support understanding of their organisation's position and the wider Civil Service context.

4. PAC conclusion: The Cabinet Office and other departments do not seek feedback from whistleblowers and so are missing vital insights into the effectiveness of the process.

4. PAC recommendation: In its Treasury Minute response, the Cabinet Office should commit to requiring all departments to collate feedback from whistleblowers at the end of the process. It should implement this immediately and use this information to better understand the whistleblower experience and make improvements.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented date: April 2025

4.2 The Cabinet Office worked with departmental leads to develop an anonymised, voluntary feedback survey to capture the experience of the whistleblower. This survey was implemented across the Civil Service from April 2025, with additional assurance by departments provided in October 2025 that this process was underway.

4.3 The survey has been specifically designed to enable both those who raise concerns openly and those who do so anonymously to provide feedback. Whistleblower participation remains voluntary to ensure they do not feel deterred from raising concerns.

4.4 The annual collection of the 2025-26 data will include the survey data of the experience of the whistleblower, with insights shared directly with departments in advance as required.

4.5 This approach will help departments and the Cabinet Office better understand the reasons behind anonymous reporting and identify ways to promote a safer, more supportive environment for all whistleblowers. As data becomes available this should provide insight into the extent of detrimental treatment experienced across the Civil Service.

Thirty-Seventh Report of Session 2023–24

Department for Energy Security and Net Zero

Decarbonising home heating

Introduction from the Committee

The Department for Energy Security & Net Zero (DESNZ) has overall responsibility for achieving net zero, including decarbonising home heating in England and meeting interim emissions reductions targets for five-year periods known as carbon budgets. Heating the UK's 28 million homes accounted for 18% of all UK greenhouse gas emissions in 2021. The main source of these emissions is from burning natural gas to heat homes. Reducing emissions from heating homes is a key component of the government's overall target to achieve net zero emissions by 2050. Households using fossil fuels, such as gas boilers, will need to switch to a low-carbon alternative. This could involve installing a heat pump, which uses electricity to generate heat; connecting to a low-carbon heat network – a communal source of heating delivered to multiple dwellings; or potentially using hydrogen instead of natural gas. The suitability of these alternatives depends on factors including regional geography, house type and the heating system currently in use. Emissions from heating homes can also be reduced by improving energy efficiency, for example by improving insulation, to reduce energy usage and emissions.

In October 2021, the government published its Heat and Buildings Strategy. The Strategy stated the government's ambition to end the installation of new fossil fuel boilers by 2035. It also committed to growing the supply chain for heat pumps to a minimum market capacity of 600,000 heat pump installations per year by 2028, and developing the evidence base to inform strategic decisions in 2026 on the future role of hydrogen in home heating.

DESNZ must reduce emissions while also meeting statutory fuel poverty targets. The government has committed £6.6 billion from 2021–22 to 2024–25 for schemes to improve energy efficiency and install low-carbon heating, and an additional £6 billion from 2025–26 to 2027–28. This includes the Boiler Upgrade Scheme, which provides households in England and Wales with an up-front grant of £7,500 to help cover the cost of replacing fossil fuel heating with a heat pump or biomass boiler. This is an increase from the £5,000–£6,000 grant that had been available between May 2022 and September 2023.

Relevant reports

- NAO report: [Decarbonising home heating](#) – Session 2023-24 (HC 581)
- PAC report: [Decarbonising home heating](#) – Session 2023-24 (HC 653)
- [Treasury Minute](#): September 2024 (CP 1151)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

1. PAC conclusion: The cost of buying and running heat pumps is a substantial barrier to take-up for most households, at a time when incomes are already stretched.

1a. PAC recommendation: DESNZ should, by end-January 2025, write to the Committee setting out the findings of its evaluation of heat pump take-up among different socio-economic groups, based on the most recent data.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: April 2025

1.2 The Department for Energy Security and Net Zero published findings on 29th January 2025 from the 2024 Interim [Evaluation of the Boiler Upgrade Scheme](#) (BUS) and subsequently [wrote to the Committee](#) in April 2025 to set out the published findings from the evaluation on the socio-demographic uptake of heat pumps. Findings on the income, age, ethnicity and disability status of property owners participating in the BUS have been published and will continue to be updated over time. Up to the end of September 2025, the BUS has paid out 64,195 vouchers towards the cost of installing heat pumps and biomass boilers totalling ~£441.032.1 million. In September 2025 alone there were 4,089 applications for BUS grants.

1b. PAC recommendation: DESNZ should, as part of its Treasury Minute response, set out what actions (and accompanying timetable) it will take to address the high running costs of heat pumps.

1.3 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

1.4 The department has evidence that heat pumps are over three times more efficient than gas boilers. However, current differentials in electricity and gas prices do not always make them cheaper to run. Using a smart tariff effectively can save families [around £100 a year compared to a gas boiler](#).

1.5 As previously referenced the United Kingdom has a particularly high ratio of residential electricity to gas price compared to many countries in Europe. The price disparity between electricity and gas needs to be addressed to make it more attractive for consumers to install clean technologies like heat pumps. Over this Parliament the government will be working relentlessly to translate the much cheaper wholesale costs of clean power into lower bills for consumers. This is a complex issue and there are difficult decisions to be made which must be informed by robust research and analysis.

1.6 In December 2024, the government launched a consultation, '[Raising Product Standards for Space Heating](#)', which included proposals to update Minimum Energy Performance Standards for heat pumps and rescaling the energy efficiency label for space heating equipment to an A-G labelling scale that will drive further innovation in heat pump efficiency, helping to reduce bills.

1.7 The government has recently published a consultation to help increase awareness of [consumer-led flexibility](#) and its benefits.

1.8 Since 2021, £42 million in government R&D funding has been allocated through the Heat Pump Ready Programme, to support continued innovation in clean heat and smart products and services and overcome barriers to heat pump deployment.

1.9 The government will publish the Warm Homes Plan before the end of the year setting out the approach in this area.

2. PAC conclusion: We are concerned that there is too much complexity and potential confusion for households to enable them to make informed decisions about installing a heat pump.

2. PAC recommendation: DESNZ should, as part of its Treasury Minute response, set out how it will make the heat pump landscape easier for consumers to navigate, for example being clear on the impact of insulation on energy bills, by directly comparing heat pump running costs in homes with and without insulation, with this information provided through an easy-to-use website.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: December 2025

Original target implementation date: Summer 2025

2.2 The government has a range of initiatives to make it easier for consumers to switch to low carbon heating. The government provides advice and support in several areas, including the [Heat Pump Home Suitability Tool](#) and [Find Ways to Save Energy in your home](#) tool which provide bespoke advice to consumers on clean heat and energy efficiency upgrades they can make to their homes, and signposts grant support and further information. This is supplemented by a national phonenumber service, and the [Local Energy Advice Demonstrator programme](#) which will gather evidence on the best ways to engage consumers on a local level on home decarbonisation.

2.3 The government is developing a single access point on GOV.UK to provide information and advice on home upgrades, linking consumers to trusted installers, options for finance and access to government support. We will also collaborate with the private sector, to ensure that consumers can access high quality advice wherever they go to find trusted information. Further details will be set out in the Warm Homes Plan.

2.4 The government plans to reform EPC certificates to provide consumers with clear and accurate information about the most appropriate measures to their circumstances. New EPCs will also signpost to further information through GOV.UK to ensure a joined-up approach to advice.

2.5 The government has also been working closely with the heating industry to develop an ambition to radically improve heat pump install journey, focusing on making it quicker and smoother while maintaining quality. This year, the government amended the permitted development right for air source heat pumps in England to remove the one metre rule to allow more flexibility for households with less outdoor space to install a heat pump without needing to submit a planning application.

3. PAC conclusion: DESNZ has made good progress in increasing the number of trained heat pump installers, but it faces a huge challenge to make sure there are enough installers to achieve its target to install 600,000 heat pumps per year by 2028.

3. PAC recommendation: DESNZ should, as part of its Treasury Minute response, set out what actions it will take to increase the number of heat pump installers after 2025.

3.1 The government accepts the Committee's recommendation

Revised target implementation date: December 2025

Original target implementation date: Summer 2025 (Following phase 2 of Spending Review)

3.2 DESNZ agree that the number of heat pump installers will need to increase rapidly beyond 2025 and are working closely with industry to ensure that sufficient installers are available. Industry groups are confident that there is enough capacity to meet demand for training as heat pump deployment increases, and in 2024, over 9,000 individuals across the United Kingdom completed training related to heat pump technologies. The Heat Pump Association (HPA) estimate that the number of heat pump installers will need to increase to around 70,000 FTE individuals by 2035 to keep up with future demand. This would mean training at least 6,600 installers a year until 2028, and 12,800 from 2028 to 2035.

3.3 The Heat Training Grant is the main form of government support currently available to upskill the existing heating engineer workforce. Since its launch in 2023 it has supported over 8,600 heat pump training courses and an additional £5 million funding was provided across heat pumps and heat networks for this financial year. In addition, the Low Carbon Heating Technician Apprenticeship, launched in Autumn 2023, provides a 2-3-year course to help bring new entrants into the sector and build a sustainable skills pipeline. The government will continue working closely with industry to increase uptake of the apprenticeship.

3.4 The Regional Skills Pilots is a £3.5 million investment in the retrofit skills supply chain across the English regions. The pilots support the five local net zero hubs to work with local delivery partners to identify and test solutions to regional challenges. As part of the pilots, over £600,000 will directly support local heat pump supply chains.

3.5 The Office for Clean Energy Jobs will support tackling workforce and skills challenges in core energy and net zero sectors, critical to meeting the mission to make the UK a clean energy superpower.

3.6 The government will publish the Warm Homes Plan before the end of the year setting out the approach in this area.

4. PAC conclusion: DESNZ is not collecting all the information it needs to monitor progress with installing heat pumps.

4. PAC recommendation: DESNZ should, by end-December 2024 at the latest, develop a mechanism for collecting and monitoring data on heat pump installations across all households in England and publish this data each quarter.

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: March 2026

Original target implementation date: Winter 2024

4.2 Since September 2024, the department has published quarterly Heat Pump Deployment statistics. The Official Statistics publication shows the estimated total number of DESNZ government-supported heat pump installations since 2018. The latest quarterly statistics ([Heat Pump Deployment statistics - GOV.UK](#)) show a 12% increase in the number of government-supported heat pumps installed in the first half of 2025, compared to the first half of 2024. Installations are now over five times higher than the same period in 2019. The figures currently exclude those installations completed without government support, including most installations in new-build properties. Development work is underway to link datasets to expand the scope of heat pump installations in future publications.

5. PAC conclusion: DESNZ has not yet worked out how it will support households to decarbonise their homes where heat pumps are not a practical solution.

5. PAC recommendation: DESNZ should, by end-December 2024, outline which types of properties and regions it does not expect to be suitable for a heat pump and what alternative low-carbon technologies are available to them, to make sure that no one is left behind or unfairly penalised in the transition to low-carbon heating.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: December 2025

Original target implementation date: Summer 2025

5.2 Results from the [Electrification of Heat Demonstration Project](#) show that heat pumps are widely suitable across the diverse range of housing archetypes present in the UK.

5.3 The government aims by 2050 for low-carbon heat networks to meet around a fifth of all heating demand. Place-based communal heat networks can provide the lowest cost heat for consumers in more densely populated areas and constrained sites. Government plans for heat networks to serve a larger proportion of the local demand in towns and cities, particularly for public and commercial buildings.

5.4 The government is supporting other alternative low carbon technologies, where a heat network or hydronic heat pump may not be practical or suitable, for example by funding high heat retention storage heaters through the Warm Homes: Local Grant and Social Housing Funds. Off the gas grid, the department is supporting the installation of solid biomass systems in a small number of appropriate properties through the Boiler Upgrade Scheme. In April 2025 the government consulted on extending the support available through the Boiler Upgrade Scheme to air-to-air heat pumps and heat batteries.

5.5 The government is conducting research to continue to build its understanding of measure suitability in different housing archetypes. The government will publish the Warm Homes Plan before the end of the year setting out the approach in this area.

Thirty-Eighth Report of Session 2023-24

Department for Transport

Rail reform: The Rail Transformation Programme

Introduction from the Committee

The Department for Transport has overall responsibility for the railways, but the way the rail system works in practice is complex and has led to competing priorities between the public and private bodies involved. In May 2018, there was significant disruption to passengers across the rail network following the failed introduction of a new timetable. In response the Department set up the Williams Rail Review to examine the structure of the rail industry and how passenger services are delivered. The Review called for fundamental change.

In May 2021, the Department published its white paper on rail reform, setting out how the government intended to transform the way the rail system works. It included setting up a new organisation, Great British Railways (GBR), to act as the ‘guiding mind’ for the railways with responsibility for the whole rail system. It also set out a wide range of changes intended to get the basics right – running trains on time and making travel straightforward and welcoming to customers. By October 2021, the Department had set up its rail transformation programme to deliver reform and created a Great British Railways Transition Team to prepare for the establishment of GBR by March 2024. Between Autumn 2022 and 2023, changes to ministerial and government priorities resulted in delays in the schedule for legislation to enable the establishment of GBR. In November 2023, the government confirmed that such legislation was not expected to be introduced in the current Parliamentary session.

Relevant reports

- NAO report: [Rail reform: The rail transformation programme](#) – Session 2023-24 (HC 579)
- PAC report: [Rail reform: The rail transformation programme](#) – Session 2023-24 (HC 652)
- [Treasury Minute](#): September 2024 (CP 1151)
- [Treasury Minutes Progress Report](#): March 2025 (CP 1284)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1284 above), the remaining recommendations are updated below.

2. PAC conclusion: *There has been too little focus on passengers and taxpayers and hoe to get them a better deal.*

2a. PAC recommendation: *The Department should commit to producing a specific passenger-focused plan that is clear to passengers what they should expect from travelling on trains following rail reform, including clear targets that train operators are expected to achieve.*

2.1 The government agrees with the Committee’s recommendation.

Recommendation implemented: April 2025

2.2 In February 2025, the Secretary of State for Transport launched a public consultation, [A railway fit for Britain’s future](#) which restated the benefits passengers can expect from a reformed railway under Great British Railways (GBR).

2.3 In the consultation, the Secretary of State reaffirmed that, as part of GBR's new customer-focused culture, passengers can expect: improved safety and accessibility, better reliability and performance, and simplified fares, ticketing, and retailing. As GBR will bring together track and train, this will mean that most passengers will also benefit from one clearly accountable organisation for their journeys, replacing the current confusing and fragmented system.

2.4 The department has also focused on delivering passenger benefits ahead of launching GBR. To that end, track and train operations are already being brought closer together with integrated leadership across DfT Operator Limited (DFTO), publicly owned Train Operating Companies (TOCs) and Network Rail (NR) in defined regional areas, to deliver improvements for passengers and freight users.

2.5 The department will also produce a Long-Term Rail Strategy (LTRS) to set out the outcomes it expects GBR to deliver. The department will undertake targeted engagement with interested key stakeholders to inform that strategy.

2.6 Some specifics of the future framework, including the setting of clear targets for future passenger experience, are still being designed. The department will publish further detail plans about passenger experience as these are agreed.

2b. PAC recommendation: The Department should work with HM Treasury to resolve the disincentives in the system so that it can bring the level of Government subsidy on passenger services to a sustainable level and improve value for money for taxpayers. The Department should set out in its Treasury Minute how it is addressing the disincentives ahead of the next Parliament and full rail reform.

2.7 The government agrees with the Committee's recommendation.

Recommendation implemented: June 2025

2.8 The government has confirmed its plan to reduce the level of government subsidy for passenger services and is driving improvements in value for money for taxpayers ahead of wider rail reform. Through Spending Review 2025 the department agreed a reduction in rail passenger service subsidies due to rising passenger numbers and revenue after COVID-19, along with savings from public ownership.

2.9 This reflects the continued focus on the net budget for passenger services as a means of addressing the disincentives in the system across both cost and revenue ahead of wider rail reform.

2.10 Moreover, when Great British Railways (GBR) is established, it will bring responsibility for both track and train into a single organisation, enabling greater efficiencies and reducing duplication across the rail system. This new integrated structure, which replaces the current fragmented model, will remove the mixture of conflicting incentives that exist across multiple organisations. It will ensure that accountability is focused on GBR for delivering results and driving efficiencies.

2.11 GBR will also be incentivised to act in ways that deliver positive outcomes for stakeholders. This may include financial rewards, performance targets, and accountability measures designed to address current disincentives in the system, creating stronger motivation to improve services and efficiency. This will help prioritise taxpayer benefits, including value for money and reduced reliance on subsidies.

3. PAC conclusion: It is unacceptable that so much of the rail network remains so difficult to access for so many people.

3. PAC recommendation: The Department should fulfil its commitment to improve access to the rail network for all who wish to use it and does not need to wait for further consultation or legislation to make improvements to station facilities and train services. It should report back to the Committee alongside the Treasury Minute on its plans and timetable for when stations and trains will be accessible to all.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

3.2 An Accessibility Roadmap, titled [Our Roadmap to an Accessible Railway](#), was published on 5 November 2025, setting out the actions being taken to improve rail accessibility ahead of GBR. The Roadmap includes a wide range of accessibility improvements across 7 priority areas such as station and train accessibility, consistency and reliability of assets and information, ticket retailing, monitoring, culture and training.

3.3 The department is also continuing to support the Access for All Programme which has delivered 31 new step free accessible station routes since April 2024. This is in addition to requiring industry to meet current accessibility standards whenever they install, replace and renew station infrastructure; this obligation will also apply to Great British Railways.

6. PAC conclusion: The Department has failed to engage with the workforce to successfully deliver its reform ambitions.

6. PAC recommendation: The Department should meaningfully engage with the workforce in order to implement its reforms successfully. In its Treasury Minute response, it should set out how it plans to engage with the workforce as part of implementing its reforms.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: August 2025

6.2 The department has created the Rail Engagement Group, bringing together representatives from the work force and trades unions, to discuss strategic matters for rail, including seeking input into the design for Great British Railways (GBR). The first meeting of the new group took place on 29 October 2025 and agreed its terms of reference.

6.3 Alongside this, the department is fully committed to ensuring that staff across the railway are fully aware and engaged, where relevant, on our proposals. The department is building a comprehensive engagement strategy with partners across the industry to deliver a clear and consistent message to all. Certain train operators including c2c and LNER have started engagement with staff focused in specific areas of their businesses.

Government progress on the implementation of agreed recommendations from the Committee of Public Accounts: Session 2024-26

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First Report of Session 2024-26

Department for Education

Support for children and young people with special educational needs and disabilities

Introduction from the Committee

In January 2024, 1.9 million children and young people aged 0 to 25 years had special educational needs (SEN). Children with SEN have a learning difficulty or disability which means they need special educational provision beyond that required by most others of the same age. Most (1.14 million) receive additional support in state schools, known as SEN support. Children whose needs cannot be met in this way have a legally enforceable entitlement to specific support set out in an education, health and care (EHC) plan. In January 2024, there were 576,000 children with an EHC plan.

The Department for Education (the Department) is accountable for the SEND system. In 2024–25, it is providing dedicated high needs funding of £10.7 billion to local authorities, who have a statutory responsibility to ensure children receive the education support they need. The Department of Health and Social Care (DHSC) oversees health services which support the SEN system. In March 2023, the Department and DHSC jointly published an improvement plan setting out how they would tackle immediate challenges, as well as longer term plans. The Department continues to implement initiatives set out in the plan but, as it was published by the previous government, it no-longer represents official government policy.

Relevant reports

- NAO report: [Support for children and young people with special educational needs](#) – Session 2024-25 (HC 299)
- PAC report: [Support for children and young people with special educational needs](#) – Session 2024-26 (HC 353)
- [Treasury Minutes](#): April 2025 (CP 1306)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1306 above), the remaining recommendations are updated below.

1. PAC conclusion: The SEN system is inconsistent, inequitable and not delivering in line with expectations, which inevitably undermines parents' confidence in it.

1a. PAC recommendation: Over the next 12 months, the Department should work with others including local authorities and the Ministry of Justice to:

- **better understand the reasons for differences in identifying and supporting SEN needs across local areas and schools.**
- **routinely identify and share good practice from better performing areas.**

1.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

1.2 The Department for Education (DfE) recognises variation in how Special Educational Needs (SEN) are identified and supported across schools and local authorities. To address this, the department has worked with local authorities to understand the drivers behind these

differences and improve service delivery, including publishing performance data and highlighting best practices.

1.3 Since 2023, Change Programme Partnerships (CPPs) have provided practical insights and real-time learning by testing proposed reforms and effective practices. These insights were gathered through a dedicated field force working directly with CPPs and an external feedback process.

1.4 This learning has been invaluable for policy teams, helping assess the viability of reform proposals and identify necessary adaptations for national rollout. CPPs have also gained a better understanding of different local contexts and identified approaches worth replicating.

1.5 The next stage is to share this learning widely. A 'playbook' will be produced by the Change Programme and embedded through regional conferences delivered in partnership with CPPs, the department, and Regional Improvement Innovation Alliances (RIIAs). Sharing learning beyond CPPs is essential to help local authorities understand how others operate and adopt effective approaches to implementing reforms.

1.6 The department's regional teams will provide advice on peer-reviewing performance, identifying improvement needs, and extracting examples of good practice and networks. This collaborative approach ensures continuous improvement and consistency across the system.

1b. PAC recommendation: Over the next 12 months, the Department should work with others including local authorities and the Ministry of Justice to:

- **improve local authority decision-making by analysing tribunal decisions.**

1.7 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

1.8 Most Education, Health and Care (EHC) plans and assessments conclude without a Tribunal appeal. However, the department recognises that some families still struggle to access the right support when they need it.

1.9 The department believes the underlying issues driving appeals are best addressed through systemic reform, which will take time. In parallel, it is committed to supporting local authorities to improve decision-making ahead of these reforms. This will help ensure children and young people receive timely, appropriate support and reduce the likelihood of Tribunals finding against local authorities in future cases.

1.10 To strengthen this approach, the department has worked with the Ministry of Justice, His Majesty's Courts and Tribunal Service, and the Judiciary to make better use of official Tribunal data and share learning with local authorities. It is also conducting deep-dive work with authorities to understand decision-making and identify how best to support improvements. Findings from this work will be shared with local authorities in the first quarter of 2026.

1.11 This activity builds on the department's *SEND and the law* training delivered in 2024. Work is underway to expand this training and explore additional measures. In the meantime, collaboration continues across government and with key stakeholders to identify further actions that can strengthen local authority practice and reduce appeals.

2. PAC conclusion: Without fully understanding why demand for support has increased, the Department's ability to provide value for money is undermined.

2. PAC recommendation: Within the next six months, the Department must work with the DHSC to better understand the reasons for increasing and changed demand for SEN support, and then set out how it will provide support more efficiently, such as through group support, identifying needs earlier and ensuring special schools reflect value for money.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026

Original target implementation date: December 2025

2.2 The department recognises the urgency of these issues and is committed to delivering a more inclusive education system built on early intervention.

2.3 Collaboration with the Department of Health and Social Care (DHSC) is central to addressing growing pressure on SEN support in schools. While identified need has risen internationally, England has seen a much steeper increase in SEND requiring statutory plans compared to similar countries.

2.4 The Neurodiversity Task and Finish Group, convened to consider how neurodivergent children and young people can be supported in mainstream settings, has concluded its work and will publish its report shortly. The department continues to work with DHSC to ensure early, effective support that meets needs and prevents escalation. The DHSC [10-Year Health Plan](#), published on 3 July 2025, reinforces early intervention as a core principle, including for children and young people with SEND. Through local commissioning, Neighbourhood Health Services will partner with Best Start Family Hubs, schools, nurseries, and colleges to provide timely support.

2.5 The department also recognises the need for better data on the content, costs, and outcomes of specialist provision to assess value for money. It is reviewing SEND data requirements within a reformed, inclusive school system. As part of this, the SEND longitudinal study will improve data quality, particularly on long-term outcomes for children and young people attending different types of provision.

3. PAC conclusion: The Department has not made clear what it means by inclusive education, a core strand of its approach, or how it will be achieved.

3. PAC recommendation: The Department should, within the next six months, set out the provision which children with SEN support should expect. Alongside this, they should set out what inclusive education means and looks like, and the level of resourcing both to ensure the support for children with SEN and the maintenance of educational provision for other children in the same setting. The Department should also set out how inclusive education will be achieved including through earlier identification of SEN, and improved teacher training and continuous development, and how schools will be held to account. SEN performance data should incorporate factors other than academic attainment.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026

Original target implementation date: December 2025

3.2 Early intervention is essential to secure the right support and prevent needs from escalating. Settings should be confident in assessing learning and development needs whenever they arise. The department will build on best practice and use further research to

support mainstream settings with evidence-based approaches for early and accurate identification.

3.3 Continuous improvement is key to transforming training and support for new teachers. The department will conduct a full review of the Early Career Teacher Entitlement (ECTE) in 2027, including the Initial Teacher Training and Early Career Framework (ITTECF), to ensure early career teachers receive the best possible support based on the latest evidence.

3.4 The department recognises strong examples of mainstream schools delivering specialist provision through resourced provision and SEN units. To expand this, £740 million in high needs capital has been allocated for 2025–26 to support children and young people with SEND or requiring alternative provision, including establishing resourced provision and SEN units.

3.5 Ofsted's new inspection framework, announced in September 2025, will hold schools accountable for inclusive practices, including culture and assessment of need. Regional Improvement for Standards and Excellence (RISE) advisors will work with mainstream schools to strengthen inclusion.

3.6 The department continues to build its evidence base through omnibus surveys with schools, colleges, parents, and pupils. Recent findings published in September include perceptions of inclusion, schools' ability to identify needs, and actions taken to support inclusivity, examples of targeted provision and staffing in SEN units.

4. PAC conclusion: Accessing health expertise presents a significant barrier to identifying and supporting SEN needs.

4. PAC recommendation: Within six months, DHSC should set out how ICBs will consider SEN alongside wider priorities; how its longer-term workforce plans will address current and forecast SEN skill shortfalls; and its processes, plans and targets for reducing related waiting lists.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

4.2 Integrated Care Boards (ICBs) are legally responsible for delivering their SEND-related duties as set out in relevant legislation, including the Children and Families Act 2014. Each ICB must have a board-level executive lead for children and young people with SEND. Decisions are taken locally based on local population health and care needs.

4.3 The [NHSE's Medium Term Planning Framework from 2026-27 to 2028-29](#) is explicit that ICBs and providers are expected to meet their statutory duties relating to SEND and to support SEND reform plans, once published. It requires them to optimise existing resources to reduce waits for autism and ADHD assessments. It sets challenging delivery commitments for 94% coverage of Mental Health Support Teams in schools and colleges and for at least 80% of community health service activity to occur within 18 weeks of referral.

4.4 The [10 Year Health Plan](#) is clear about the importance of health services collaborating with education settings to provide children and young people with early intervention and support to avoid needs escalating, where possible. The government is currently working through how the Plan will articulate the changes for different professional groups and will publish a 10 Year Workforce Plan in Spring 2026 to create a workforce ready to deliver the three shifts in the 10 Year Health Plan, ensuring we have skilled people in the right places. NHS England will be integrated into DHSC, creating an organisation better placed to transform our care services, and the NHS.

5. PAC conclusion: Departmental witnesses could not provide any potential solution to the critical and immediate financial challenges facing many local authorities due to persistent and significant SEN-related overspends.

5. PAC recommendation: Given the risks to local authorities' finances, central government must urgently involve local authorities in conversations to develop a fair and appropriate solution for when the statutory override ends in March 2026, clearly setting out these plans as a matter of urgency and no later than March 2025.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented June 2025

5.2 The government recognises the pressure local authorities are facing because of their Dedicated Schools Grant deficits and announced as part of the Fair Funding Review 2.0 a two-year extension to the Dedicated Schools Grant (DSG) Statutory Override to the end of 2027-28, to continue to protect LAs from the impact of these deficits.

5.3 The government recognises that an extension to the Override alone is not a solution to local authority DSG deficits, and that local authorities will need continued support during the transition to a reformed SEND system. Government will provide more detail in the coming months on our plans to support local authorities with both historic and accruing deficits. The government will set out more detail through the upcoming local government finance settlement.

6. PAC conclusion: In the longer term, the SEN system remains unviable with piecemeal interventions, such as Safety Valve, doing nothing to provide a financially sustainable system.

6. PAC recommendation: Moving on from its 'Safety Valve' programme, the Department must provide specific support and guidance so all local authorities can effectively manage their SEN-related spending sustainably in the longer term. To ensure investment allocation decisions maximise value for money, demand forecasting is vital. This joint work by the Department and local authorities should include differentiating between the number of places to be provided in mainstream and specialist state settings. It should also ensure that any spending on independent schools and transport costs reflects value for money. The Department should work with local authorities to identify ways in which more accountable provision could be developed offering better value for money.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

6.2 The Department for Education recognises that local authorities will need continued support during the transition to a reformed SEND system and will provide further detail when plans for reform are set out by Spring 2026.

6.3 Plans for reforming the SEND system will be published in early 2026, including measures to help local authorities manage SEN-related spending effectively during the transition.

6.4 Ahead of reform, the department is drawing on lessons from previous programmes and providing guidance to all local authorities to support sustainable SEND services and spending:

- In July 2025, a research report on the [Safety Valve programme](#) was published, including case studies of local authority approaches.
- Guidance and case studies were shared with all local authorities to outline effective practices.
- In October 2025, a Summary Insight Guide and learnings from the Change Programme were published to support improvement.
- From Autumn 2025, the department will fund and deliver webinars and conferences nationwide to help embed inclusive and sustainable SEND systems, alongside increased engagement with local authorities.

6.5 SEND reforms will reduce pressure on home-to-school transport by ensuring more children have needs met locally in mainstream schools. [Findings of the first transport data collection](#) have been published. Lessons learned will inform improvements next year. As part of MHCLG's Fair Funding Review 2.0, the government consulted on a new home-to-school transport formula within the Local Government Finance Settlement. Guidance to help local authorities deliver efficient transport in partnership is nearing completion.

7. PAC conclusion: The Department's ability to reform the system is hindered by a lack of data, targets and a clear, costed plan.

7. PAC recommendation: The Department should urgently improve its data, and then use this information to develop a new fully costed plan for improving the SEN system, with concrete actions, and clear interdependencies, alongside metrics to measure outcomes.

7.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

7.2 The department has taken steps to improve its data; in particular, by disaggregating the annual EHCP data collection (SEN2 data) from 2023. This change enables more detailed, granular analysis of EHC plans and the processes associated with it, providing deeper insights into specific patterns and trends to support decision-making. In the June 2025 release, a wider range of information was published for the first time to meet user needs, including information on annual reviews. Also, for the first time, the department has published the number of tribunals by local authority and the appeal rate which was previously published by the Ministry of Justice.

7.3 At Autumn Budget 2024, the government announced an almost £1 billion increase to SEND and alternative provision funding. This is an important step in realising the government's vision to reform England's SEND provision to improve outcomes and return the system to financial sustainability. The government intends to set out plans for reforming the SEND system in further detail in early 2026. This will be underpinned by its objective to ensure local authorities can deliver high quality services for children and young people with SEND in a financially sustainable way. The government will work closely with parents, teachers and local authorities to take forward this work.

Second Report of Session 2024-26

Department for Transport

Condition and maintenance of Local Roads in England

Introduction from the Committee

The local road network in England consists of 183,000 miles of road and represents 98% of the total road network. As well as the road surface, the local road network includes pavements, embankments, bridges and drainage systems that need to be kept in good condition. Almost all journeys start and end on the local road network.

The Department for Transport (the department) is responsible for providing policy, guidance and funding to local authorities in England to help them run and maintain their road networks. It considers that well-maintained local roads are vital for the economy and the social wellbeing of communities. Well maintained roads and infrastructure are also necessary for the department's objective to improve transport for the user, as well as specific policy areas, such as increasing active travel and supporting autonomous vehicles. The department provides over £1 billion in capital funding to local authorities each year for local road maintenance.

Local authorities are responsible for the management of the local road network under their control and have a statutory duty to maintain their roads. While central Government provides funding towards the maintenance of the road network, it is for individual local authorities to decide on how best to maintain their roads based on local needs, priorities and funding.

Relevant reports

- NAO report: [The condition and maintenance of local roads in England - NAO report- Session 2024-25 \(HC 117\)](#)
- PAC report: [Condition and maintenance of Local Roads in England](#) – Session 2024-26 (HC 349)
- [Treasury Minute](#): April 2025 (CP 1306)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1306 above), the remaining recommendations are updated below.

1. PAC conclusion: The department has not taken its overall responsibility for policy and use of taxpayer funds sufficiently seriously when looking at local roads.

1. PAC recommendation: In addition to addressing the recommendation below, the department should clearly set out its roles and responsibilities and that of local authorities in ensuring that local roads are maintained to a good standard throughout England as part of government's work on local devolution.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

1.2 The government recognises that clarity about responsibilities for highways maintenance is a vital part of ensuring the devolution process is successful and continues to work towards publishing a short document on GOV.UK summarising the legal responsibilities that government and local authorities have with regard to highways maintenance. This will include expectations that government has of local authorities with regard to following best

practice. This will build on the [letter to local highway authorities the department published in March 2025](#) setting out best practice criteria for local highway authorities to meet in order to receive their full incentive funding for financial year 2025-26

2. PAC conclusion: The department has insufficient knowledge of the condition of local roads.

2. PAC recommendation: The department should make the case, with the Ministry for Housing, Communities and Local government, for obtaining the data it needs to gain a greater understanding of the condition of the local road network.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: March 2026
Original target implementation date: Autumn 2025

2.2 The department has been considering what additional data is needed to gain a greater understanding of the condition of the local highway network, and how this maps onto the structures that are being set up to allow further devolution. As this work progresses the department will, as is usual, engage with the Ministry for Housing, Communities and Local Government (MHCLG) to make the case for obtaining this data.

2.3 The target implementation date for this recommendation has been moved back to align more closely with the project clearance deadlines for the new British Standard for Road Condition Monitoring (PAS 2161), which needs to have final clearance from the MHCLG to change the single data list by March 2026 in order for the changes to the standard to start taking effect from the start of financial year 2026-27.

2.4 In addition to the work on condition monitoring, for financial year 2025-26, 25% of the additional £500 million funding provided by the government for local highways maintenance was contingent on local highway authorities demonstrating to government that they were complying with certain criteria. As part of this, local highway authorities were required to publish transparency reports by 30 June 2025 with detail on historic spend, the overall state of their networks and future plans.

2.5 Local Highway Authorities were also required to provide more detailed information to the department, including on compliance with best practice and what data they hold on asset condition (including structures).

3. PAC conclusion: The department's approach to funding is short-term and fragmented, hindering local authorities from planning more cost-effective work.

3a. PAC recommendation: As part of the next phase of the spending review the department should simplify its funding to local authorities and provide more long-term certainty around the amount and duration of funding.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

3.2 Long term certainty is determined by the length of the settlement set out by a Spending Review.

3.3 The government is resetting the relationship with local government. As set out in its recent announcement, the government has provided multi-year funding settlements for highways maintenance funding to all local highway authorities for financial year 2026-27 to

financial year 2029-30. This will give local authorities greater certainty and freedom to deliver their priorities.

3.4 The department also intends to consolidate local funding, including local highways maintenance funding streams for those authorities who receive them. Those authorities in receipt of City Region Sustainable Transport Settlements (CRSTS) already have their highway maintenance funding consolidated, further reducing the number of funding streams and providing greater flexibility in how mayoral combined authorities allocate funding.

3b. PAC recommendation: The department should make clear how it will effectively influence and monitor local road maintenance when the funding to local authorities is coming from different government departments and local authorities have more flexibility within the overall pool of money on how to prioritise spending.

3.5 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2027

3.6 To access their full funding allocation in financial year 2025-26, local highway authorities had to publish transparency reports demonstrating progress on road maintenance and adherence to best practice. Alongside this, on 23 March 2025, the Prime Minister announced that local authorities would be rated on their highways maintenance performance. This will help highlight leading authorities and identify where further support is needed. A tailored support package was launched alongside the ratings to help all authorities adopt best practice and improve outcomes. The ratings will be updated annually, enabling the government to monitor progress, promote continuous improvement and strengthen accountability across the sector.

3.7 With reference to the government response to recommendations 2 and 5, the government is reviewing its approaches to evaluating spending on local highway maintenance and the data that it gathers to understand the condition of the local highway network. Once these exercises are complete, the department will publish information on GOV.UK about how it will influence and monitor local highways maintenance.

4. PAC conclusion: The department does not allocate funding to local authorities for the maintenance of local roads according to where it is most needed.

4b. PAC recommendation: The department should also work with the Ministry for Housing, communities and local government to explore the scope for local authorities to use surplus Community Infrastructure Levy funding on local road maintenance.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: May 2025

4.2 The Community Infrastructure Levy guidance issued by the MHCLG already emphasises that Community Infrastructure Levy receipts can be spent on failing existing infrastructure, as well as on its more widely recognised use for funding the provision and maintenance of infrastructure, including transport infrastructure.

4.3 Beyond this action, the department will explore with MHCLG whether the availability of Infrastructure Funding Statements, which are produced annually by local authorities detailing annual Community Infrastructure Levy income and expenditure, and the levels of unspent Community Infrastructure Levy held, might be better communicated at community level to enable greater awareness of the existence of the Community Infrastructure Levy and how it

might be spent, including allocations of neighbourhood Community Infrastructure Levy held by local authorities and parish councils.

5. PAC conclusion: The department has not evaluated its approaches to funding local roads to know whether they are delivering value for money.

5. PAC recommendation: The department should evaluate approaches to funding local roads to determine what has been effective to help inform future approaches. This should include conducting interim evaluations on local authorities PFI schemes.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2027

5.2 The department has commissioned a feasibility study to understand the current state of evidence, evidence gaps and data collection mechanisms in local authorities. This will help scope evaluation questions and identify appropriate approaches for monitoring and evaluating the department's local highways maintenance funding. This study is expected to report back to the department in April 2026.

6. PAC conclusion: The department has not provided enough support and guidance to local authorities to deal with current and future challenges in maintaining local roads.

6a. PAC recommendation: As part of revising its Code of Practice, the department should look to set out updated practices local authorities are expected to adopt and consider if following this best practice should be attached to funding. This should include guidance around supporting safety and accessibility for all road users, consideration of technology advances such as autonomous vehicles and consideration of the effect of maintenance on roads and bridges of heavier electric heavy goods vehicles, particularly if the 44 Gross vehicle Weight were to be increased.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: November 2026

Original target implementation date: September 2026

6.2 The government agrees that the current guidance that has been provided to local highway authorities through the 'Code of Practice for Well Managed Highway Infrastructure' document should be refreshed.

6.3 In January 2025, the department commissioned TRL Ltd to work with the sector to deliver recommendations for updating in the current Code of Practice. TRL reported in April 2025 and, in August 2025, following a competition, Atkins-Realis were awarded the DfT contract to update the Code of Practice. The contract (due to end November 2026) will include refreshed guidance on a range of highways themes and topics including best practice criteria for supporting local highways authorities qualify for highways maintenance funding.

6b. PAC recommendation: The department should regularly revise the Code of Practice as the road environment and the demands placed upon it continue to change. The department should set out how it plans to do this in its response to the Committee's report.

6.4 The government agrees with the Committee's recommendation.

Revised target implementation date: November 2026

Original target implementation date: September 2026

6.5 The government agrees that the Code of Practice for Well Managed Highway Infrastructure should be a reliable source of guidance that remains current. The department has contracted with Atkins-Realis to update the code of practice by November 2026. Thereafter it is being planned for updates to be made year-on-year in order to keep the code current and useful.

Third Report of Session 2024-26

HM Revenue and Customs

HMRC Customer Service and Accounts

Introduction from the Committee

HM Revenue & Customs (HMRC) is responsible for administering the UK's tax system. It reported total revenues of £843.4 billion for 2023–24, the highest on record, representing a 3.6% increase on 2022–23. The tax gap– the difference between the amount of tax that should be paid to HMRC, and what was actually paid–fell from 5.2% in 2021–22 to 4.8% in 2022–23, the most recent available estimate, but increased in monetary terms from £38.1 billion to £39.8 billion. HMRC's estimate of the yield from its compliance activities in 2023–24 was £41.8 billion, up 23% compared with 2022–23 and £1.3 billion higher than its target. Tax debt - the amount of tax that is overdue for payment - was £43.0 billion at 31 March 2024, £0.9 billion less than at 31 March 2023.

HMRC's customer charter commits it to getting things right, making things easy, being responsive and treating customers fairly. Performance levels for its telephony and correspondence have been below expected levels for years, with HMRC answering fewer calls and waiting times increasing. HMRC considers that many calls and items of correspondence it receives are avoidable and could be resolved digitally. It has adopted a 'digital-first' approach, using digital services to allow customers to self-serve where possible. These digital services are best suited to straightforward queries and cannot always offer a replacement to traditional channels.

Relevant reports

- NAO report: [HMRC Customer Service](#) – Session 2023-24 (HC 726)
- [HMRC Annual Report and Accounts 2023-24](#)
- PAC report: [HMRC Customer Service and Accounts](#) – Session 2024-26 (HC 347)
- [Treasury Minute](#): April 2025 (CP 1306)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1306 above), the remaining recommendations are updated below.

1. PAC conclusion: In providing telephone services, HMRC does not give enough consideration to the needs of customers.

1c. PAC recommendation: HMRC must also ensure it gives customers accurate estimates of call waiting times in real time, does not cut off customers without warning, and offers a callback service. It must ensure this functionality is a requirement when it procures a new telephone service.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2027

1.2 The procurement of the new Contact Centre as a Service (CCaaS) supplier is progressing as planned and the potential suppliers are all aware of the requirements for call back facilities and accurate wait time technology. Several bids were received from leading suppliers in the field, all with embedded Artificial Intelligence (AI) capability that will allow HMRC to enhance customers' experience when they call and avoid customers experiencing

call cut offs. Those bids are being evaluated in line with procurement process standards. HMRC anticipate awarding the contract in Spring 2026 and to be using the new service in 2027-28.

1.3 By leveraging AI – something that is increasingly central to modern service delivery – CCaaS will help HMRC better manage call queues, provide accurate wait times, and offer intelligent digital assistant support. This will allow the department to deliver a more responsive and personalised service, both over the phone and through digital channels.

1.4 HMRC’s ambition, once the new CCaaS is in place and fully operational, is to never have to cut off a customer waiting in a queue.

2. PAC conclusion: HMRC’s digital services have not sufficiently reduced demand on the phone and HMRC has failed to prioritise the resources needed to sustain an appropriate standard of telephone service.

2a. PAC recommendation: HMRC should ensure it allocates sufficient resources to customer service now and in the future to meet its performance targets.

2.1 The government agrees with the Committee’s recommendation.

Recommendation implemented: July 2025

2.2 HMRC’s Spending Review (SR) 2025 settlement provides funding equivalent to an annual average real terms growth rate of 1.8% over the SR period and provides the funding required for HMRC to meet its service standards.

2.3 [HMRC’s Transformation Roadmap](#) was published on 21 July 2025 and sets out plans to transform the tax and customs system and deliver improved and expanded digital services.

2.4 The government is investing a further £500 million in HMRC’s digital services over this SR period to make HMRC a truly digital first organisation. By 2029-30, a minimum of 90% of customer interactions will be automated or digital self-serve. This will improve services so people can easily and quickly get the information they need without having to call or write to HMRC. The government will continue to ensure that alternative channels, including phonelines, are still there for those who need them.

2.5 HMRC’s latest [published performance data](#) shows that telephony and correspondence performance has improved and service standards were being met in September 2025.

3. PAC conclusion: HMRC has been too willing to let its telephone services fail in the hope this forces people to use its digital services instead.

3a. PAC recommendation: HMRC should ensure it understands how far its digital services can replace telephone services and what level of telephone service it needs to retain to meet customers’ needs - including those of small businesses.

3.1 The government agrees with the Committee’s recommendation.

Recommendation implemented: September 2025

3.2 Improving HMRC day-to-day performance remains a key priority for the Exchequer Secretary to the Treasury. A key part of improving customer service is to make sure more of HMRC’s services are digital, so customers can self-serve online, for example through the HMRC app. [HMRC’s Transformation Roadmap](#) was published on 21 July 2025 and sets out

the government's plan to transform the tax and customs system and deliver HMRC's digital first strategy.

3.3 Alongside delivering new digital services, HMRC remains committed in providing telephony services for those who need them, and HMRC are investing in new technology to improve the customer experience on their helplines.

3.4 HMRC's [latest published performance data](#) shows that telephony and correspondence performance has improved and service standards are being met, and overall customer satisfaction scores remain in line with HMRC's 80% target.

4. PAC conclusion: HMRC does not provide an efficient means for taxpayers to communicate digitally with HMRC.

4. PAC recommendation: As part of its digital roadmap, HMRC should prioritise introducing systems for customers to submit files and send secure messages electronically to HMRC. This should enable savings which can be recycled into improving its service.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2028

4.2 [HMRC's Transformation Roadmap](#) was published on 21 July 2025 and includes HMRC's commitment to provide a secure digital channel for secure document exchange and multi-way communications between HMRC, customers and intermediaries by March 2028.

4.3 The Secure Digital Exchange Communications project is now moving into detailed design and discovery. A comprehensive delivery roadmap has been developed, with roll out starting from April 2027. Overall benefits for the project include increased yield and improved employee and customer experience, accruing from 2027-28.

5. PAC conclusion: HMRC's investment in debt management has not sufficiently reduced the amount of tax owed to it.

5. PAC recommendation: Now that HMRC has secured even more resources to manage the debts owed to it, it should set out what reduction in the debt balance it is aiming for and by what date, and a plan for how it will recover older debts before they become uncollectable.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: December 2025

Original target implementation date: September 2025

5.2 HMRC published its [Transformation Roadmap](#) in July 2025, which committed to providing an update to the tax debt strategy. This update will include a roadmap for the 2025 Spending Review period setting out plans to reduce debt year on year as a percentage of receipts. This is on track to be delivered by the end of 2025.

6. PAC conclusion: We welcome HMRC's new goal to reduce the tax gap but we are concerned that it still plans to reduce the number of prosecutions.

6a. PAC recommendation: Now that HMRC has been tasked with reducing rather than just maintaining the tax gap, it must be bolder in identifying and tackling abuse. HMRC should:

- **set ambitious targets for compliance yield that would allow it to achieve annual reductions in the tax gap.**

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: April 2025

6.2 HMRC has plans to crack down on the worst behaviours, such as phoenixism, and will use resources more effectively, such as through the use of Artificial Intelligence (AI) to improve compliance targeting and help staff productivity. The department has set a stretching annual compliance yield target for 2025-26 of £50.4 billion, and measures to close the tax gap announced at Autumn Budget 2024 and Spring Statement 2025 will enable the department to bring in an additional £7.5 billion per year by 2029-30. HMRC's future annual compliance yield targets will be increased to reflect this.

6b. PAC recommendation:

- **obtain an estimate that is as accurate as feasibly and practically possible of the offshore tax gap and develop a standalone strategy to reduce it; and**

6.3 The government agrees with the Committee's recommendation.

Target implementation date: June 2026

6.4 HMRC has engaged academic experts to explore expanding the undisclosed foreign income tax gap estimate. Different options are now being considered which may enable HMRC to expand coverage of the existing estimates, whilst maximising accuracy and reliability.

6c. PAC recommendation:

- **research which interventions are most effective in achieving a deterrent effect for tax evaders and organised criminals. This research should explicitly consider whether there are trade-offs between civil and criminal routes, if the former brings in more revenue in the short term but has the effect of decreasing the deterrent effect of criminal offences in the long run.**

6.5 The government agrees with the Committee's recommendation.

Target implementation date: September 2026

6.6 HMRC remains committed to strengthening the evidence base around tax prosecution deterrence. As noted in the department's previous [letter to the Committee](#) on 29 May 2025, HMRC is determined to continue improving the evidence base and to expand its understanding of tax prosecution deterrence further. HMRC has commissioned external research aimed at exploring perceptions of tax prosecutions and related communications. The survey will generate new primary data to support HMRC's understanding of tax prosecution deterrence.

6d. PAC recommendation:

- ***HMRC should develop a strategy to maximise effectiveness of both civil processes and criminal prosecutions and consider setting a target for prosecutions.***

6.7 The government agrees with the Committee's recommendation.

Recommendation implemented: Autumn 2025

6.8 At Spring Statement 2025, HMRC [published](#) its intention to increase the number of annual charging decisions for the most harmful fraud by 20%, compared to current levels, from 500 to 600 per year by 2029-30. It should be noted that HMRC is not a prosecuting authority. The department works closely with prosecutors to prepare cases to the highest evidential standard, before the relevant prosecuting authority decides if criminal charges should be made and prosecutions sought.

6.9 HMRC also set out the areas of focus for this additional work, which will include tackling those who undermine legitimate trade and small business, fraud committed by the wealthy, fraud facilitated by those in large corporations, and by individuals and companies who make it possible for others to hide money offshore. Investigations will also address organised criminal attacks, focusing on illicit finance and complex money laundering schemes.

Fourth Report of Session 2024-26

Ministry of Housing, Communities and Local Government

Tackling Homelessness

Introduction from the Committee

The Housing Act 1996 defines someone as ‘homeless’ if there is no accommodation available for them, or if it is not reasonable for them to continue occupying the accommodation that they have. The Ministry of Housing, Communities and Local Government (MHCLG) has policy responsibility for tackling homelessness in England, and leads on implementing homelessness policies across government. It also distributes homelessness funding to local authorities, who have statutory duties to assist people who are homeless or threatened with homelessness. Local authorities also receive funding relevant to homelessness from other sources, such as the Department for Work and Pensions (DWP) and the Home Office.

Under the Homelessness Reduction Act 2017, local authorities have three types of duty:

- a prevention duty, which may involve negotiating with a landlord or family member, providing mediation, helping to reduce rent arrears, or securing alternative accommodation;
- a relief duty, which may involve helping an applicant to secure housing in the private rented sector, placing them into supported housing, or helping them bid for social housing;
- and a main duty, which involves providing those in priority need with temporary accommodation.

The latest data show that 123,000 households in England were being housed in temporary accommodation as at June 2024. In 2022–23, local authorities spent over £2.4 billion on delivering homelessness services, of which over £1.6 billion was used to provide temporary accommodation. Data published after our evidence session suggest that spending rose in 2023–24, to around £3.1 billion and £2.1 billion respectively.

Relevant reports

- NAO report: [The effectiveness of government in tackling homelessness](#) – Session 2024-25 (HC 119)
- PAC report: [Tackling homelessness](#) – Session 2024-26 (HC 352)
- [Treasury Minute](#): April 2025 (CP 1306)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1306 above), the remaining recommendations are updated below.

1. PAC conclusion: Local authorities are insufficiently resourced to focus on preventing households from becoming homeless.

1. PAC recommendation: Alongside its Treasury Minute response, MHCLG should write to the Committee with a detailed explanation of how it plans to incentivise and work with local authorities to improve their homelessness prevention activities.

1.1 The government agrees with the Committee’s recommendation.

Recommendation implemented: April 2025

1.2 The Ministry for Housing, Communities and Local Government (MHCLG) [wrote to the Committee](#) in April 2025 with its plans for incentivising local authorities to improve their homelessness prevention duties. This includes investing £644 million through the Homelessness Prevention Grant in 2025-26, an uplift of £203.8 million compared to 2024-25.

3. PAC conclusion: Too many people's lives are disrupted by being placed in temporary accommodation outside of their local area.

3. PAC recommendation: MHCLG should improve its data on out of area placements as a matter of urgency, and use the data to encourage better coordination between local authorities, to minimise the number of households placed out of area. It should also explore possible steps to incentivise councils to use local providers.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

3.2 MHCLG [published additional data](#) on the location of out-of-area temporary accommodation placements in July 2025, in the [quarterly statistics release covering Jan-March 2024](#). This data will now be routinely included in quarterly publications.

5. PAC conclusion: Tackling homelessness has long been hampered by the absence of a joined up, cross-government approach.

5a. PAC recommendation: In its Treasury Minute response, MHCLG should provide the Committee with further details of how its proposed cross-government homelessness strategy will generate practical improvements, including through:

- **a consolidation of the funding to tackle homelessness into far fewer streams;**

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

5.2 In the [Local Government Finance Policy Statement](#), the government has confirmed that from 2026-27 it will bring together into a Homelessness, Rough Sleeping and Domestic Abuse Grant the largest local authority homelessness and rough sleeping grants (Rough Sleeping Prevention and Recovery Grant, Rough Sleeping Accommodation Programme and the prevention and relief element of Homelessness Prevention Grant). This will include the Domestic Abuse Safe Accommodation Grant that was consolidated into the Settlement in 2025-26. Temporary accommodation funding will be rolled into the Revenue Support Grant and the Rough Sleeping Drug and Alcohol Treatment grant will be rolled into the Public Health Grant.

5b. PAC recommendation:

- **..... eliminating competition between local authorities and the Home Office for temporary accommodation; and**

5.3 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

5.4 The Home Office is working with MHCLG and local authorities to deliver a future strategy for asylum accommodation, including options that reduce local competition and deliver better outcomes for communities and taxpayers. To support that goal, [£500 million was](#)

[allocated](#) as part of the Spending Review 2025 to invest in a new, more sustainable accommodation model for asylum seekers awaiting decision, which is being developed in consultation with local authorities.

5c. PAC recommendation:

- *learning appropriate lessons from the UK devolved administrations.*

5.5 The government agrees with the Committee's recommendation.

Revised target implementation date: December 2025

Original target implementation date: after Spending Review 2025

5.6 MHCLG officials continue to engage regularly with their counterparts in the devolved administrations to discuss a range of issues and share learning, including tackling homelessness. MHCLG will engage with all of the devolved administrations prior to publication of the homelessness strategy.

5d. PAC recommendation:

- *implementing the exemption from the local connection or residency test for all veterans, care leavers under 25 years, and victims of domestic abuse, while mitigating the impact for other groups.*

5.7 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

5.8 On 18 December 2024, Regulations came into force to exempt all former members of the regular armed forces from any local connection tests applied by local authorities in England. The regulations removed the five year limit and ensured that no veterans of the regular armed forces will need to meet a local connection test for social housing regardless of when they last served.

5.9 On 10 July 2025, Regulations came into force to exempt victims of domestic abuse and care leavers under 25 from any local connection tests applied by local authorities in England. These changes removed a potential qualification barrier to vulnerable groups accessing social housing.

5.10 Local authorities will continue to be able to design their own allocation schemes, within the legal framework set by government, in a way that best meets local needs. This includes prioritising those most in housing need such as those who are homeless, in overcrowded housing or who need to move for medical or welfare reasons.

6. PAC conclusion: *The homelessness problem is being exacerbated by a severe shortage in housing supply, and especially affordable housing.*

6. PAC recommendation: *In its Treasury Minute response, MHCLG should provide the Committee with an update on how its proposed new housing strategy will achieve practical improvements in the delivery of new homes, and particularly affordable homes. In addition, both MHCLG and Homes England should detail why Homes England fell short of its targets for new homes in 2023–24, including affordable homes, and what steps they are taking to ensure targets for 2024–25 and beyond will be achieved.*

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

6.2 Homes England exceeded their delivery targets in 2023-24 and in 2024-25. Full detail of their performance and delivery is set out in their [Annual Report and Accounts](#).

6.3 MHCLG publishes data on annual [Affordable Housing delivery](#); in 2024-25, 64,762 affordable homes were delivered (completions and acquisitions) in England. To help deliver the scale of housing the country needs, the department has confirmed a new 10-year £39 billion Social and Affordable Homes Programme to kickstart social and affordable housebuilding across the country, with an ambition to deliver around 300,000 new social and affordable homes. This is the biggest long-term investment in social and affordable housing in recent memory and compares to the previous 5-year programme launched in 2021, with a budget of £11.5 billion.

6.4 The government published its five-step plan for [Delivering a decade of renewal for social and affordable housing](#) on 2 July 2025. This outlines how the government will support the biggest boost to social and affordable housing in a generation and transform the safety and quality of existing social homes. It aims to give housing providers the certainty required to invest in both new and existing homes.

7. PAC conclusion: Despite legislation designed to tackle well-established problems and gaps in regulation, MHCLG has made no progress in improving the oversight of the supported housing sector.

7. PAC recommendation: MHCLG should implement the provisions of the Supported Housing (Regulatory Oversight) Act as quickly as possible, and provide an update on its progress in its Treasury Minute response.

7.1 The government agrees with the Committee's recommendation.

Target implementation date: Summer 2026

7.2 The government consulted on proposals to implement measures in the Supported Housing (Regulatory Oversight) Act 2023 (the Act) between 20 February and 15 May 2025. This was supplemented by stakeholder engagement with residents, sector bodies, providers and local authorities. MHCLG has analysed the responses and is preparing, with DWP, to issue a government response in Winter 2025-26. A New Burdens assessment will be completed for the set up of the licensing regime. The Act allows for licensing authorities to charge fees to administrate and enforce the licensing regime.

7.3 The government has taken a number of steps to begin to implement the reforms in the Act. Following the recruitment of members to the Supported Housing Advisory Panel, MHCLG is now, with panel members, in the process of appointing a Chair. To support the implementation of supported housing strategies, MHCLG will publish guidance in January 2026 drawing on lessons from the Supported Housing Improvement Programme and existing best practice.

Fifth Report of Session 2024-26

Department of Health and Social Care

NHS financial sustainability

Introduction from the Committee

The Department of Health and Social Care (DHSC) has overall responsibility for healthcare services in England, and for their financial management and sustainability. NHS England (NHSE) receives funding from DHSC to deliver health services and passes most of this funding to Integrated Care Boards (ICBs) which, in turn, plan and commission services from local NHS providers such as hospital trusts and GPs. In line with the NAO report and NHS terminology, we refer to Integrated Care Boards (ICBs) together with their constituent providers as ‘NHS systems’.

In 2022–23, the 42 NHS systems in England overspent by a combined total of £621 million. In 2023–24, their aggregated year-end deficit had more than doubled to £1.4 billion. This was despite the government providing £4.5 billion of additional funding during 2023–24 and NHSE underspending by £1.7 billion against its central budgets to offset deficits.

Relevant reports

- NAO report: [NHS Financial Management and Sustainability](#) – Session 2024-25 (HC 124)
- PAC report: [NHS financial sustainability](#) – Session 2023-24 (HC 350)
- [Treasury minute](#): (CP 1328) May 2025

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1328 above), the remaining recommendations are updated below.

1. PAC conclusion: Integrated Care Boards’ capacity to carry out thorough and timely financial planning is severely hampered by delays in NHSE issuing planning instructions and approving final budgets.

1. PAC recommendation: DHSC, NHSE and HMT should publicly commit to issue guidance and meaningful indicative budgets to systems no later than Christmas in future, and NHSE should approve ICB final budgets at least a month before the start of each financial year.

1.1 The government agrees with the Committee’s recommendation.

Recommendation implemented October 2025

1.2 The Department of Health and Social Care (DHSC) and NHS England (NHSE) worked closely to develop and publish the medium-term planning framework ahead of Christmas for the first time since 2023-24.

1.3 Following publication of the [10-Year Health Plan](#) and announcement of the multi-year financial settlement for the public sector as part of the [Spending Review 2025 \(SR25\)](#), the department developed a set of expectations for medium-term planning over 2026-27 and beyond; and issued a ‘medium-term planning framework’ to systems in the Autumn.

1.4 This has allowed Integrated Care Boards (ICBs) and providers more time to develop full plans before the start of the 2026-27 financial year.

2. PAC conclusion: *Despite having last published a plan in January 2019, and the major disruption caused by Covid to the NHS since, DHSC and NHSE are yet to recognise the scale of transformation needed to make the NHS financially sustainable. The Government's desire to publish a new 10- year plan is a golden opportunity to take significant decisions for the longer-term benefit of the nation's health and the sustainability of the NHS. Yet there seems a lack of readiness amongst senior health officials to take the radical steps needed.*

2a. PAC recommendation: *As they develop the ten-year plan, DHSC and NHSE must take a more planned and disciplined approach to ensuring that enough funding is allocated to those activities that can make the NHS fit for the future, particularly preventing ill health, community healthcare, and digital technology. They should measure, track and report what they spend in these areas, and what they are achieving, so Parliament and the public can assess progress over time, and should take actions to strengthen longer-term strategic financial planning.*

2.1 The government is considering this recommendation.

Target implementation date: to be advised

2.2 Since the Committee first made this recommendation, the department received its settlement from the Treasury for 2026-27 to 2028-29 in the second phase of Spending Review 2025. The Review prioritised health through record investment in health and social care, with NHS day-to-day spending rising by £29 billion in real terms (£53 billion nominal) by 2028-29 compared to 2023-24.

2.3 This will take the NHS resource budget to £226 billion by 2028-29, equivalent to 3.0% average annual real-terms growth. This uplift underpins the 10-Year Health Plan, which prioritises the three areas highlighted by the Committee – preventing ill health, community healthcare, and digital technology. The settlement enables investment over the next three years to support the NHS in delivering the shifts needed to be fit for the future.

2.4 The 10-Year Health Plan sets out changes to improve how the NHS serves patients but makes clear investment must come with reform to secure financial sustainability. The NHS has been set a target to deliver 2% year-on-year productivity gains for the next three years; once delivered, this will unlock £8.95 billion in annual efficiencies and return productivity to pre-pandemic levels by 2028-29.

2.5 The Performance Report within DHSC's 2024-25 Annual Report includes a summary of progress in social care, workforce issues, data transformation, digitisation, prevention activity, and delivery of key digital and technology programmes like the NHS App and AI. On the Committee's interest in monitoring spend, the department is still considering this recommendation as it takes forward the 10-Year Health Plan.

3. PAC conclusion: *NHSE displays a remarkable complacency about the realisation of future NHS productivity improvements, which, if achieved, would be unprecedented.*

3. PAC recommendation: *NHSE should set out in detail which specific actions and initiatives it expects to contribute to the unprecedented increase in productivity it has committed to, and by how much. This should include specific measures to address poor staff retention and sickness rates, which contribute to low productivity.*

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented December 2025

3.2 The NHS is working to recover lost productivity during Covid-19. The most recent data for Public Sector Productivity shows:

- NHS productivity continued to recover in 2022-23, improving 1.9% on 2021-22 (ONS).
- By the end of 2022-23, productivity was ~8% below 2019-20. NHSE data shows sustained improvement, with acute sector productivity rising 2.7% in 2024-25.

3.3 To further improve productivity, NHSE is focused on:

- Reforming outpatients through remote monitoring and patient-initiated follow-ups; expanding surgical hubs, the Getting It Right First Time (GIRFT) programme, best practice sharing, optimising referrals, Urgent and Emergency Care, training for 20,000 managers and clinicians to build capability.
- Improving retention, reducing sickness absence and temporary staffing. Agency spend fell from £3.5 billion (2022-23) to £2.1 billion (forecast 2024-25), with a further 30% cut for 2025-26. Leaver rates are improving. Priorities include the People Promise Staff Experience Framework, scaling the Exemplar Programme, early career support through the Newly Qualified Registrant Commitment and Preceptorship Quality Mark, better occupational health, and rollout of Wellbeing Hubs.
- Deploying Electronic Patient Records, expanding the NHS App, and using digital services to free staff time.
- Treating patients in less resource-intensive settings and avoiding admissions.
- Increasing uptake of biosimilar medicines with a £1 billion saving target by 2029.

3.4 The [Departmental Efficiency Plans](#) published at SR set out £17 billion of savings expected from the focus on improving NHS productivity over the next 3 years, and the [letter to the Committee](#) dated 29 April 2025 detail the programmes which will support this. NHSE is supporting systems to plan for productivity improvements from 2026-27, building capability and accountability.

4. PAC conclusion: In some cases, NHSE's payment mechanisms can mean that local systems do not receive financial recognition when they prioritise hard-to-reach patients

4. PAC recommendation: NHSE should review current payment systems and processes to ensure they incentivise local systems to work with those most in need of help.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

4.2 The principle of supporting those most in need is embedded in legislation. Integrated Care Boards (ICBs) - like Clinical Commission Groups before them - must have regard to reducing inequalities in both access to health services and outcomes achieved.

4.3 As set out in the department's initial response in May 2025, NHS funding allocations already account for deprivation and health inequalities. Areas with higher deprivation and premature mortality receive relatively more funding to reflect greater need and support activity such as outreach.

4.4 To ensure allocations reflect changing health needs, the Advisory Committee on Resource Allocation (ACRA) has been asked to consider the findings of the Chief Medical

Officer's reports and advise on how setting ICB allocations can better reduce health inequalities, ensuring resources are directed where most needed. DHSC expect ACRA's reviews to feed into allocations from 2027-28.

4.5 The 2025-26 NHS Payment Scheme, which sets the basis for reimbursing providers, makes clear that addressing health inequalities is a key priority. Commissioners and providers must consider how payment agreements could facilitate equitable access, excellent experience, and optimal outcomes for seldom-heard populations. Prices already differentiate between patients based on need, through consideration of complications and comorbidities, so providers treating those with the greatest need receive higher payment.

4.6 From 2026-27, the department will begin phasing out deficit support funding (worth £2.2 billion in 2025-26). This will enable greater support to areas of higher need. DHSC will also move individual local NHS systems closer to their fair share of funding, based on health need, unmet need, and health inequalities.

5. PAC conclusion: Given the constraints on public spending, it is highly likely that refocusing attention from sickness to prevention cannot be achieved without re-allocating existing NHS funds in the same direction.

5a. PAC recommendation:

- **DHSC, NHSE and HMT should define what counts as health prevention spending for the whole of government within the next six months, and track that spending annually, using 2024–25 as a baseline year.**

5.1 The government is considering this recommendation.

Target implementation date: to be advised

5.2 The Government's Health Mission sets out plans to shift the NHS's focus away from a model geared towards late diagnosis and treatment to one in which prevention is the priority, with more services being delivered in local communities. Neighbourhood health centres, for instance, will help to shift activity to the community, with prevention placed at the heart of the new NHS operating model to help reduce the time spent in ill-health and to prevent premature deaths. Prevention is therefore an essential theme within the 10-Year Health Plan, and the shift from sickness to prevention is integral to achieving the milestone of ending hospital backlogs.

5.3 With respect to defining prevention spend across government, the department's focus since the Committee made this recommendation has been on developing the 10-Year Health Plan and the policies to deliver prevention within it. The department does, however, recognise the value in defining prevention spend across government and will consider this recommendation as it takes forward delivery of the Plan.

5b. PAC recommendation:

- **DHSC and NHSE should set out the funding increases required for prevention...**

5.4 The government is considering this recommendation.

Target implementation date: to be advised

5.5 Prevention is an essential theme within the 10-Year Health Plan, and the shift from sickness to prevention is integral to achieving the milestone of ending hospital backlogs. Now the department has received its settlement from the Treasury and published the [10-Year Health Plan](#), it is considering how best to allocate funding to deliver on the commitments made

in the Plan whilst making sure local systems have the autonomy they need to target any such funding in ways that best meet the needs of their populations.

6. PAC conclusion: NHSE's long-held ambition to move more care from hospitals to the community has stalled.

6. PAC recommendation: NHSE should ensure that, year on year, a greater proportion of its funding is spent in the community, in line with its own policy ambition. Any review of Continuing Healthcare funding and the Better Care Fund, DHSC and NHSE should not make changes that will see these community-based funds redirected to hospitals.

6.1 The government agrees with this recommendation.

Recommendation implemented: November 2025

6.2 DHSC and NHSE will shift the pattern of health spending over the next three to four years, as set out in the 10-Year Health Plan.

6.3 Over the course of the plan, the share of expenditure on hospital care will fall, with proportionally greater investment in out-of-hospital care. Delivery on this shift in share of spend and investment will materialise as local areas build and expand their neighbourhood health services.

6.4 DHSC's plans for neighbourhood health services will bring care into local communities and transform access to General Practice, preventing unnecessary hospital admissions and helping the reintegration of healthcare into the social fabric of places.

6.5 Starting in 2026-27, DHSC will reform the Better Care Fund. This reform will focus on ensuring consistent joint NHS and local authority funding for those services that are essential for integrated health and social care, such as hospital discharge, intermediate care, rehabilitation, and reablement.

6.6 DHSC expects any review of Continuing Healthcare (CHC) would be undertaken in the context of the government's commitment to increase investment in community care and maximise the value for money patients and taxpayers get from CHC spend, as with all NHS-funded services.

Sixth Report of Session 2024-26

Department for Work and Pensions

DWP Customer Service and Accounts 2023-24

Introduction from the Committee

The Department for Work & Pensions (DWP) is responsible for the delivery of welfare, pensions and child maintenance policy. It administers working-age, retirement, disability and ill-health benefits to more than 23 million people across Great Britain. In 2023–24, it spent £268.5 billion on benefit payments plus £7.3 billion on running costs. The quality of service that DWP provides matters because claimants rely on the accurate and timely payment of the benefits to which they are entitled to avoid or mitigate financial hardship. Poor customer service can have a range of detrimental impacts, including frustration, distress and disruption for customers, and additional cost for DWP as it, for example, has to deal with repeated calls from customers chasing progress. Benefit payments may be incorrect due to deliberate fraud, either by individuals or by organised crime groups, or unintended error by claimants or by DWP or another part of government. The Comptroller & Auditor General (C&AG) has qualified his opinion on the regularity of DWP's accounts for the past 36 years due to the material level of fraud and error in benefit expenditure. State Pension is excluded from the qualification because it has a significantly lower level of fraud and error. DWP's approach to tackling fraud and error includes a range of initiatives, such as Targeted Case Reviews to verify around 8 million existing UC claims and machine learning techniques to help identify possible fraud.

Relevant reports

- NAO report: [DWP Customer Service](#) – Session 2024-25 (HC 127)
- NAO report: [Department for Work and Pensions Accounts 2023-24](#) – Session 2024-25 (HC 62)
- PAC report: [DWP Customer Service and Accounts 2023-24](#) – Session 2024-26 (HC 354)
- [Treasury Minutes](#): April 2025 (CP 1306)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1306 above), the remaining recommendation is updated below.

7. PAC conclusion: We remain concerned about the potential negative impact on protected groups and vulnerable customers of DWP's use of machine learning to identify potential fraud.

7. PAC recommendation: DWP should share with us – in confidence if necessary – the results of its 2024 fairness impact assessment in order to provide reassurance that its use of machine learning is not resulting in claimants being treated unfairly.

7.1 The government agrees with the Committee's recommendation.

Recommendation implemented: June 2025

7.2 Officials from the Department for Work and Pensions held an in confidence technical session with members from the Committee on 25 June 2025 to set out the 2024-25 Fairness Analysis Assessment and respond to scrutiny.

7.3 As committed at the Work and Pensions Select Committee (WPSC) on [29 January 2025 \(Q18\)](#), the department has developed a publishable form of Fairness Analysis

Assessment. The [Universal Credit Advances Model - Fairness Assessment](#) was published on 17 July 2025 setting out the analysis methods, safeguards and conclusions in a format suitable for public transparency.

7.4 The assessment concluded minimal concerns of discrimination or detrimental impact and confirms safeguards and governance are in place; the model will be re-trained as part of normal optimisation.

Seventh Report of Session 2024-26

Home Office

Asylum accommodation: Home Office acquisition of former HMP Northeye

Introduction from the Committee

The Home Office has responsibility for asylum and immigration policy in the UK. This includes supporting asylum seekers who would otherwise be destitute by providing financial support and accommodation while it determines their asylum claims. In 2023–24, the Home Office spent £4.7 billion on asylum support, including £3.1 billion on hotels. At the end of September 2024, the Home Office was providing accommodation for around 106,000 asylum seekers, including around 35,700 in hotels.

The previous government sought to reduce the use of hotels to accommodate asylum seekers by trying to procure accommodation in local areas, as well as by setting up large sites such as barges and disused military bases. As part of this policy, the Home Office made the decision to acquire the Northeye site in Bexhill-on-Sea and completed the purchase in September 2023 for around £15.4 million.

The Home Office now intends to transfer or sell the Northeye site as it is not suitable for asylum accommodation. It is also resetting its asylum accommodation strategy and plans to move away from using large sites to house asylum seekers in favour of smaller sites.

Relevant reports

- NAO report: [Investigation into the acquisition of the Northeye site for asylum accommodation](#) – Session 2024-25 (HC 361)
- PAC report: [Asylum accommodation: Home Office acquisition of former HMP Northeye](#) – Session 2024-26 (HC 361)
- [Treasury Minute](#): April 2025 (CP 1306)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1306 above), the remaining recommendation is updated below.

3. PAC conclusion: The Home Office failed to ensure it had sufficient capability to manage the commercial and property risks during its acquisition of the Northeye site.

3. PAC recommendation: The Home Office should, as part of its Treasury Minute response, set out: how many dedicated commercial and property staff it now has working in its asylum accommodation team (and how many it had at the time it purchased the Northeye site); their level of seniority and experience and/ or professional accreditation; and its further plans for strengthening its commercial capability.

3.1 The government agrees with this recommendation.

Recommendation implemented: November 2025

3.2 As part of wider changes to Senior Leadership structures within the Home Office, a new DG Chief Operating Officer (COO) has been appointed to strengthen the department's corporate functions. Within the COO Group, the commercial function is led by a new Chief

Commercial Officer, appointed in December 2024, bringing renewed senior focus and accountability to commercial services. Commercial capability has increased significantly, with new appointments including an additional senior civil servant Commercial Specialist specifically focused on management of asylum accommodation.

3.3 This Commercial Specialist now has two senior, plus three contingent, commercial experts who directly support the Asylum Accommodation Programme (AAP) to provide commercial advice. This represents an increase of three professionally qualified resources since Northeye was acquired.

3.4 In addition to these changes, a new Director General led Asylum Group has been created. Within the Asylum Group is the Asylum Accommodation Taskforce, which is a cross-Whitehall team focussed on delivering alternative forms of asylum accommodation to help meet the government's commitment to exit asylum hotels.

3.5 The Asylum Accommodation Taskforce has one dedicated Grade 6 Associate Commercial Specialist as well as two Grade 7s recruited through a Government Commercial Organisation wide expression of interest. The team is supported by 2.5 additional professional contingency staff whilst the department recruits a further four Grade 7s.

3.6 Finally, the Asylum Group also has wider expertise across Property, Facilities Management and Health, Safety and Compliance. The Property Team is formed of three Chartered Surveyors (MRICS); the lead Senior Civil Servant (SCS1) appointed to the Programme in September 2023 has 24 years of experience in commercial and government property transactions. Within their team are two G7 Chartered Surveyors deliver acquisitions and manage outsourced delivery partners. By comparison, at the time of the purchase of Northeye, a single G7 Chartered Surveyor had recently been recruited, with the acquisition led by outsourced contractors. The Facilities Management team is led by a G6 with CIWFM and RICS qualifications, and the Health and Safety Team is led by a G6 with CertOSH and AIFSM qualifications.

Eighth Report of Session 2024-26

Department for Energy Security and Net Zero and His Majesty's Treasury

Carbon Capture Usage and Storage

Introduction from the Committee

Carbon capture, usage and storage (CCUS) technologies capture carbon before it is released into the atmosphere and store it permanently underground. They can be applied to a range of industrial applications, such as power generation and cement production. The government sees CCUS as essential to the UK achieving net zero by 2050. Previous governments have attempted to launch CCUS in the UK twice before, but these projects were cancelled in 2011 and 2016. The current approach, launched in 2018, aims to establish CCUS in geographical clusters. The government set a target of capturing and storing 20–30 million tonnes of carbon per year by 2030. In December 2024, it concluded that this target was not achievable. It has not yet set revised goals.

The Department for Energy Security and Net Zero (the Department) is responsible for the CCUS Programme. In October 2021, it announced that the first two clusters to receive government support (Track 1) would be HyNet, covering Merseyside and North Wales, and the East Coast Cluster, covering Teesside and Humberside. HM Treasury announced up to £20.0 billion of funding in March 2023 to support the early deployment of CCUS. In October 2024 it increased the funding to £21.7 billion over 25 years to cover the first five projects. At the same time, the Department recognised contingent liabilities with a maximum value of £34 billion to cover the risks it is underwriting for the Programme. In December 2024, the Department announced it had signed contracts with the first two projects at East Coast Cluster which it expects to begin operations in 2028.

Relevant reports

- NAO report: [Carbon Capture, Usage and Storage programme](#) Session 2024-25 (HC 120)
- PAC report: [Carbon Capture, Usage and Storage](#) – Session 2024-26 (HC 351)
- [Treasury Minute](#): April 2025 (CP 1306)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1306 above), the remaining recommendations are updated below.

2. PAC conclusion: While the Department is taking steps to incentivise efficient delivery of the CCUS projects, it has not established mechanisms to make sure that taxpayers and consumers will benefit financially should the programme be successful.

2. PAC recommendation: For all future CCUS projects, the Department should introduce mechanisms to make sure taxpayers and consumers benefit financially from the success of the projects they have supported financially.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2026

2.2 The Department for Energy Security and Net Zero (the Department) continues to assess the affordability and value for money of government support for CCUS as part of key policy and decision-making processes to keep the United Kingdom on the least cost pathway to net zero. There is a balance between the risks and rewards associated with the business models the department has developed, and with any financial assistance provided to CCUS projects.

2.3 The department notes that in July 2025 the National Wealth Fund, announced its investment into the Peak Cluster. By investing alongside industry, supporting early development and providing critical financing for the Peak Cluster, the National Wealth Fund will remove some of the barriers for further private investment; support the development of the market and stimulate investment across the full value chain. The Fund's four investment principles are: supporting the government's growth and clean energy missions; investing in capital-intensive projects, businesses, or assets; ensuring a positive financial return; and attracting significant private capital over time.

2.4 Furthermore, the department is currently working very closely with the Acorn and Viking CCUS Clusters to identify how best to support them and achieve value for money for government and taxpayers and consumers, to mature and develop the clusters with the development funding announced within Spending Review 2025. This work includes evaluating co-investment from government to participate in financial upside, should it occur.

2.5 In parallel the department continues to evolve the business models that support CCUS projects following Financial Investment Decision being taken, and notes that a 'gainshare' mechanism has been included as part of the Dispatchable Power Agreement agreed with Net Zero Teesside which ensures that any excess profits are shared with consumers, thus reducing consumer-funded subsidies.

3. PAC conclusion: The Department and the Treasury have yet to assess the full financial impact of the CCUS Programme on taxpayers and consumers.

3. PAC recommendation: The Department and the Treasury should assess whether the full CCUS Programme will be affordable for taxpayers and consumers, given wider pressures on energy bills and costs of living.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: Summer 2025

3.2 The department continuously assesses the affordability and value for money of government support for CCUS as part of key policy and decision-making processes to keep the UK on the least cost pathway to net zero, including Carbon Budget Delivery Plans and through regular government Spending Reviews.

3.3 As with all major programmes, the CCUS Programme works with the Treasury to assess the benefits of deploying CCUS along with taxpayer affordability, energy bill and cost of living impacts of CCUS Programme.

3.4 The department undertook a rigorous assessment of the affordability and value for money of both clusters in line with the principles set out in the Treasury Green Book which was scrutinised by the Major Projects Review Group.

3.5 This was a detailed analysis that drew on commercial data relating to the projects as well as other sources of evidence, including market data and evidence relating to Optimism Bias, to estimate of the costs and benefits of the projects over their lifetime. The business case considered the costs and benefits to society as a whole as well as the impacts on specific groups such as billpayers and taxpayers.

3.6 Additionally, the Spending Review 2025 considered funding requirements of CCUS delivery (including taxpayers and billpayer implications) as part of the overall fiscal review. This resulted in allocating £9.4 billion in capital budgets at Spending Review 2025 to continue CCUS deployment during the Spending Review period.

4. PAC conclusion: The Department and the Treasury lack clarity on how they would take account of project underperformance and advances in scientific understanding as part of their ongoing assessment of the programme's future.

4b. PAC recommendation:... the Department and the Treasury should also make sure any future support for Bioenergy with Carbon Capture and Storage (BECCS) is accompanied by monitoring arrangements that provide real assurance that industry is meeting sustainability criteria.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented Summer 2025

4.2 In 2024 the government commissioned the British Standards Institution to develop methodologies that define the requirements and procedures for the quantification, monitoring, reporting and verification of BECCS projects, based on latest best practice and scientific evidence. A robust BECCS Standard will be crucial to preserve the integrity of any market for negative Greenhouse Gas emissions and instil public and investor confidence that removals are genuine and verifiable. Government supported BECCS projects shall be required to comply with the British Standards Institution methodologies, which will include biomass sustainability criteria that should align with the common biomass sustainability framework. The government intends to publish its consultation on the development of a common biomass sustainability framework in December 2025 to ensure greater consistency between sectors and strengthen the criteria in line with latest evidence.

4.3 In February 2025 the government commissioned an independent Review of Greenhouse Gas Removals to look into the options for GGR technologies to support climate ambitions. The final report was published on 23 October 2025. The government will consider the recommendations, including those relevant to the use of biomass, and respond in due course.

6. PAC conclusion: The Department has downgraded its ambitions for the CCUS Programme, stating that the original 2030 ambitions are no longer achievable.

6a. PAC recommendation: The Department should set out, as a matter of urgency, new targets for how much carbon it intends to capture through its CCUS Programme and by when and make clear how it will make up the shortfall created in its overall net zero pathway.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

6.2 CCUS continues to have a critical role to play in this government's mission to make the UK a clean energy superpower, by supporting energy security and delivering net zero. The scale of the challenge the government faces to reach net zero means it needs to invest in multiple technologies in different sectors of the economy. That is why this government is actively investing and driving forward decarbonisation across all sectors, in addition to its commitment to CCUS.

6.3 In October 2025, DESNZ published the [Carbon Budgets and Growth Delivery Plan](#) (CBGDP) which set out government's approach to meeting Carbon Budgets. The plan outlined the policies and proposals that the Secretary of State considered will enable Carbon Budgets 4 to 6 and contribute to the UK's Nationally Determined Contributions, on the pathway to net zero by 2050. This included setting out a role for CCUS in delivering these targets, alongside other technologies, by supporting the decarbonisation of the power, industry, and fuel supply sectors, and facilitating negative emissions through engineered Greenhouse Gas Removals. The package of policies and proposals, including CCUS, will continue to evolve in light of changing circumstances.

6.4 Carbon Budget 7 (CB7) will be set next year, and the government will publish further information on the role of CCUS in achieving CB7 in due course.

6.5 The department continues to engage with projects, and through this, we will continue to explore additional CCUS capacity at existing and new sites that could be operational to contribute to the pathway to net zero, to deliver the efficient level of CCUS that meets our evolving needs. Further CCUS deployment is dependent on decisions at future Spending Reviews.

6b. PAC recommendation: The Department should consider how it will monitor and report on the performance of CCUS projects in relation to the amount of net carbon captured.

6.6 The government agrees with the Committee's recommendation.

Target implementation date: March 2029

6.7 The monitoring and reporting on the performance of CCUS projects in relation to the amount of net carbon captured will commence when the CCUS networks begin operations.

6.8 The government has built in obligations on the Transport & Storage Companies and capture projects to report carbon capture, storage and flow rates from the start of the operations. Capture projects will regularly report rates of carbon capture to the Low Carbon Contracts Company. Transport & Storage Companies will report storage site performance, including any leakage or venting of carbon dioxide, to both the Economic Regulator and North Sea Transition Authority as a condition of the Economic Licence and Storage Permit respectively.

6.9 Both the Transport & Storage Companies and capture projects will be required to report any leakages or venting to the relevant UK Emissions Trading Scheme regulator.

6.10 The department has established a Cluster Sponsor Function to maintain a cluster-wide perspective of the performance of CCUS projects throughout their lifespan, including net carbon captured and stored. It has established data sharing and ways of working agreements with the economic regulator, Low Carbon Contracts Company and relevant regulators to ensure it has access to carbon capture data reported via the economic licence, CCUS contracts, storage permits and other regulatory obligations.

Ninth Report of Session 2024-26

HM Revenue and Customs

Tax evasion in the retail sector

Introduction from the Committee

Tax evasion occurs where taxpayers deliberately omit or falsify information in tax returns to reduce their tax liability. As well as resulting in lost revenue, it can also prevent a level playing field between businesses, by giving evaders an unfair competitive advantage. HMRC estimates that tax evasion cost £5.5 billion in lost revenue in 2022–23 and is most prevalent among small businesses. Tax evasion can take different forms and motivations can vary, from businesses struggling with financial pressures to wilful and persistent evasion. In the retail sector tax evasion can include, for example, overseas sellers evading VAT through online marketplaces, businesses understating sales figures, or companies artificially declaring themselves insolvent and setting up a new company to continue the same business debt-free (known as “phoenixism”).

HMRC is responsible for tackling tax evasion for the taxes it administers, and it must work with other public bodies to do so. This includes Companies House (responsible for company registrations) and the Insolvency Service (responsible for enforcement relating to director disqualifications and corporate abuse).

Relevant reports

- NAO report: [Tackling tax evasion in high street and online retail](#) – Session 2024-25 (HC 229)
- PAC report: [Tax evasion in the retail sector](#) – Session 2024-26 (HC 355)
- [Treasury Minute](#): April 2025 (CP 1306)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1306 above), the remaining recommendations are updated below.

1. PAC conclusion: We are concerned that HMRC is not sufficiently curious about the true scale of tax evasion.

1a. PAC recommendation: HMRC should assess why the additional tax it now collects from online marketplaces is five times greater than it predicted. In particular, how much is due to underestimating the scale of evasion, how much is due to higher sales, and how much is due to policy change. Using this assessment, it should write to the Committee within six months with its findings, including a revision of its estimate of the amount of tax lost from VAT evasion by online retailers on online marketplaces, and any wider implications for its estimates of the tax gap.

1.1 The government agrees with the Committee’s recommendation.

Recommendation implemented: September 2025

1.2 HM Revenue & Customs [wrote to the Committee](#) on 30 September 2025 to provide a full response for this recommendation.

1b. PAC recommendation: HMRC should ensure it works with Companies House and the Insolvency Service to understand how the amount of corporate fraud affects the tax gap. It should lay out how it plans to do this in its Treasury Minute Response to the Committee.

1.3 The government agrees with the Committee's recommendation.

Target implementation date: September 2026

1.4 HMRC, Companies House and the Insolvency Service remain committed to strengthening the departments' collective ability to detect and prevent corporate fraud and tackle the tax gap.

1.5 On 30 September 2025 HMRC [wrote to the Committee](#) to provide a full response for this recommendation, outlining the plans and framework for sharing threat assessments, data and intelligence across all three departments. HMRC, Companies House and the Insolvency Service will continue to make progress and will provide the Committee with a further update as part of the next progress report.

2. PAC conclusion: Despite significant lost revenue, HMRC does not have a clear objective or strategy to tackle tax evasion.

2a. PAC recommendation: In its Treasury Minute response, HMRC should set out clearly what its aims are for tackling deliberate non-compliance, including tax evasion, and by how much it is seeking to reduce this by the end of this Parliament.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: Autumn 2025

2.2 HMRC set out its overarching aims for tackling deliberate non-compliance in its initial response to the Committee in April 2025.

2.3 Closing the tax gap is one of three ministerial priorities for HMRC.

2.4 The government is committed to measures which will raise over £7.5 billion additional tax revenue (ATR) per year by 2029 to 2030. In addition to measures at Budget 2024, measures announced at Spring Statement 2025 included investing in HMRC's workforce.

2.5 HMRC is on track to recruit a further 1,000 compliance officers this year, bringing the total compliance officer growth since July 2024 to 5,500 by 2029-30.

2.6 [HMRC Transformation Roadmap](#) (published in July 2025) further reinforces the government's commitment to tackling deliberate non-compliance. The roadmap sets out plans to transform the tax and customs systems over the spending review period and our longer-term ambitions. This includes addressing non-compliance where it occurs, through greater use of third-party data and improved analytical capabilities which will help HMRC to spot and act when businesses are deliberately breaking the rules.

2b. PAC recommendation: HMRC should establish a clear strategy for tackling tax evasion and deliberate non-compliance, in which it makes clear its future ambitions with specific, measurable and timetabled objectives. In doing this, HMRC should consider including how it plans to make use of its existing enforcement tools and introduce clear goals for how it will prosecute tax evaders.

2.7 The government agrees with the Committee's recommendation.

Target implementation date: March 2026

2.8 Building on HMRC's "Prevent, Promote, Respond" compliance strategy, the department is developing its strategic approach to managing evasion and deliberate non-compliance. That strategic approach is using an insight-driven methodology to identify and prioritise specific compliance risks, understand what is driving them, map existing controls and develop new ones.

2.9 HMRC is focused on introducing controls to drive compliance upstream - supporting businesses to get their tax right first time. This includes measures preventing non-compliance (eg Making Tax Digital); promoting compliance (eg announcements at Autumn Budget 2024 to modernise and mandate the registration of tax practitioners interacting with HMRC.)

2.10 For 'respond' activity, the department is bolstering its capacity for civil and criminal investigations, recruiting and training an additional 5,500 compliance officers over the course of the Parliament and expanding our counter-fraud capability to increase the number of annual charging decisions for the most harmful fraud by 20%, compared to current levels, from 500 to 600 per year by 2030.

2.11 HMRC actively supports joint enforcement operations, such as Operation Machine, led by the National Crime Agency, targeting non-compliance in high-risk, cash-intensive businesses on the high street. HMRC are committed to continuing this work. HMRC is leading the co-ordination of the first cross-government risk assessment to establish a definitive view of key risks across the high street, aiming to inform and drive a more impactful collective response.

2.12 HMRC's [Transformation Roadmap](#), published in July 2025, sets out the lead and supporting metrics used to monitor performance against its commitment to close the tax gap. Progress will be reported in the department's Annual Report and Accounts.

3. PAC conclusion: HMRC, Companies House and the Insolvency Service have failed to work collaboratively, missing opportunities to increase the tax take.

3. PAC recommendation: HMRC, Companies House and the Insolvency Service should develop a plan for more effective joint working and write to the Committee within six months with further details. This should include:

- **clear roles and responsibilities for tackling fraudulent registrations, corporate abuse and contrived insolvencies.**
- **clear objectives on tackling these threats.**
- **an assessment of how local and shared controls can be strengthened between them and operated most cost-effectively; and**
- **a more ambitious timeframe for introducing a joint registration process, given there is significant benefit to this.**

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

3.2 In line with the Committee's recommendation, on 30 September HMRC [wrote to the Committee](#) outlining the departments' progress on implementing a consistent identity verification and authentication (IDV&A) registration process and implementing fully tagged financial accounts in iXBRL to enable better targeting of risk by HMRC and Companies House.

3.3 The letter also included an update on the enhanced framework for sharing risk intelligence and data across HMRC, Companies House and Insolvency Service, and the changes that will help prevent, detect and penalise rogue directors who abuse insolvency processes.

4. PAC conclusion: The planned reforms to the role of Companies House leave huge gaps and it is still too easy to register companies fraudulently.

4. PAC recommendation: Companies House should work with the Department for Business and Trade, and other relevant parts of government, to urgently set out the case for increased powers to verify new and existing company addresses, and develop implementation plans so checks can be in place as soon as possible if legislation is enacted.

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: May 2026

Original target implementation date: November 2025

4.2 Please note that the previous implementation date has been updated from November 2025 to May 2026 to reflect ongoing progress in the development of the recommendation. The implementation date refers to when Department for Business and Trade will further update the Committee and not the timeline for implementing any future address verification measures.

4.3 Accurate address data increases trust in the Company register, supports business confidence, helps HMRC in tax recovery and reduces the burdens that address fraud and misuse place on legitimate businesses and individuals.

4.4 Companies House has taken significant action to enhance address accuracy and combat misuse, empowered by the Economic Crime and Corporate Transparency Act 2023. From March 2024 to August 2025, over 113,300 fraudulent or misused registered office addresses were removed from the register and replaced with default addresses, and refused more than 21,700 suspicious filings, protecting those whose details were used without permission.

4.5 In addition, Companies House has piloted targeted address verification measures, such as blocking incorporations at addresses known for frequent misuse, supported by a new power to strike off companies that do not update their registered office from a default address, and validating addresses automatically using Royal Mail data. Manual checks are conducted on flagged addresses, and an AI-powered model tested to identify patterns of misuse, with early results showing 85% accuracy in predicting suspect addresses at incorporation. Despite these advances, challenges remain in ensuring all addresses are valid and properly linked to corporate entities.

4.6 The government's long-term ambition is introducing address verification in a proportionate, effective way that minimises impact on legitimate businesses. Companies House is conducting discovery work in collaboration with the Home Office Accelerated Capability Environment (ACE) to identify innovative sustainable solutions. This could include using AI and related technologies. Companies House and the Department for Business and Trade are also engaging with international partners to learn from practices in other jurisdictions.

4.7 A further update will be provided to the Committee in May 2026, detailing additional progress made and options for longer-term reform, while Companies House continue to expand its activity in this space.

5. PAC conclusion: HMRC's VAT registrations processes are far too open to abuse, and it is not exploring options to tighten controls sufficiently.

5a. PAC recommendation: HMRC should strengthen its VAT registration controls, including by checking more addresses and stopping demands for unpaid tax going to innocent citizens who are unconnected with companies using their addresses, and working with online marketplaces to share information and intelligence effectively. It should write to the Committee in six months to explain how it has done this.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

5.2 In line with the Committee's request, HMRC [wrote to the Committee](#) on 30 September 2025 providing an update.

5.3 A final update will be provided upon implementation of the recommendation.

5b. PAC recommendation: HMRC should, in its Treasury Minute response, set out its plans to explore the costs and benefits of transaction-based reporting and other controls used in other countries.

5.4 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

5.5 HMRC continues to engage with international counterparts to share approaches and evidence through bilateral and multilateral relationships. Through this, HMRC will explore the viability and effectiveness of additional controls which could reduce the risk posed by tax evasion, recognising the unique context of different countries, which means others' solutions aren't always relevant or transferable to the United Kingdom.

5.6 In line with the OECD's Tax Administration 3.0 vision, HMRC is considering how existing and emerging technologies could support more effortless and compliant models of taxation, where reporting and collection happen in real-time or close to real-time through customer and third-party systems.

5.7 Alongside wider engagement with business and industry, HMRC and the Department of Business and Trade (DBT) published a joint consultation earlier this year: "[Promoting e-invoicing across UK businesses and the public sector](#)". This ran from 13 February 2025 to 7 May 2025 and examined views on a range of models, including options for real-time reporting.

5.8 The evidence gathered through consultation and engagement is contributing to future policy design and will support ministerial decision-making. HMRC and DBT have reviewed and analysed the public consultation responses to publish a Summary of Response and proposals for next steps in due course.

6. PAC conclusion: HMRC and the Insolvency Service are not tackling tax evaders or rogue directors sufficiently, particularly for phoenixism.

6. PAC recommendation: HMRC and the Insolvency Service should write to the Committee within six months with a plan to bear down on tax evaders and rogue directors who flout insolvency rules. This plan should include details of:

- *how both organisations will increase prosecutions and disqualifications.*
- *how they will better publicise cases of successful prosecutions and disqualifications;*
- *how they will report on their performance and ensure they are measuring the deterrent effect of their responsive work.*

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

6.2 HMRC, Companies House and the Insolvency Service are committed to increasing collaborative working to tackle rogue directors and phoenixism.

6.3 In line with the Committee's recommendation, HMRC [wrote to the Committee](#) on 30 September 2025 outlining progress on enhancing cross government work to tackle rogue directors who abuse the insolvency regime to evade tax. HMRC, Companies House and the Insolvency Service have agreed a shared definition of abusive phoenixism and a joint action plan is in place. This includes closing loopholes in company registration and dissolution processes and increasing HMRC's compliance impact through targeted enforcement and use of powers such as securities. Increases in the volume and quality of cross departmental intelligence referrals will improve enforcement action, including director disqualifications and prosecutions.

Tenth Report of Session 2024-26

Department for Transport

HS2: Update following the Northern leg cancellation

Introduction from the Committee

The High Speed Two (HS2) programme aimed to construct a high-speed, high-capacity railway between London and Manchester via Birmingham. Phase 1 (London to Birmingham) was most advanced of the stages, with that section of the railway under construction. The Department for Transport (the department) is the programme's sponsor, responsible for funding and overseeing delivery. High Speed Two Limited (HS2 Ltd), an arm's-length body of the department, is responsible for delivering an operational railway.

In October 2023, the then government announced significant changes to the HS2 programme. The government stated that Phase 1 would still be completed. However, all further stages of the programme would be cancelled (all sections of Phase 2) and that the HS2 station at London Euston would be smaller, with construction funded by private investment.

Prior to the announcement, the department expected Phase 1 to cost between £45 billion and £54 billion (in 2019 prices), against a funding envelope of £44.6 billion. HS2 Ltd's latest estimate in June 2024 is £54 billion to £66 billion, although the department reports that it does not consider this estimate reliable.

Following the October 2023 announcement, the department and HS2 Ltd began work to understand the implications for the programme. This work included revising the scope of Phase 1, identifying how HS2 Ltd would close down Phase 2, and establishing how the department would fund and deliver the HS2 station at Euston.

Relevant reports

- NAO report: [HS2: update following cancellation of Phase 2](#) – Session 2024-25 (HC 128)
- PAC report: [HS2: Update following the Northern leg cancellation](#) – Session 2024-26 (HC 357)
- [Treasury Minute](#): May 2025 (CP 1328)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1328 above), the remaining recommendations are updated below.

1. PAC conclusion: The Department and HS2 Ltd share responsibility for repeated failures on the HS2 programme, which now needs a fundamental reset.

1. PAC recommendation:

- **The Department and HS2 Ltd should write to the committee before the 2025 summer recess, setting out the key components of how they are undertaking the reset of the programme, including the actions, milestones and outcomes.**
- **The Department should write to the committee before the 2025 summer recess, setting out what changes it will make to substantively improve its oversight and financial control of the programme and report regularly to this Committee on the effectiveness of these measures.**

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

1.2 In its [six-monthly HS2 report to Parliament](#) of 17 July 2025, and in its [letter to the Committee](#) of 22 July 2025, the Department for Transport set out the key components of the HS2 reset and outlined the steps taken to improve oversight and financial control. Further updates will be provided through the department's future six-monthly reports.

2. PAC conclusion: The Department and HS2 Ltd's failure to work together effectively is starkly illustrated by them not being able to agree how much HS2 will cost.

2. PAC recommendation: Alongside its Treasury Minute response, the Department should write to the committee, setting out details of the agreed cost estimate methodology. The Department should also include in its next six-monthly update to Parliament when it will update programme costs into current prices and how frequently it will do this in the future.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

2.2 The Secretary of State for Transport commissioned the CEO of HS2 Ltd to undertake a comprehensive review of the programme, including HS2's current cost position and the capability and culture of HS2 Ltd, and to make recommendations to inform the programme reset.

2.3 The department is working closely with HS2 Ltd, accompanied by the National Infrastructure and Service Transformation Authority (NISTA), the Treasury and external expert advice, to refine the cost estimating methodology. This will be deployed in producing cost and schedule estimate ranges and a refreshed programme baseline. The department [wrote to the Committee](#) on 15 May 2025 setting out details of the cost estimating approach. Robust cost estimation and controls will be fully implemented as part of the programme reset to manage a reliable life-cycle cost.

2.4 The department will provide a further update to inform the Committee at the earliest opportunity, providing additional further details on the agreed approach to cost estimation methodology in relation to the cost and schedule ranges.

2.5 In its [HS2 report to Parliament](#) of July 2025, the department reported historic programme expenditure from 2019 prices to nominal prices. While work advances to reset the programme and establish a new baseline, the department intends to uplift the price base for HS2 Ltd's regularised programme reporting in 2026-27 – from 2019 prices to a more up-to-date price base – and will consider how often the price base should be uplifted until the end of the programme. The revised cost ranges will be published in current prices and 2019 prices to enable comparison against previous estimates.

4. PAC conclusion: HS2 Ltd's efforts to reduce the environmental impact of HS2 are not delivering value for money, with the c.£100 million cost of a protective 'bat tunnel' more than doubling the cost of that section of railway alone.

4. PAC recommendation: In its letter to us before the 2025 summer recess, the Department should set out how it will work with the Department for Environment, Food and Rural Affairs to assess what impact the new nature restoration fund would have had on the section of the line where the bat tunnel is, and use that case study to help refine the operation of the fund.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

4.2 The department implemented the recommendation and wrote to the Committee in its [letter dated 22 July 2025](#) setting out how it will work with the Department for Environment, Food and Rural Affairs to assess this issue.

4.3 The Planning and Infrastructure Bill, which includes proposals for a Nature Restoration Fund and Environmental Delivery Plans which are core to this issue, continues its passage through Parliament.

4.4 Once the measures are confirmed following Royal Assent, and it is understood how they will operate in practice, the department will provide a further update to the Committee.

4.5 The department continues to work with the Department for Environment, Food and Rural Affairs on these matters in the meantime.

5. PAC conclusion: The Department and HS2 Ltd do not have the skills and capabilities need to successfully deliver the programme.

5. PAC recommendation: The Department should, alongside the reset of the programme, set out how gaps in skills and capabilities, such as in leadership and other key areas, will be addressed to secure the successful delivery of HS2. This should include the performance measures or indicators that leaders will be reviewed against.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2026

5.2 The new CEO of HS2 Ltd started in post in December 2024 and has commenced a comprehensive change programme to reshape the organisation, ensuring it has the skills and capabilities needed to deliver HS2. The reset is expected to conclude in 2026. As part of the this reset, the department is also currently reviewing its sponsorship approach and capability.

5.3 The CEO made some early changes to the executive leadership team, including appointing a new Chief Commercial Officer and Chief Transformation Officer to bolster leadership capability. In parallel, HS2 Ltd and the department are progressing work through the reset to assure HS2 Ltd has the right structures, skills and capabilities in place.

5.4 A new HS2 Ltd Chair started in post in July 2025 and has been tasked with reviewing the capability and effectiveness of the HS2 Ltd board. Working closely with the Chair, the department has successfully concluded a recruitment exercise to strengthen board capability, with new non-executive directors starting in post as soon as possible.

5.5 Key performance indicators for HS2 Ltd for 2025-26 were agreed by Ministers in July 2025 and performance against these will be published in HS2 Ltd's Annual Report and Accounts. HS2 Ltd has also introduced a new performance-related pay scheme to incentivise its most senior leaders, directly linked to HS2 delivery to time and budget, overseen by the HS2 Ltd's People Committee, on which the department sits as an observer.

6. PAC conclusion: The Department's plans for Euston carry huge risks given the uncertainties about its scope, cost, funding schedule and delivery model.

6. PAC recommendation: The Department should include in the six-monthly update to Parliament an update on its progress on Euston, including progress in establishing a delivery model and private financing for the works; how it is managing risks; and latest figures for both the spend to date and total cost estimate.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Summer 2026

Original target implementation date: Summer 2025

6.2 The department continue to make steady progress in respect of both the new delivery model and private finance plans for Euston, which has been signposted in the [10-Year Infrastructure Strategy](#) published in June 2025. This includes establishing the Euston Delivery Company and exploring the use of a public-private partnership to design, build, finance and maintain the HS2 station, along with a tax increment financing-style mechanism to capture local development value. Further updates on this will be provided to the Committee in future.

6.3 Work also continues on the development of an alternative, more affordable design and layout for Euston. Learning from previous experience, the department is taking time to develop, refine and test these developing proposals prior to their adoption. Further detail on the emerging plans will be shared as they are matured, in particular following the establishment of the Euston Delivery Company, which will be the single point of accountability for integrating design and delivery. For this reason, as well as work being conducted as part of the HS2 reset, the implementation date for this recommendation has been revised by 12 months since the last update to the Committee.

6.4 The most recent [HS2 report to Parliament](#), published in July 2025, included updates on delivery model, private financing and risk management. The department will provide further updates in future reports.

7. PAC conclusion: Things are moving too slowly on making decisions on the disposal of land and property purchased as part of the programme.

7. PAC recommendation:

a) HS2 Ltd should carry out as soon as possible an assessment of residential property to identify what is surplus to requirements and give former owners the right to buy it back. It should report back to the Committee the results of the assessment and report regularly on progress in returning the property to former owners.

b) The Department should also include in its six-monthly update to Parliament:

- the timetable for both decision-making regarding all property no longer needed and their disposal.**
- its approach to addressing future West Coast Main Line capacity issues and rail connectivity in the North.**

7.1 The government agrees with the Committee's recommendation.

Revised target implementation date: Spring 2026

Original target implementation date: Summer 2025

7.2 The department's [HS2 report to Parliament](#) of July 2025 announced a programme to sell surplus property on the former eastern leg of Phase 2b where safeguarding has been lifted. This will start with around 550 properties between Birmingham and Leeds. The revised implementation date reflects the dependency on lifting safeguarding on the former eastern leg and changes to the procurement route. The department has started procuring a specialist agent to lead this programme. The procurement will be completed by December 2025. A disposal strategy will then be developed and include the process of offering property purchased under statutory blight back to former owners, or their successors. It will take time to complete this process. Sales on the open market are expected to begin in 2026 for properties not subject to the offer back process. To achieve value for money, all properties will be sold at market value. Wherever possible, the department will look to place properties on the market when tenancies come to an end, though there may be occasions where tenancies will need to be terminated earlier.

7.3 While this addresses part of the Committee's recommendation, the department needs more time to provide clarity on the former western leg of Phase 2b (between Crewe and Manchester) as safeguarding remains in place and will be amended in line with forthcoming decisions on Northern Powerhouse Rail; therefore, the department informed the Committee in its [letter of 7 July 2025](#) that it would not be able to meet the original summer 2025 target. The department is also continuing to review potential requirements for new infrastructure north of Birmingham to address capacity issues on the West Coast Main Line.

8. PAC conclusion: Over the last decade the Department and HS2 Ltd have repeatedly said they are learning lessons but there is little evidence that lessons have been applied effectively and mistakes avoided.

8. PAC recommendation: Alongside its Treasury Minutes response, the Department should write to the committee setting out the key lesson they have drawn and then in its six-monthly update, explain how those lessons have been put in practice.

8.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

8.2 The [Major Transport Projects Governance and Assurance Review](#), independently led by transport consultant James Stewart and published in June 2025, makes important recommendations for HS2 and the wider government. In its [letter to the Committee](#) of 15 May 2025 and in its [HS2 report to Parliament](#) of July 2025, the department summarised the key lessons from the programme and how these lessons will be applied.

8.3 The department is actively implementing the review's recommendations relating to HS2 through the reset programme. The department has also initiated a programme of work to ensure that the review's findings are applied to all its current and future major projects. This includes building on its on-going project delivery change programme in collaboration with NISTA and its delivery partners to address the system-wide challenges identified by James Stewart, as well as ensuring the learning is disseminated widely.

8.4 Further updates on the implementation of HS2-specific recommendations will be provided in the department's future six-monthly reports to Parliament.

Twelfth Report of Session 2024-26

Ministry of Justice

Crown Court backlogs

Introduction from the Committee

The Ministry of Justice (MoJ) is accountable to Parliament for the effective functioning of much of the justice system, including courts and prisons. HM Courts & Tribunals Service (HMCTS) is an executive agency of MoJ and is responsible for supporting the independent judiciary in the administration of courts and tribunals in England and Wales, and non-devolved tribunals in Scotland and Northern Ireland. Over 90% of criminal cases are dealt with in magistrates' courts, with more serious and complex cases transferring to the Crown Court.

In the October 2021 Spending Review, MoJ set a public ambition to reduce the Crown Court backlog in England and Wales from 60,000 (as it was then) to 53,000 by March 2025, securing £477 million over 2022–23 to 2024–25 to support the criminal justice system's post-pandemic recovery (including reducing the backlog). In March 2022, the previous Public Accounts Committee published its report on reducing the backlog in the criminal courts, at a time when the backlog was already a significant problem. While the backlog in magistrates' courts has abated since then, the backlog in the Crown Court has reached its highest ever level, with 73,105 outstanding cases at 30 September 2024.

Relevant reports

- NAO report: [Reducing the backlog in the Crown Court](#) – Session 2024-25 (HC 634)
- PAC report: [Crown Court backlogs](#) – Session 2024-26 (HC 348)
- [Treasury Minute](#): May 2025 (CP 1328)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1328 above), the remaining recommendations are updated below.

1. PAC conclusion: We are concerned that the Ministry of Justice (MoJ) has simply accepted that the backlog, already excessively high, will continue to grow and that it will now wait for the results of the Leveson Review before starting to plan the fundamental changes it knows are needed to bring the backlog down.

1b. PAC recommendation: Alongside this, MoJ should rapidly investigate options for how it might implement the reforms that the Leveson Review is considering, so that it can move to implementation swiftly upon the review's conclusion.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

1.2 Sir Brian Leveson published [Part one of his report](#) on 9 July 2025, setting out proposals for long-term criminal court reform. The Deputy Prime Minister is carefully considering the report and, where necessary, legislation will be introduced when parliamentary time allows to progress court reform.

1.3 The Ministry of Justice (MoJ) is developing implementation plans for criminal court reform. In July 2025, MoJ stood up an internal programme to oversee implementation planning, followed by the establishment of an HMCTS change programme in September.

1.4 Relevant partners across the criminal justice system are engaged to ensure any reform is both operationally viable and complementary to other ongoing or planned work, such as the Sentencing Bill. A senior level implementation group, Criminal Court Oversight and Reform Taskforce (CCORT), was established in August 2025, supported by the Criminal Court Reform Programme to prepare for operational implementation across the criminal justice system.

2. PAC conclusion: Long waits for cases to start, delays and the often–last–minute postponement of cases all have a significant impact on the victims of crime, particularly for victims of Rape and Serious Sexual Offences (RASSO) and violent crimes, seriously disrupting their lives, inflicting additional distress on people who have already experienced terrible trauma, and leading many to withdraw from cases.

2a. PAC recommendation: MoJ, working with the judiciary, should try hard to reduce the number of hearings in cases of serious sexual and violent offences that are delayed or postponed on the day scheduled, as it is such circumstances that distress victims the most.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: September 2026

2.2 Receipts into the Crown Court continue to rise which increases the caseload, including of serious sexual and violent cases. Nonetheless, the focus on prioritising the most sensitive cases within that backlog remains. While the vacated and ineffective trials rates across the Crown Court remain high relative to historical levels, the respective rates for sexual offences remain consistently lower than the levels for all offence types. Similarly, the effective trial rate for sexual offence cases is higher than that for all Crown Court trial cases. This demonstrates clear prioritisation in listing decisions made in individual cases – and listing is of course ultimately a judicial responsibility and function. The role of the Ministry (and in particular of HMCTS) is to support and facilitate that function (including around prioritisation decisions made) to best effect.

2.3 The systemic prioritisation of this key cohort of the Crown Court trial load reflects clear and now embedded guidance in place from the Senior Presiding Judge to list serious sex cases as fixtures, working with counsels' availability to maximise the chance of the trial being effective once reached.

2.4 The department recognises that this is not enough. Trial ineffectiveness remains too high, overall and specifically in respect of cases involving serious sexual and violent offences. The work the department is doing with the judiciary to improve the effectiveness, consistency and predictability of listing across the Crown Court should aid further improvement. The department awaits the further recommendations from Sir Brian Leveson's Independent Review of the Criminal Courts, to drive improvement across the wider system.

4. PAC conclusion: The remand population is at its highest number for 50 years, and the length of time some defendants on remand wait for their cases to be heard is disrupting their lives and their families' lives and adding to prison overcrowding.

4a. PAC recommendation: MoJ, led by the Lord Chancellor, should urgently discuss with the Lady Chief Justice how to reduce remand numbers to the 2019 level, which would free up 8,000 vitally needed prison places.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

4.2 The department has published the [Independent Sentencing Review](#), accepted most of the recommendations and laid legislation before Parliament that will reform remand as part of a broader reform agenda. The Sentencing Bill, currently going through Parliament, includes amendments to the Bail Act which will ensure less people are remanded into custody when there is no real prospect of an immediate custodial sentence. The amendments also include adding to the list of statutory factors for courts to consider when deciding whether to grant bail. More information on these amendments can be found at paragraph 4.7 below.

4.3 In addition, the department has published the first part of Sir Brian Leveson's [review of Criminal Courts](#). The government is currently considering its response to part one.

4.4 The Lord Chancellor meets regularly with the Lady Chief Justice to discuss matters affecting the justice system. Although not convention to make public the nature of their discussions, the Lady Chief Justice has publicly acknowledged the issue of court backlogs. To address the backlogs in the criminal courts, MoJ has recently announced an increase in the number of sitting days in the Crown Court which now stands at 111,250.

4b. PAC recommendation: MoJ and HMCTS should gather and publish more granular data on the remand population, to show how long people are spending on remand and how this population is changing, to better understand the impact long waits have on defendants and the outcomes of their cases, and to inform the development of services that better support those on remand and their families.

4.5 The government agrees with the Committee's recommendation.

Target implementation date: April 2027

4.6 MoJ is currently exploring several initiatives to address the question of time spent on remand. Currently, remand analysis has been explored on a linked CJS dataset, which suggested this data could be useful to fill this evidence gap. This analysis was repeated in Autumn 2025. Based on the current proposals, the MoJ anticipate being able to develop improved insight on time spent on remand by the end of March 2026. Any further work to understand the impact and outcomes of this will take additional time beyond that date. Once this data development is complete, MoJ will aim to include them in a relevant publication by April 2027.

4c. PAC recommendation: MoJ and HMCTS should urgently review how the number of people on remand for over two years can be reduced to the bare minimum.

4.7 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

4.8 MoJ conducted work on various options to reduce the number of individuals on remand. As a result of this work, the MoJ has decided to make specific amendments to the Bail Act 1976 to help reduce the prison remand population, while still ensuring public protection. This is part of the Sentencing Bill currently going through Parliament.

4.9 This includes amendments to the "no real prospect" test, so that it applies to:

- where the court considers that there is no real prospect that the defendant will be sentenced to an immediate custodial sentence; and
- to defendants who have been convicted but are awaiting sentence.

4.10 This measure seeks to complement another measure in the Bill – the presumption against short sentences – by limiting the use of custodial remand where a sentence of immediate imprisonment is unlikely

4.11 A further change involves amending the list of factors provided in the Bail Act that the court should consider, where relevant. It will include explicit reference to whether a defendant is pregnant, a primary caregiver, or has been a victim of domestic abuse.

Thirteenth Report of Session 2024-26

Department for Education

Improving educational outcomes for disadvantaged children

Introduction from the Committee

The Department for Education (the Department) has overall responsibility for the school system and early years settings. In 2023–24 there were 21,600 state-funded schools in England educating 7.7 million pupils, with the Department identifying 2.1 million (27%) as disadvantaged given they had been registered for free school meals in the past six years or currently, or previously, looked after by the local authority. There are also around 58,000 early years providers where the Department identified, as at January 2023, 239,000 of the 924,000 2-to-4-year-olds benefitting from government-funded early entitlements as disadvantaged.

On average, children from a disadvantaged background are less likely to perform well at school compared with their peers. The Department has a strategic priority to improve the attainment of disadvantaged children and, in 2023–24, £9.2 billion of its £60 billion school spending was intended specifically to support disadvantaged children. This includes £4.1 billion through disadvantage elements of its core funding, alongside more targeted interventions such as pupil premium, which the Department describes as its flagship policy. To measure progress, it primarily uses the disadvantage attainment gap, which compares the attainment of disadvantaged pupils against their peers at key stage 2 (primary school years 3 to 6) and key stage 4 (secondary school years 10 and 11, leading up to GCSE)

Relevant reports

- NAO report: [Improving educational outcomes for disadvantaged children](#) – Session 2024-25 (HC 125)
- PAC report: [Improving educational outcomes for disadvantaged children](#) – Session 2024-26 (HC 365)
- [Treasury Minutes](#) May 2025 (CP 1328)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1328 above), the remaining recommendations are updated below.

2. PAC conclusion: DfE continues to improve its evidence base for what works, but the rationale for certain funding decisions, in particular increasing core funding, does not always follow the evidence.

2. PAC recommendation: Whilst continuing to build an understanding of what works, DfE should re-assess the evidence base for funding decisions and, as part of this, set out its funding priorities for 2025–26, including where pupil premium falls within this.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

2.2 The Department for Education is reviewing the allocation of core funding for schools. This review is looking at the operation of the schools national funding formula (NFF), including the operation of "additional needs" factors funding in the NFF. The NFF targets funding to

areas with larger proportions of pupils with additional needs, including deprivation. The department has reviewed the balance of these factors within the NFF, and how they interact with other elements of school funding that targets deprivation – notably the Pupil Premium. The initial phase of this internal review of the NFF has now been completed, and has informed decisions on 2026-27 NFF allocations, which were published in November 2025 - [The national funding formula for schools](#). Pupil Premium funding rates for 2026-27 are due to be published in December 2025.

2.3 Over the longer term, the department is reviewing how it allocates Pupil Premium and NFF deprivation funding to schools and local authorities to ensure it is targeted to those who need it most - while maintaining the overall amount it spends on tackling the challenges faced by children with additional needs. The department will design a new model for targeting disadvantage funding by using income data to directly allocate Pupil Premium and NFF deprivation funding. This will replace the use of free school meals claims within the last six years as the economic eligibility criteria for Pupil Premium and NFF deprivation funding and enable it to tilt funding towards the most entrenched disadvantage.

3. PAC conclusion: Early Years funding and support remains critical for disadvantaged children to have the best start in life; it will be essential that DfE builds its evidence of what works.

3. PAC recommendation: The Department should prioritise expanding its evidence base on the effectiveness of early years interventions, including the role of Family Hubs, and in 12 months update the Committee on the impact of its decisions to increase Early Years Pupil Premium in 2025–26. In doing so, it should set out how its approach to developing evidence and then making funding decisions will align going forwards.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

3.2 Evidence and evaluation is, and will continue to be, central to the department's work on Family Hubs & Start for Life programme. This mixed-method evaluation covers process, impact and value for money evaluation, and operates at the overall programme level and individual programme strand level. Early interim findings have been shared internally and will be more widely available in early 2026.

3.3 In December 2024 the department announced a 45% uplift to the Early Years Pupil Premium (EYPP), increasing the amount of EYPP to up to £570 per eligible child per year – additional support for the most disadvantaged children. The department has published guidance to support local authorities in ensuring EYPP spend is used effectively. The department has also worked with the Education Endowment Foundation (EEF) to support the development and launch of practical, evidence-informed advice for early years setting leaders on maximising the use of EYPP in their context - [Early Years Pupil Premium](#)

3.4 Independently, the EEF has commissioned a practice review (delivered by IFF Research) which will assess how early years providers use EYPP in 2025-26. This research will report in early 2026.

3.5 To further expand the evidence base on EYPP, the department will provide additional funding to extend EYPP in areas most in need, and test different approaches to using this funding to understand how best to maximise its impact - ensuring that children most at risk of falling behind receive high-quality evidence-informed support. The department will work with the EEF to evaluate the impact of this additional funding.

4. PAC conclusion: The Department relies on schools to spend funding in line with its intended purposes but has limited understanding of whether they do so.

4. PAC recommendation: Whilst retaining the principle of local decision-making, the Department should introduce stronger and clearer mechanisms to understand how schools spend funding. This should include:

- **collecting data on where schools use disadvantaged-focused funding, including for certain interventions such as tutoring; and**
- **reiterating the need for schools to publish up-to-date strategies for how they plan to spend pupil premium and following up non-compliance.**

4.1 The government agrees with the Committee's recommendation.

Target Implementation date: December 2027

4.2 The department has completed a project to inform improvements to the reporting arrangements for the Pupil Premium grant, by Academic Year 2027-28. It is planned to start the next phase of this work in Spring 2026, to develop and test options. This work is intended to support schools to develop effective Pupil Premium strategies and provide the department with better data on how schools allocate this funding. The department is also exploring utilising AI to improve collection and analysis of data from school strategy statements, which may provide benefits earlier than Academic Year 2027-28.

4.3 Pupil Premium conditions of grant and guidance set out reporting requirements for schools, including that schools with more than five pupils eligible for Pupil Premium must publish an updated strategy statement by 31 December each year using a DfE template designed to support effective strategy development.

4.4 The department currently reviews a sample of Pupil Premium statements to ensure schools comply with the conditions of grant. All schools that are non-compliant are contacted by the department and asked to ensure that they publish a compliant statement. Of the schools found to be non-compliant in 2024, only 4% remained non-compliant in March 2025.

5. PAC conclusion: The Department supports schools in making effective local decisions, but there remains variability in practice, performance and how schools use evidence.

5. PAC recommendation: The Department should provide greater clarity on how it supports schools, early years providers, local authorities and academy trusts to make effective evidence-based decisions. This should include setting out how it will capture and share good practice and monitor differences.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2027

5.2 The department supports effective evidence-based decision making through its grant funding of the Education Endowment Foundation (EEF), the designated What Works Centre for education and independent arbiter of evidence on effective practice in raising disadvantaged pupils' attainment. EEF funds rigorous trials of pedagogic interventions, and communicates findings from these and other high-quality research studies, encouraging the adoption of proven approaches.

5.3 The department actively promotes EEF evidence to frontline decision makers – notably on effective use of the pupil premium and via teaching and leadership development

programmes, underpinned by EEF evidence. Recent research found 92% of schools with a published pupil premium strategy cited EEF evidence - [Understanding Pupil Premium spending in schools](#).

5.4 The department will continue to monitor schools' use of evidence and will drive more effective use of the pupil premium, by:

- Providing support and challenge to schools where disadvantaged pupils perform poorly – introducing expert reviews of pupil premium strategies, with bespoke support to plan, implement and evaluate changes.
- Making the pupil premium strategy statement template a more effective tool to help schools plan their use of pupil premium and hold them to account for their spending decisions.

5.5 EEF evidence and expertise supports the ongoing development and delivery of the Universal Regional Improvements for Standards and Excellence (RISE) programme, to drive improvements in attainment, attendance, reception year quality and inclusive mainstream education. Universal RISE guidance signposts schools to EEF resources on effective teaching and learning practices. The department is considering how EEF (and its network of Research Schools) should support other school improvement initiatives, particularly the targeted RISE offer to schools in greatest need of support.

6. PAC conclusion: The Department is relying on the 'Opportunities Mission' to bring together its own, and wider government's, work to support disadvantaged children but it remains unclear how this will work in practice.

6. PAC recommendation: The Department should set out how it will use the opportunities mission to further join-up data and performance information, and embed the cultural changes needed for effective cross-government working.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

6.2 The Department for Education continues to work across central and local government and wider society to deliver the Opportunity Mission, with a particular focus on improving outcomes for children and young people experiencing economic disadvantage. The Best Start in Life strategy: [Giving every child the best start in life](#) and the [Post-16 Education and Skills](#) White Paper published this year have set out cross-government support for disadvantaged children and young people across key pillars of the mission. Further details of the department's ambition and approach on supporting disadvantaged groups will be set out in the upcoming Schools White Paper and Child Poverty Strategy.

6.3 Improving the data available to understand, target and track outcomes for disadvantaged groups will continue to be an ongoing priority for the Opportunity Mission. A new data source linking parental incomes (Department for Work and Pensions) and child outcomes (Department for Education) is in development to inform the mission-wide understanding of economic disadvantage, including accounting for deep and persistent low-income.

6.4 The Opportunity Mission dashboard brings together metrics to track progress across all mission areas, including for disadvantaged groups. This acts as a single source of the truth on current performance, ensuring data to understand progress is used consistently across the mission and government departments.

6.5 Key departments are included in governance structures for the Mission and its pillars, attending both official- and ministerial-level board meetings focussing on cross-government

planning and delivery. Further cross-government work is led by a central Opportunity Mission team in the department.

Fourteenth Report of Session 2024-26

Department for Transport

Public charge points for electric vehicles

Introduction from the Committee

The government has committed to phasing out new petrol and diesel car sales by 2030, with all new cars and vans sold being zero-emission from 2035. The shift to electric cars requires a new network of public charge points. While many drivers have driveways or garages where they can install a charge point for their private use, those without access to off-street parking will need to rely on public charge points. Even where drivers typically charge at home, they may need public charge points to charge their car during long journeys.

Public charge points are installed and maintained by charge point operators, private businesses who need enough people to use electric vehicles in an area for it to be profitable for them to install charge points.

However, to give drivers confidence in switching to electric vehicles, these charge points need to be installed in advance of need. This may not happen at the pace and in the locations needed without government intervention.

The Department for Transport (the Department) leads on the strategy to reduce carbon emissions from cars. The Office for Zero Emission Vehicles is a team working across government to support the transition to zero-emission vehicles, with staff from both the Department for Transport and the Department for Energy Security and Net Zero (DESNZ), but which ultimately reports to the former.

Relevant reports

- NAO report: [Public charge points for electric vehicles](#) – Session 2024-25 (HC 379)
- PAC report: [Public charge points for electric vehicles](#) – Session 2024-26 (HC 512)
- [Treasury Minute](#): May 2025 (CP 1328)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1328 above), the remaining recommendations are updated below.

2. PAC conclusion: Delays to the Local Electric Vehicle Infrastructure (LEVI) programme mean that local authorities need further support.

2. PAC recommendation: The Department should write to the committee within six months with an update on progress with LEVI, in particular:

- *The amounts of money spent.*
- *The number of projects which have completed procurement.*
- *Whether any procurements failed.*
- *How the Department is continuing to support local authorities.*
- *delivering their projects.*
- *How the Department is applying lessons from LEVI to its other programmes.*
- *engaging local authorities.*

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

2.2 The Department for Transport [wrote to the Committee on 11 September](#) to provide an update on the progress and delivery of the Local Electric Vehicle Infrastructure (LEVI) programme.

2.3 Since publication of the Committee's report on 12 March 2025, a further 44 projects have been approved. As of the end of October 2025, 54 of the 78 LEVI projects have been approved for delivery. Of these projects:

- twelve are preparing to launch their procurements;
- twelve procurements were live;
- 25 were concluding procurements and appointing suppliers; and
- five contracts have been agreed, including two existing contracts.

In addition, a further 19 projects have been issued with their funding alongside actions to complete ahead of procurement. In total, £326.3 million of LEVI capital funding has been awarded to 73 projects. Five projects are still awaiting funding, subject to submitting applications that are in line with LEVI Fund objectives and conditions. These 78 projects comprise of over 100 local authorities as some have collaborated and submitted joint applications. The department continues to work closely with local authorities to ensure they are supported to progress their LEVI projects.

2.4 In December 2024, the government confirmed an additional £22 million to continue the LEVI Capability Fund in financial year 2025-26. This should help ensure local authorities can retain existing expertise to deliver LEVI projects and wider charging infrastructure.

3. PAC conclusion: The Department has been slow to ensure the availability of ultra-rapid charge points at motorway service areas.

3. PAC recommendation: The Department should write to the committee within six months setting out the steps it is taking to address gaps in ultra-rapid charge point provision across the strategic road network, particularly at motorway service areas.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

3.2 As set out in the NAO's report, the number of chargepoints installed on and around the Strategic Road Network (SRN) that can charge vehicles quickly has grown substantially and is ahead of expectations. As of July 2025, there are more than 6,000 (July 2025, Zapmap) open-access rapid and ultra-rapid chargepoints (excluding Tesla-only superchargers) within one mile of the SRN, including over 1260 at motorway service areas (October 2025, industry data). This means that the number of chargepoints within one mile of the SRN has more than quadrupled in the last three years (July 2022 – July 2025, Zapmap).

3.3 However, there is more to do to improve the distribution of chargepoints on the SRN and provision will need to continue to grow as the number of EVs on the road increases. There are some motorway service areas without a minimum baseline provision as well as gaps in chargepoint provision on some stretches of major A roads. There are also charging sites that will require large power capacity upgrades to meet future demand, some of which may not be commercially viable in the near term.

3.4 The department [wrote to the Committee](#) on 11 September to provide an update on the rollout of ultra-rapid chargepoints at motorway service areas and across the wider SRN, work

that has been undertaken to understand gaps in provision, and next steps to address these gaps.

5. PAC conclusion: *The interests of drivers with disabilities have been left behind in the rollout of public charge points.*

5. PAC recommendation: *As part of its Treasury Minute Response, the Department should set out:*

- ***The outcome of the review of the charge point accessibility standard and what actions it is taking to ensure that charge point accessibility is improved.***
- ***What it is doing to encourage alignment of accessibility standards for charge points internationally.***

5.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

5.2 It is essential that the public electric vehicle chargepoint network works for all users, including those with disabilities. The Department and Motability Foundation commissioned the British Standards Institution (BSI) to work with industry, disabled users, accessibility experts, charities, consumer groups and the devolved administrations to review the Publicly Available Specification (PAS) 1899:2022 standard for chargepoint accessibility. The findings of the review are due to be published by BSI by the end of the year.

5.3 The review has recommended a range of updates to the PAS 1899 standard to support improved implementation. These include making it clearer to interpret and implement, bringing certain technical standards in line with other UK and international standards and guidance, and developing an open data standard to enable consumers to freely access reliable data on the accessibility features of public chargepoints.

5.4 Following the review, the department is working with the BSI and Motability Foundation (co-sponsors of the PAS 1899 standard and the review referenced above) to begin the revision of the PAS standard.

5.5 The PAS 1899 was the first standard of its kind internationally. The department is in regular contact with the relevant EU teams working on this issue, who are following the progress of the PAS standard. In addition, the department has commissioned the development of an international open data standard on accessibility. These will contribute to, and accelerate the progress of, the BSI-led revision of PAS 1899. The standard is designed to enable it to be adopted by stakeholders in other countries in future.

5.6 The department will continue to monitor the progress by industry and stakeholders towards rolling out more accessible infrastructure once the revised standard is published and will consider further interventions on this basis.

Fifteenth Report of Session 2024-26

Ministry of Justice

Prison Estate capacity

Introduction from the Committee

The Ministry of Justice (MoJ) is responsible for justice policy, while its executive agency, HM Prison and Probation Service (HMPPS), is responsible for managing prison and probation services in England and Wales. As at 28 October 2024 there were 85,900 people held in 124 prisons in England and Wales, 108 of which are publicly operated.

In response to projected increases in demand, MoJ committed in October 2021 to deliver 20,000 additional prison places by the mid-2020s through a mixture of new prisons, additional houseblocks and refurbishments, and temporary accommodation. Between 2020 and September 2024, HMPPS delivered 6,518 of these places. MoJ now estimates it will deliver its commitment around five years later than planned. Estimated costs have increased significantly by at least £4.2 billion (80%).

Consequently, the prison estate has been operating at close to full capacity since autumn 2022, with many prisons severely overcrowded. MoJ has had to implement various emergency measures, such as releasing prisoners early, to ensure that the criminal justice system continues to function.

Relevant reports

- NAO report: [Increasing the capacity of the prison estate to meet demand](#) – Session 2024-25 (HC 376)
- PAC report: [Prison Estate Capacity](#) – Session 2024-26 (HC 366)
- [Treasury Minute](#): May 2025 (CP 1328)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1328 above), the remaining recommendations are updated below.

3. PAC conclusion: Despite releasing thousands of prisoners early, MoJ forecasts it will run out of capacity again in early 2026.

3b. PAC recommendation: Once the next phase of the Sentencing Review is published in spring 2025, MoJ should provide an update to the Committee, within two months, outlining:

- *how this will affect the forecast prison place shortage and any further mitigation that may be required.*
- *how it will use any resulting increase in headroom in the estate to accelerate plans to reduce its maintenance backlog and progress its fire safety works.*
- *how many cells it estimates will not meet the required fire safety standards by its 2027 deadline.*
- *how much additional funding it is seeking from Phase 2 of the Spending Review to help it tackle its maintenance backlog.*
- *how it plans to deal with any consequent impact on the demand for probation services.*

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

3.2 The department [wrote to the Committee on 21 July](#) outlining how the next phase of the sentencing review will impact the prison estate capacity, maintenance and fire safety works as well as the consequent impact on probation.

6. PAC conclusion: MoJ's and HMPPS's main focus has been on managing the capacity crisis rather than rehabilitating offenders to reduce reoffending.

6. PAC recommendation: Once the next phase of the Sentencing Review is published in spring 2025, within two months, MoJ should write to the Committee setting out:

- ***how it plans to improve the rehabilitative environment in prison, for example, by reducing crowding.***
- ***what additional funding it requires to increase probation capacity and provision of community support, including substance misuse treatment.***
- ***how it will evaluate the impacts of any future changes to probation and community sentencing on reoffending rates.***

This plan should include both a target and a timetable to reduce reoffending and set out a forecast reduction in demand for prison places over time if successfully implemented.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

6.2 The department [wrote to the Committee on 21 July](#) outlining how the next phase of the sentencing review will impact the rehabilitative environment, the funding required for probation and any future changes to probation and community sentencing on reoffending rates.

Sixteenth Report of Session 2024-26

HM Treasury

Whole of Government Accounts 2022-23

Introduction from the Committee

The Whole of Government Accounts (WGA) provides a consolidated view of the government's financial position and performance. It is a set of financial statements prepared by HM Treasury 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 public sector including central government departments, local authorities, devolved administrations, the NHS, academy schools and public corporations.

In 2022–23, the UK public sector spent £1.13 trillion on public services and collected revenue of £975 billion. Most of government expenditure is financed through taxation revenue. In 2022–23, government collected £857.7 billion in taxation, £83 billion more than in 2021–22.

The C&AG has disclaimed his audit opinion on the WGA for 2022–23, for the first time in its 14–year history, as a result of the ongoing local authority audit crisis which has led to a significant amount of English local authorities being included in the accounts based on unaudited data, and an even greater number being missing entirely from the accounts.

Relevant reports

- PAC report: [Whole of Government Accounts 2022-23](#) – Session 2024-26 (HC 367)
- HM Treasury report: [Whole of Government Accounts 2022-23](#) (HC 289)
- [Treasury Minute](#): May 2025 (CP 1328)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1328 above), the remaining recommendations are updated below.

1. PAC conclusion: Missing and unaudited data have led to a disclaimed opinion on WGA 2022–23, for the first time in 14 years.

1. PAC recommendation: The Treasury should write to the Committee within six months setting out its approach to and progress in reducing the level of missing and unaudited data within the WGA in future years.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

1.2 The Treasury [wrote to the Committee](#) in July 2025, to provide an update on the issues facing the local audit sector and the measures being taken to address these, alongside the publication of the [2023-24 WGA](#).

1.3 The Treasury initially intended to write to the Committee following the Cycle 1 deadline for draft 2024-25 data (local authority deadline - 29 August 2025) in order to provide an early indication of the likely position for 2024-25. However, it did not consider that this approach would have provided a sufficiently accurate or comprehensive assessment at this stage. The department continues to work closely with the Ministry of Housing, Communities and Local

Government (MHCLG) to engage with all local authorities throughout the 2024-25 process, and submissions are still being received.

1.4 As of 4 November 2025, 55% of Local Government returns have been received. This compares to 40% at the same point last year for the 2023-24 WGA. This increase aligns with expectations, where we anticipated a reduction in missing data and an increase in unaudited submissions. The WGA team continues to work closely with entities to encourage timely submissions and provide support where needed.

4. PAC conclusion: The Treasury has made some improvements to the accessibility of WGA and the information it contains, but there is still more work to do.

4. PAC recommendation:

- **The Treasury should continue to improve the accessibility of the WGA and consider producing a 'pocket handbook' or similar to help people understand and navigate the document.**
- **The Treasury should also set out its plans for digitisation of the accounts and how this will achieve greater accessibility.**

4.1 The government agrees with the Committee's recommendation.

Target implementation date: October 2025

4.2 The Treasury seeks to continually improve WGA. A significant improvement for the [2022-23 WGA](#) was the inclusion of accounting spotlights, which provide a detailed overview of accounting concepts. The Treasury also improved the level of disclosures relating to missing and unaudited data.

4.3 For 2023-24, the Treasury has produced a pocket handbook designed to provide an accessible and concise overview of the 2023-24 WGA. Treasury officials hosted a stall at Portcullis House in October 2025 to publicise the WGA and formally launch the new pocket handbook. This event was successful and attended by the Public Accounts Committee Chair, HMT Director General Public Spending and WGA Accounting Officer, Members of Parliament, and House of Commons officials.

4.4 In addition, Treasury officials are delivering in-person and online training sessions on the WGA for Parliamentary staff at the House of Commons.

4.5 The Treasury will continue to assess opportunities for further digitisation in future years, while maintaining the priority of completing the WGA recovery plan and ensuring that the WGA returns to a stable and timely publication schedule.

5. PAC conclusion: The impact of discount rate changes is obscuring the ability to identify meaningful trends in large public sector financial liabilities within the WGA.

5. PAC recommendation:

- **The Treasury should include additional information within the 2023–24 WGA to demonstrate the undiscounted position of significant liabilities and provide trend analysis and narrative to explain the changes to these discounted figures over time. This narrative should include information on how the Treasury and Departments are actively managing these liabilities.**
- **The Treasury should also increase disclosure on actuarial assumptions other than the discount rate and how they impact government liabilities.**

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

5.2 One of the important principles of WGA is that it summarises and presents information already in the public domain. It is correct that departmental accounts should be the first place where information relevant to departmental finances are published, with WGA acting as an opportunity to aggregate, summarise and analyse trends. Where undiscounted data is available it will be published in the WGA performance report.

5.3 The 2023-24 WGA performance report includes long term trend analysis of significant assets and liabilities. Where possible updates on how government seeks to manage liabilities will be provided. Linkages between discount rate information in different parts of the Performance Report and Accounting Notes has been reviewed in the 2023-24 WGA to streamline the content. Undiscounted positions of specific liabilities have been included where appropriate.

5.4 Accounting standards require disclosure of significant assumptions and sensitivities as part of the notes to the financial statements. These include sensitivity analysis for other key assumptions: rate of increase in pensions, rate of increase in salaries or life expectancy in retirement.

6. PAC conclusion: The WGA is not sufficiently focused on long-term financial risk.

6. PAC recommendation: The Treasury should outline how the WGA disclosures will be updated to ensure the long-term financial risks are more transparent and how the information in the WGA will be used to make such improvements.

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

6.2 The accounting rules that underpin WGA are generally retrospective, focussing on the current valuation of future liabilities as at the respective balance sheet date. Under these accounting rules it is not possible to forecast future balance sheets, but other publications such as the ONS Public Sector Net Worth statistics provide this information on a statistical rather than accounting basis.

6.3 The WGA is a valuable source of information on government liabilities, providing a comprehensive picture across the whole public sector. There are other similarly valuable sources of information such as departmental accounts, or the fiscal sustainability and risk updates provided by the OBR. The intent is to provide useful information on the evolution of key balances over a long period.

6.4 For the 2023-24 WGA the focus is on long-term trend information back to the first published WGA.

Seventeenth Report of Session 2024-26

The Ministry of Housing, Communities and Local Government

The Remediation of Dangerous Cladding

Introduction from the Committee

Following the 2017 Grenfell Tower disaster, the Ministry of Housing, Communities & Local Government (MHCLG) has led the government's support for remediating residential buildings with unsafe cladding. In 2023, MHCLG brought its five remediation programmes into a single portfolio, comprising two grant programmes for high-rise buildings (over 18 metres), a newer Cladding Safety Scheme for predominantly medium-rise buildings (11–18 metres), and two monitoring schemes for self-remediation by social housing providers and developers.

The previous Committee examined progress in remediating dangerous cladding in 2020. It found that progress had been unacceptably slow and condemned the badly missed target for Grenfell-style aluminium composite material (ACM) cladding to be removed from almost all high-rise blocks by June 2020. It warned that it was imperative that MHCLG met its new target, which was for works on the remaining high-rise blocks to be completed by the end of 2021. By December 2024, work had yet to start on nearly a quarter of the 1,323 buildings in MHCLG's high-rise programmes.

Almost eight years on from Grenfell, work is yet to start on over half of the 5,000 buildings in MHCLG's portfolio and as many as 7,000 unsafe buildings over 11 metres are still to be identified. MHCLG's current best estimate is that the cost of remediating all 9,000 to 12,000 buildings over 11 metres that may need it is £12.6 to £22.4 billion (central estimate of £16.6 billion). It plans to keep taxpayer contributions capped at £5.1 billion, with private owners, social housing providers and developers paying the remainder. Developers will pay to remediate buildings within the ongoing Developer Remediation Programme and, from autumn 2025, through a Building Safety Levy on new developments.

In 2022, concerned that too many buildings were undergoing unnecessary and costly remediation work, MHCLG adopted new guidance – PAS 9980 – for assessing the fire risk of external walls. This took a more proportionate approach to remediation and allows for greater use of lower cost mitigations, such as sprinklers. MHCLG's Remediation Acceleration Plan, published in December 2024, set a target of 2029 for completing remediation on all high-rise buildings over 18 metres and for completing, or having a completion date for all buildings over 11 metres, otherwise landlords would be liable for severe penalties.

Relevant reports

- NAO report: [Dangerous cladding: the government's remediation portfolio](#) – Session 2024-25 (HC 303)
- PAC report: [The Remediation of Dangerous Cladding](#) – Session 2024-26 (HC 362)
- [Treasury Minute](#): May 2025 (CP 1328)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1328 above), the remaining recommendations are updated below.

1. PAC conclusion: Given the lack of progress to date and the remaining challenges ahead, we are sceptical about the adequacy and achievability of MHCLG's Remediation Acceleration Plan.

1. PAC recommendation: MHCLG should, within six months, provide the Committee with an update clearly setting out:

- **what it is doing to address the gaps between its Remediation Acceleration Plan and the policy and legislative changes needed to deliver them, and by when it expects them to be addressed;**
- **what it is doing to ensure that non-cladding defects are not holding up progress on cladding remediation; and**
- **Homes England's progress identifying buildings with dangerous cladding;**
- **when it is going to produce proposals to ensure that all fire safety defects, irrespective of whether they are related to cladding issues, are properly addressed.**

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

1.2 The government [responded to the Committee](#) on this recommendation on 8 September 2025.

1.3 The government is accelerating cladding remediation through expanded funding for external wall repairs via the Cladding Safety Scheme and the creation of a statutory register for 11–18 metre buildings. Homes England has reviewed over 230,000 buildings, and the Building Safety Regulator now has enhanced powers to enforce safety. These coordinated actions are enabling faster remediation and improving safety for residents.

2. PAC conclusion: Insufficient capacity and skills across regulators, local authorities and the construction sector risks undermining MHCLG's acceleration plans.

2. PAC recommendation: MHCLG should, by the end of July 2025, write to the Committee clearly setting out what action it is taking to help ensure there is sufficient capacity across the remediation system, and how it is assuring itself on progress.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

2.2 The government [responded to the Committee](#) on this recommendation on 18th July 2025.

2.3 For the Remediation Acceleration Plan to be delivered requires everyone in the system to play their part and have sufficient skills and capacity. The Ministry of Housing, Communities & Local Government (MHCLG) and Homes England are enabling the system to respond specifically to deliver the Remediation Acceleration Plan. More broadly, the government is boosting capacity across the cladding remediation system including through a £625 million plan to recruit 100,000 construction workers annually. The Building Safety Regulator is being strengthened with new leadership, streamlined processes, and over 100 new staff by year-end. Local enforcement is being enhanced through increased funding and expansion of the national Joint Inspection Team. A new National Remediation System led by Homes England will provide a single source of remediation data to bring together local intelligence and accelerate local decision-making.

3. PAC conclusion: We are appalled that those living in affected buildings continue to suffer an unacceptable financial and emotional toll.

3. PAC recommendation: MHCLG and Homes England should write to the Committee annually, starting alongside its TM response, with an update on how effectively it is putting residents at the heart of its remediation efforts, including:

- **the usage and effectiveness of the ‘Tell Us Tool’ to help identify affected buildings;**
- **the effectiveness of its dispute resolution process and whether it is using restrictions on developers;**
- **how it is measuring and monitoring adherence to the Code of Practice and what action it is taking for any breaches; and**
- **the outcomes of resident surveys conducted for the Cladding Safety Scheme.**

3.1 The government agrees with the Committee’s recommendation.

Recommendation implemented: September 2025

3.2 The government [wrote to the Committee](#) with their first annual update on the usage of the Tell us Tool, effectiveness of the Dispute Resolution process, measuring and monitoring adherence to the Code of Practice and outcomes of the Cladding Safety Scheme resident surveys on 18th September. The next annual update will be published in September 2026.

3.3 The financial, physical and emotional impacts of dangerous cladding and its remediation on the lives of residents caught up in this crisis are wide ranging and can be devastating. Enabling an end to this unacceptable situation is the driving motivation for MHCLG. The department has – and continues to – work on better understanding the experiences of residents, the impacts on their lives and what can be done to improve them. The government supports residents through targeted funding and improved communication. The Waking Watch Replacement Fund helps reduce interim costs. The Tell Us Tool has generated over 500 referrals, helping Homes England identify unsafe buildings. To prevent delays, the department has issued guidance for resolving disputes out of court and is developing template agreements to simplify negotiations, helping developers and freeholders work together efficiently on remediation. All key actors are signed up to the Code of Practice, and resident feedback is shaping improvements. The Cladding Safety Scheme’s residents survey is driving better standards, supported by tailored guidance and collaboration with regulators, advisory services, and resident groups.

4. PAC conclusion: MHCLG is not doing enough to manage the risk that residents in affected buildings face exorbitant insurance premiums in the long term.

4. PAC recommendation: MHCLG should urgently:

- **undertake a review of insurance premiums so it understands how rates compare for those remediated under both the new and old standard; and**
- **consider what more it can do to:**
 - i) help bring down insurance premiums for residents awaiting remediation works; and**
 - ii) address the risk that insurance for buildings remediated in accordance with the newer PAS 9980 standard is unaffordable even after works are complete, and**

ii) ask the insurance industry to provide information about the overall costs of insurance premiums in high rise buildings post Grenfell and the increased insurance company payouts to policy holders.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

4.2 The government is acutely aware that some residents still face unacceptably high buildings insurance premiums due to fire safety issues. The industry-led Fire Safety Reinsurance Facility (the Facility) has been renewed for a second year and is a viable option for building owners trying to find the best deal for their residents. In the first 12 months, over 760 buildings have been supported by the Facility and with an increased claims limit of £75 million more buildings can benefit from cover. As part of the commitment to protecting leaseholders, the government is gathering detailed information on insurance costs, including premiums, for relevant high-rise buildings at each stage of the remediation process, including after remediation has been completed. The department is also working directly with insurers and the Association of British Insurers (ABI) to gather claims data. This information will help the department, working with external experts and industry, to understand what support may be required and the right way to structure that support.

4.3 The government will share an update on progress by the end of 2025.

5. PAC conclusion: Eight years on from Grenfell, we are concerned that MHCLG still does not know how many buildings have dangerous cladding, how much it will cost to address, or how long it will take.

5a. PAC recommendation: MHCLG should:

- ***By the end of July 2025, publish its latest estimates for how many buildings are affected by dangerous cladding, how much remediation will cost (including latest unit cost data), and when it expects work to be completed; and***
- ***indicate when it will respond to the Morrell report on product testing and safety and whether as part of that they will be giving consideration for a requirement that all tests of materials, those that fail as well as those that are successful, should be published.***

5.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

5.2 In the Remediation Acceleration Plan (RAP) update, MHCLG estimated 5,900–9,000 residential buildings 11 metres and above in England have or had unsafe cladding (Building Safety Remediation monthly data release). The government recognises the importance of making pricing more transparent, this helps applicants and the supply chain understand what represents best value for money, supporting faster procurement and delivery. To support this, updates on total remediation costs and unit cost analysis will be published in December 2025.

5.3 The government welcomes the [review](#) by Paul Morrell OBE and Anneliese Day KC. Their review maps out the existing system, identifies weaknesses, and sets out recommendations for addressing these where they considered it appropriate. It makes clear this is a complex area in need of reform. The [Construction Products Reform Green Paper](#), published on 26 February 2025, is the government's direct response to the review and signals its commitment for comprehensive proposals for system wide reforms to the construction products regime to give consumers confidence and underpin supply chains and housing delivery.

5.4 The government remains committed to ensuring that those responsible for unsafe buildings contribute fairly to the cost of fixing them. The financial burden for remediation should be shared equitably among those who have profited from, or have an interest in, unsafe buildings. Developers, who are at the apex of the housebuilding industry, are expected to take primary responsibility for funding remediation and subsequently recover costs from other parties in the construction and manufacturing chain. This principle was reinforced by the Supreme Court judgment in URS Corporation Ltd v BDW Trading Ltd, which confirmed developers have a range of legal avenues to pursue others in the supply chain. The Construction Products Reform Green Paper (CPGP), published in February 2025, reaffirmed the government's commitment to reforming the construction products regime. The department is consulting on redress routes as part of the CPGP, and will write to the Committee on progress in a further update at the end of the year.

6. PAC conclusion: MHCLG's previous attempts to speed up remediation exposed the taxpayer to increased risk of fraud.

6. PAC recommendation: MHCLG should, by the end of 2025: use findings from fraud measurement exercises to strengthen its counter-fraud controls and ensure they are adequate to meet accelerated funding demand; and share relevant learning across the Ministry to help prevent fraud in other programmes.

6.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

6.2 The government will provide an update on the feasibility of fraud measurement by the end of 2025.

6.3 MHCLG has worked extensively to ensure that the action taken for the NAO recommendation is both efficient and effective. The Public Sector Fraud Authority's recommended approach for fraud loss measurement is a highly technical process. The public sector standard to effectively complete this exercise is 18 months in length, therefore full outputs will not be available until at least Autumn 2026. The response and approach have been agreed with the NAO and has been indicated in the six-monthly update to the Public Sector Fraud Authority (PSFA).

6.4 MHCLG will use initial findings and continued engagement with PSFA and NAO to drive continual improvement to counter fraud controls. The government will share learning across the Ministry and with the PSFA to help prevent fraud in other programmes.

7. PAC conclusion: We are not convinced that MHCLG is taking the potential impact of its remediation plans on wider housebuilding targets seriously enough.

7. PAC recommendation: MHCLG should, by the end of 2025, publish a formal assessment of the impact of its remediation policies (including the Building Safety Levy) on housebuilding projections in both the social and private sectors and what action needs to be taken to ensure the building of 1.5 million homes is not affected by these policies.

7.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

7.2 The government will write to the Committee before the end of 2025 to provide an update on the interaction between remediation policies and housebuilding ambitions.

Specifically on the Building Safety Levy, the government [wrote to the Committee](#) on 31 July 2025 to confirm that draft Levy regulations were laid before parliament on 10 July, and the impact assessment was published alongside them. The levy has been designed to minimise any detrimental impact on housing supply, whilst balancing the need to raise the revenue required to remediate buildings.

Eighteenth Report of Session 2024-26

Department for Science, Innovation and Technology

Use of AI in Government

Introduction from the Committee

Artificial intelligence (AI) has the potential to transform public services by automating routine tasks and making public services quicker and more efficient, but it also brings with it risks that must be managed effectively to support adoption and maintain public trust. Achieving large-scale benefits will require not only adoption of new technology but significant change in business practices and will be dependent on the government putting in place the right foundations, including access to skills, infrastructure and high-quality data.

The new Government Digital Service was established in January 2025 with the aim of uniting efforts to grasp the opportunities of technology and AI under the Department for Science, Innovation and Technology (DSIT). This involved relocating three functions from the Cabinet Office to DSIT: the Central Digital and Data Office (CDDO), which leads the government's Digital and Data function; the Incubator for Artificial Intelligence (i.AI), which works across the public sector to identify and pilot AI opportunities; and the Government Digital Service, responsible for building common digital products and services across government.

Successive governments have sought to support the use of AI through a range of policy interventions and strategies. Most recently, the government published *A blueprint for modern digital government* in January 2025 which included an ambition to harness the power of AI for public good and included a number of priority reforms.

Relevant reports

- NAO report: [Use of artificial intelligence in government](#) – Session 2023-24 (HC 612)
- PAC report: [Use of AI in Government](#) – Session 2024-26 (HC 356)
- Policy paper: [A blueprint for modern digital government](#)
- [Treasury Minute](#): June 2025 (CP 1341)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1341 above), the remaining recommendations are updated below.

1. PAC conclusion: Out-of-date legacy technology and poor data quality and data-sharing is putting AI adoption in the public sector at risk.

1a. PAC recommendation: Within six months, DSIT should set out publicly how it intends to:

- **Prioritise and ensure funding for the remediation of the highest-risk legacy technology.**

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

1.2 The Department for Science, Innovation and Technology (DSIT) carried out this work in two steps. Firstly, DSIT worked with the Treasury (HMT) to assess all proposals submitted by departments as part of the spending review process that sought to address legacy

Information Technology (IT). This was used to conduct an initial prioritisation of the legacy systems that this funding was looking to remediate and helped to inform HMT's prioritisation of funding and ensured an ambitious approach to risk reduction was achieved. Secondly, the Government Digital Service (GDS) worked directly with government departments through their business planning to ensure that the highest risk systems receive the funding they need and funding continues to be prioritised for this purpose.

1b. PAC recommendation:

- ***Establish an approach for measuring the costs associated with addressing legacy technology, as well as the costs of failing to act, to increase transparency and improve decision making.***

1.3 The government agrees with the Committee's recommendation.

Revised target implementation date: June 2026

Original target implementation date: January 2026

1.4 DSIT is still improving the way that data is collected on legacy systems across government, however, the emerging scale and complexity of this work has meant that DSIT is leading work to create a suitable model to collect the necessary data and to perform the analysis. As part of this work DSIT will define consistent metrics and methods to measure the ongoing costs of legacy systems as well the estimated cost of failing to remediate or to replace systems.

1c. PAC recommendation:

- ***Track funding allocated for remediation work and take action where progress is slow.***

1.5 The government agrees with the Committee's recommendation.

Revised target implementation date: May 2026

Original target implementation date: January 2026

1.6 This work has now been aligned with a wider programme of work between GDS and HMT to monitor to prevent the implementation of diversion of funding earmarked for cyber and legacy projects proposed at the SR. Following spending review settlements, GDS have worked with HMT to ringfence key cyber security and legacy programmes. GDS is now working closely with HMT to ensure that these programmes have outcome-based metrics to ensure accurate and useful reporting.

1d. PAC recommendation:

- ***Address the risks to AI adoption resulting from barriers to data-sharing and poor data quality.***

1.7 The government agrees with the Committee's recommendation.

Recommendation implemented: December 2025

1.8 DSIT will set out details of its programme of work to address barriers to data sharing in the upcoming Roadmap for Modern Digital Government, including work to improve cross-government data management practices with a focus on data quality, as well as including commitments on the next steps for the National Data Library.

1.9 The National Data Library is an ambitious programme backed by over £100 million to responsibly unlock high-value public sector data. This will enable businesses, researchers and public servants to deliver better services, drive economic growth and support innovation. More information on the National Data Library will follow shortly.

2. PAC conclusion: Public trust is being jeopardised by slow progress on embedding transparency and establishing robust standards for AI adoption in the public sector.

2a. PAC recommendation: DSIT should write to the Committee in six months to update us on:

- **Departmental compliance with the Algorithmic Transparency Recording Standard and further action it is taking to tackle gaps in transparency to strengthen public trust, including to address public concerns over data privacy and the sharing of sensitive data.**

2.1 The government agrees with the Committee's recommendation.

Target implementation date: January 2026

2.2 DSIT is continuing to implement the mandatory rollout of the Algorithmic Transparency Recording Standard (ATRS) in central government. [Over 90 records have been published on GOV.UK to date](#). DSIT is on schedule to publish records for all currently identified in-scope algorithmic tools (as of March 2025) in government departments (not including ALBs) by the end of 2025. A range of activities to evaluate the effectiveness of the published ATRS records at strengthening public trust are in train and will be included in the Roadmap for Modern Digital Government publication.

2b. PAC recommendation:

- **How its strengthened spend controls for high-risk AI use cases will support safe and ethical AI roll-out.**

2.3 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

2.4 The AI Risk Management Framework is due for publication shortly and is already being used by high complexity departments including Ministry of Defence and the Home Office. DSIT continue to highlight high risk AI related initiatives using targeted questions for digital spend assurance submissions. These are discussed on a case-by-case basis with our AI Advisory experts as required. AI related guidance in the Service Standard is being updated, and this will filter down to internal department guidance. This will include revised guidance for AI initiatives undergoing service assessments, supporting their safe and ethical deployment.

3. PAC conclusion: There are persistent digital skills shortages in the public sector and DSIT's plans to address the skills gap may not be enough.

3. PAC recommendation: DSIT and Cabinet Office should write to the committee alongside publication of the Digital and AI Roadmap to:

- *explain how the planned reforms are expected to resolve the skills gap and by when, including how they will encourage the flow of digital skills between the private and public sectors, ensure digital leaders are more influential in decision making and embed a digital-first ethos into the civil service.*
- *explain how they will monitor and evaluate the reforms so they can take action swiftly if reforms are not successful, and*
- *set out their plans for reporting progress publicly.*

3.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2026

3.2 DSIT acknowledges the ongoing digital skills gaps across the public sector and is taking active steps to implement reforms that address this challenge.

3.3 To strengthen leadership and invest in talent, the government is introducing a requirement for all executive committees to include digital leaders and for boards to appoint digital non-executive directors by 2026.

3.4 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](#).

3.5 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 Accelerator, succession plans and the Digital Secondments Programme.

3.6 The impact of these initiatives will be monitored and evaluated through the Workforce Commission's bi-annual reporting, the Senior Civil Service Benchmarking Tool, and ongoing workforce data collection. Transparency will be maintained through public reporting, including updates on digital leadership appointments, publication of Workforce Commission outputs (where appropriate), and the launch of major programmes such as TechTrack.

3.7 The Cabinet Secretary, working with DSIT, has been leading a series of visits exploring different aspects of the AI system with the Civil Service Leadership Group, which is made up of 300 senior civil servants. These workshops involve the government's strategic AI partners and are exploring new industry and academic insights while also strengthening cross-government collaboration on key AI challenges.

3.8 Further detail on these measures will be set out in the forthcoming Roadmap for Modern Digital Government.

4. PAC conclusion: DSIT has no systematic mechanism for bringing together learning from pilots and there are few examples of successful at-scale adoption across government.

4a. PAC recommendation: To learn from AI pilots and support the scaling of the most promising use cases DSIT should:

- **set up a mechanism for systematically gathering and disseminating intelligence on pilots and their evaluation; and...**

4.1 The government agrees with the Committee's recommendation.

Target implementation date: May 2026

4.2 DSIT is establishing a number of workstreams to create a structured process for gathering and sharing insights from AI pilots (branded as the Prime Minister's AI Exemplars), including those built by the Incubator for AI (i.AI). Across a variety of AI use cases and public services, these workstreams will collect insights from pilots of both commercial and DSIT own-build AI tooling, conducting rigorous evaluation to identify the conditions and common patterns that enable successful scaling.

4.3 Led by the Public Sector AI Adoption programme, these learnings have already been synthesised into patterns for implementation and evaluation, including best practice guides and case studies published on the AI knowledge hub. These have helped service teams build the government's collective capacity to maximise the potential of AI for better outcomes and avoid duplication. Bringing a systematic approach to evaluating AI's impact on delivering better public services for citizens, and productivity.

4.4 The Prime Minister's AI Exemplars have also been [publicly launched](#) and guidance on re-use and evaluation [published on GOV.UK](#).

4b. PAC recommendation:

- ***set out how it will identify common and scalable AI products and support their development and roll-out at scale.***

4.5 The government agrees with the Committee's recommendation.

Target implementation date: May 2026

4.6 DSIT is well positioned, in terms of both its remit and its specialist capabilities, to enable more successful scaling within departments and across organisational boundaries, ultimately realising better outcomes for government and for citizens from these technology investments.

4.7 A proposal is currently being developed in the Public Sector AI Adoption programme with the aim to build maturity and capability within government as a whole to be able to effectively scale AI initiatives past pilot stage. This work would include creating the resources and capability to:

- Assess maturity and capability across government departments and synthesise into a government-wide picture, in order to validate understanding of blockers & prioritise work to resolve them.
- Effectively identify core components best suited to scale and roll out to a wider audience.
- Catalogue and create (or advocate for) targeted interventions to resolve common bureaucratic blockers to timely scaling, to include: procurement frameworks and skillsets; information governance processes; Digital, Data and Technology (DDaT) recruitment and funding.
- Guidance agreed with the Treasury to evaluate impact consistently and rigorously - enabling departments to reliably access funding.

4.8 The first part of this proposal will be to decide scope, secure funding, and build a minimal viable product of cross-cutting technical components to be built and maintained by the digital centre of government.

5. PAC conclusion: DSIT and Cabinet Office have a long way to go to strengthen the government's approach to digital procurement to ensure value for money and a thriving AI supplier market.

5. PAC recommendation: DSIT, in collaboration with Cabinet Office, should set out publicly how its proposed AI sourcing and procurement framework will:

- **get the best from all suppliers in a market dominated by a small number of global technology companies and ensure opportunities are available for small suppliers;**
- **align with the overarching digital technology sourcing strategy (on how government builds, buys and partners) that the Blueprint for modern digital government promises;**
- **leverage government's spending power to achieve value for money for citizens;**
- **Ensure those taking procurement decisions across government have access to the right digital skills and knowledge.**

5.1 The government agrees with the Committee's recommendation.

Target implementation date: January 2026

5.2 DSIT, working closely with the Cabinet Office, will define a digital and AI sourcing strategy and framework to ensure value for money while fostering a diverse supplier market

5.3 The framework directly addresses the challenge of market concentration by:

- Enabling SME participation through social value criteria in procurement, secondary procurements tailored for smaller suppliers, and engagement with TechUK, AI UK and Innovate UK.
- Fostering diverse supplier relationships via partnerships with AI vendors and startups, particularly frontier AI firms, as set out in the AI Opportunities Action Plan.
- Building market intelligence through the cross-government AI Opportunity Scanning Team to monitor emerging AI capabilities and supplier trends.

5.4 To achieve maximum value for money, DSIT is:

- Creating new channels to bring talent into government, such as the Open Source AI Fellowship with the Alan Turing Institute and Meta.
- Sharing use cases and guidance via the [AI Knowledge Hub on GOV.UK](#)
- Using the Commercial Innovation Hub to pilot innovative procurement models.

5.5 The framework aligns with the Blueprint, focusing on Digital Partnerships to strengthen cross-government supplier relationships and collaborating with the Crown Commercial Service to enhance the quality, relevance, and accessibility of procurement agreements for AI tools and services.

5.6 To equip procurement decision-makers with digital expertise, DSIT has established comprehensive training for technology and procurement professionals and created the [AI Knowledge Hub](#), offering accessible guidance and real-world examples to support consistent, informed procurement across government.

6. PAC conclusion: Realising the benefits of AI across the public sector will require strong leadership from DSIT.

6a. PAC recommendation: DSIT must ensure that the proposed Government Digital and AI Roadmap is underpinned by a clear implementation plan with:

- **clear accountabilities at the centre, across government and the wider public sector;**
- **delivery milestones to drive change and maintain momentum;**

- **metrics to track progress and spend over time, to identify whether further levers are needed to support implementation.**

6.1 The government agrees with the Committee's recommendation.

Recommendation implemented: December 2025

6.2 Taking lessons from previous government roadmaps, DSIT established senior governance mechanisms to drive delivery of the roadmap. Scoping was undertaken to clarify which priority reforms, outlined in the [Blueprint for a Modern Digital Government](#), will be the responsibility of the GDS or other government departments. Post-spending review 2025, DSIT worked closely with these departments to align initiatives with the overall roadmap and foster collaboration across the wider public sector.

6.3 The roadmap will be iterative, regularly updated to adapt to shifting government priorities while maintaining momentum, providing updates transparently. Each project has a defined vision, timeline and progress milestones. This continuous monitoring and the flexibility of an iterative roadmap are intended to help keep efforts aligned with the overall vision.

6.4 To effectively show and track progress, indicators of success will be used to assess how government is progressing towards the five outcomes identified in the [Blueprint](#). This will draw upon accurate data and use cases showing where government has delivered on the stated outcomes like easier lives and firmer foundations. This will be alongside the Performance Framework that GDS are establishing to track the performance of key services and wider digital and data maturity across government departments. Following the Spending Review, metrics are being established between GDS, the Treasury and departments for key departmental transformational services and programmes to track delivery progress towards stated outcomes. The Public Sector AI Adoption programme will track progress across pilots to understand where support is needed from the centre to encourage wider adoption.

6b. PAC recommendation: The Cabinet Office should consider the inclusion of a passage in each organisation's annual report and accounts on their progress on digital and AI transformation alongside ensuring the commitment to placing senior digital leaders, with suitable expertise, on all executive teams and boards is met promptly.

6.5 The government agrees with the Committee's recommendation.

Target implementation date: June 2026

6.6 To ensure accountability for delivery and drive progress, DSIT will work with Cabinet Office to get guidance in place on Digital and AI performance in Annual Reports and Accounts.

6.7 As stated in the [Blueprint](#), departments will be required to publish metrics at least annually on the outcomes they achieve, covering service performance, value for money, resilience, digital inclusion and AI adoption. Transparency in reporting remains a priority, allowing key stakeholders to understand progress, identify barriers and share best practices.

6c. PAC recommendation: The Cabinet Office should consider whether a Government Digital Service officer with digital and procurement skills could be embedded at a senior level in each Department and agencies. Equally the procurement and main board should contain individuals with these skills.

6.8 The government agrees with the Committee's recommendation.

Target implementation date: June 2026

6.9 DSIT recognises the importance of embedding digital and procurement expertise at the heart of departmental decision making. This recommendation aligns with the ongoing efforts to strengthen digital leadership across the Civil Service to ensure that the digital transformation is supported by robust commercial and procurement capabilities.

6.10 DSIT is currently exploring mechanisms to enhance the integration of digital expertise within departments. This includes the work under the Government Digital and Data profession capability framework and exploring models where senior digital and commercial professionals are embedded within departmental leadership teams supporting both strategic planning and delivery.

6.11 There is a clear need for board-level expertise to ensure that digital and procurement considerations are fully factored into governance, investment and risk decisions. Government's intent for this is stated in the Blueprint where all public sector organisations will be required to have a digital leader on their executive committee and a digital non-executive director on their board. This aligns with the wider ambitions to ensure that digital is not seen as a standalone function but as a core enabler to public service delivery.

Nineteenth Report of Session 2024-26

Department for Energy Security and Net Zero

Energy Bills Support

Introduction from the Committee

Prices for electricity, gas and other fuels in the UK and Europe increased significantly from summer 2021, initially as economies reopened after COVID-19 and later when Russia's invasion of Ukraine impacted global energy markets. Average annual household bills for gas and electricity increased from £1,277 in winter 2021-22 to over £4,000 by the start of 2023.

In response, the government implemented eight support schemes from 2022 to 2024 to reduce the impact of increased energy bills on homes and businesses. These schemes worked by either providing grants or by capping the wholesale energy prices suppliers could charge customers.

The Department for Business, Energy & Industrial Strategy (BEIS) had overall responsibility but in February 2023, following machinery of government changes, this passed to the newly created Department for Energy Security and Net Zero (the Department). The energy regulator for Great Britain, Ofgem, was responsible for monitoring supplier compliance with the obligations of the schemes, such as ensuring that bills were reduced to specified levels.

The Department estimates the schemes cost £44 billion. It is set to complete an evaluation of the impact of its schemes by Summer 2025 and is developing its approach to protecting consumers against future volatility in energy prices, such as considering how it could provide more targeted support for those consumers that need it most. The previous Public Accounts Committee reported on the schemes in June 2023.

Relevant reports

- NAO report: [Energy bills support: an update](#) – Session 2023-24 (HC 232)
- PAC report: [Energy Bills Support](#) – Session 2024-26 (HC 511)
- [Treasury Minute](#): June 2025 (CP 1341)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1341 above), the remaining recommendations are updated below.

1. PAC conclusion: The Department has been slow to learn lessons about how to respond in the event of a future spike in energy prices.

1. PAC recommendation: Once its evaluations are finalised the Department should, within 1 month, write to the Committee setting out a summary of the key learnings from its completed evaluation for responding to any future rise in energy prices.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

1.2 The Department for Energy Security and Net Zero (DESNZ) published its [non-domestic evaluation](#) in late September 2025 and published its domestic evaluation in November 2025, with a slight delay due to additional review of the evaluation modelling. The department will write to the Committee in early December - within one month of the publication

of the final domestic evaluation - to share a summary of our key learnings, reflections, and the policies either in development or already implemented that will support future responses to energy price increases.

2. PAC conclusion: The Department would not yet be able to provide more targeted support to consumers and so reduce wasteful expenditure.

2. PAC recommendation: The Department should, by September 2025, set out a plan for how it would be able to target support to both domestic and non-domestic consumers in the future. This should include the actions it is taking to address the challenges with data matching.

2.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

2.2 In winter 2024, the Warm Home Discount provided targeted support to over 3 million low-income and fuel poor households in Great Britain, and the government has expanded the scheme to support an estimated additional 2.7 million households from winter 2025. The government works with energy suppliers to identify eligible households in England and Wales through data matching, providing most of the rebates automatically. The current Warm Home Discount scheme runs to March 2026. The government is taking the opportunity to review options for better targeting of future bill support beyond this point and has consulted on continuing the expanded Warm Home Discount scheme beyond winter 2025-26.

2.3 Better access to data is critical for identifying households and providing them support automatically, and the government committed in the Autumn Budget 2024 to exploring how better data use and sharing can improve the targeting of economic support, particularly in times of crisis. These are complex matters, and the department continues to work closely with other government departments, energy suppliers, and other stakeholders to consider options for improving data sharing and data matching. The Minister for Energy Consumers is leading a working group with Energy UK and other stakeholders to consider how the department can take further sustained action on improving affordability and accessibility of energy.

2.4 On targeted energy bills support for non-domestic consumers, the government is delivering a range of support as set out in the recent Industrial Strategy. From April 2026 the government plans to increase the level of the discount on electricity network charges that is provided for around 500 of the most energy-intensive firms from 60% to 90%. And from 2027, the new British Industrial Competitiveness Scheme (BICS) is expected to reduce electricity costs by up to £40 per megawatt hour for over 7,000 more electricity-intensive businesses in sectors like automotive, aerospace and chemicals. These measures will boost the competitiveness of businesses across the global stage, and are part of the government's wider Plan for Change that will increase competitiveness in the United Kingdom, protect local jobs in the UK's foundational industries, and attract new investment.

3. PAC conclusion: The Department has not done enough to address the challenges of providing financial support to vulnerable consumers in the event of another crisis.

3. PAC recommendation: The Department should, in time for next winter, develop strategies for providing financial support to consumers at greater risk of fuel poverty. These strategies should consider how to work with organisations with helpful insights, such as registered social landlords.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

3.2 Earlier this year, the department consulted on expanding the eligibility for the Warm Home Discount in England and Wales to all households where the bill payer (or their partner or nominee) is in receipt of means tested benefits, with a proportionate increase in the funding available through the Scottish scheme. The government confirmed its intention to expand the Warm Home Discount scheme from winter 2025, and the scheme is now expected to support around 6 million qualifying households with an annual energy bills rebate of £150. The expansion means that around half a million more fuel poor households will now receive Warm Home Discount support. It is estimated that around 1.6 million fuel poor households across Great Britain would receive the rebate.

3.3 In February 2025, the department also consulted on a new fuel poverty strategy. Work is now underway to develop an updated strategy, which will outline the department's approach to tackling fuel poverty and ensuring support is available to those most at risk.

5. PAC conclusion: We remain concerned that even after the crisis has subsided, UK electricity bills are the highest of the countries providing comparable data to the International Energy Agency.

5a. PAC recommendation: The Department should set out a timetable for policy decisions to reduce electricity bills through its previous commitments to rebalance the costs of electricity and gas.

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: January 2026

Original target implementation date: July 2025

5.2 The UK has a particularly high ratio of residential electricity price to gas price compared to many countries in Europe. Electricity price does not reflect the cheaper wholesale price of clean energy. This means low carbon technologies can be more expensive to run than fossil-fuel powered alternatives. The price disparity between electricity and gas needs to be addressed to make it more attractive for consumers to install clean technologies like heat pumps.

5.3 Over this Parliament the government will be working relentlessly to translate the much cheaper wholesale costs of clean power into lower bills for consumers. This will be core to every decision made.

5.4 The government pays close attention to the balance of costs recovered on energy bills. The government is considering a range of different options to ascertain which best delivers on the government's priorities but mindful that the government is currently operating in a difficult fiscal environment.

5.5 This is a complex issue and there are difficult decisions to be made which must be informed by robust research and analysis. The government will ensure to keep fairness and affordability at the forefront of the government's mind throughout this process.

5.6 The government will set out proposals for rebalancing domestic energy bills in due course.

5.7 The department wrote to the Committee on 18 November to notify it of a revised target implementation date.

5b. PAC recommendation: The Department should set out a timetable for implementing the proposals for change it has identified from its review of electricity market arrangements.

5.8 The government agrees with the Committee's recommendation.

Revised target implementation date: March 2026

Original target implementation date: September 2025

5.9 Following the announcement made by Secretary of State in July 2025 to retain and reform a single, national, Great Britain-wide, wholesale market pricing regime, the Review of Electricity Market Arrangements (REMA) programme is due to be formally closed by the end of 2025. The transition to the Reformed National Pricing (RNP) programme began on 1st September 2025, with policy and delivery development underway. By March 2026 the department will publish a Reformed National Pricing Delivery Plan setting out how these reforms will be implemented, fulfilling this recommendation.

5.10 The department wrote to the Committee on 18 November to notify it of a revised target implementation date.

6. PAC conclusion: The Department has more to do to convince Parliament that it has a robust plan for ensuring security of energy supply to meet increasing demand.

6b. PAC recommendation: The Department should, in time for next winter, work with the National Energy Systems Operator to explore ways of improving reporting on energy supply issues and how they are handled to help improve public and Parliamentary understanding of the scale of these risks and how they are being managed.

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: March 2026

Original target implementation date: December 2025

6.2 Plans and processes for how supply issues are managed and reported between the National Energy Systems Operator (NESO) and DESNZ are currently set out in the [National Emergency Plan 2023: Downstream gas and electricity](#), which is published on GOV.UK. Following winter 2024-25 and learnings from recent incidents such as the Electricity Margins Notice (EMN) in January 2025 and the Iberian blackout in April 2025, DESNZ has worked with NESO to continue updating response and communications procedures to build in better educational content for a wider audience.

6.3 This also includes the [North Hyde Report](#), published by NESO in July 2025, following the fire at the North Hyde Substation and saw the closure of Heathrow Airport in March 2025. DESNZ has published the [Government Response to NESO's report](#) on GOV.UK, which details tangible actions both government and industry are taking to drive whole energy system improvements and improve the escalation and management of significant energy sector incidents.

6.4 The National Emergency Plan (NEP) is currently being updated by DESNZ and will be published on GOV.UK by March 2026 and will remain an accurate summary of the department's response procedures. In addition to updating the [NEP: Downstream Gas and Electricity](#), DESNZ has also updated the incident reporting thresholds ahead of this winter, working with National Gas, NESO and Network Operators, to review existing thresholds and

reporting requirements from the Energy Industry to DESNZ and Ofgem. These will be summarised within the updated NEP to improve the public and parliamentary understanding of how incidents are reported and managed.

6.5 The department wrote to the Committee on 18 November to notify it of a revised target implementation date.

Twentieth Report of Session 2024-26

Department for Culture, Media and Sport

DCMS management of COVID-19 loans

Introduction from the Committee

Organisations in the culture and sports sectors were required to close by law on 23 March 2020 when the UK entered the first national lockdown, which immediately meant that they faced reduced audience, visitor and spectator numbers, severely reducing their income, while paying ongoing costs. Over the period October 2020 to March 2022, the Department for Culture, Media and Sport (the Department) lent £474 million to 120 borrowers in these sectors through three separate schemes, to help these bodies survive the pandemic. The Department appointed two of its arm's-length bodies, Arts Council England and Sport England, as its loan agents for day-to-day monitoring and management of the loans, but decision-making rests with itself. It then, in October 2021, brought these loans together in one loan book.

By October 2024, just under half of borrowers had started repaying their loans, paying the Department £41 million in total, 97% of expected repayments. As at October 2024, nine borrowers (two on the culture side and seven on the sports side), which had collectively received loans totalling £46 million, had become insolvent. Over half of borrowers had still to make any loan repayment, and loans of over £400 million were outstanding. The Department had also incurred costs of about £17 million in managing the loan book over the last three years.

Relevant reports

- NAO report: [DCMS's management of its COVID-19 loan book](#) – Session 2024-25 (HC 472)
- PAC report: [DCMS management of COVID-19 loans](#) – Session 2024-26 (HC 364)
- [Treasury Minute](#): June 2025 (CP 1341)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1341 above), the remaining recommendations are updated below.

1. PAC conclusion: There have been severe weaknesses from the start in the Department's arrangements for managing its loan book.

1. PAC recommendation: The Department should address current weaknesses in the management of its loan book including simplifying the management arrangements and ensuring it has the appropriate skills and expertise it needs for the future available to it.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: March 2026

1.2 Between June and September 2025, the Department for Culture, Media and Sport undertook a strategic review of its loan book management, to assess the current model as well as alternative strategic options. This included commissioning an [external evaluation](#) to assess the efficiency and effectiveness of the current operating model. The evaluation found the department was operating the loan book effectively, with appropriate access to skills and

expertise, also borne out by the strong track record of repayments. The strategic review is further referenced in the response to recommendation 3.

1.3 Following the strategic review, the department will implement a more streamlined in-house loan book management model, to become smaller, cheaper and more efficient. This will include removing the current Managed Service Provider (MSP) role. This decision has been enabled by the work undertaken to build internal capability, systems and processes since the start of the programme and as the Loan Book has now reached a steady state. This new operating model is being finalised, alongside other improvements identified by the evaluation, and will be fully implemented in the financial year 2026-27.

1.4 Alongside this change, the department has identified up to £1.8 million of savings from the programme (c.11% of total costs) for the three-year business planning period (2026-27 – 2028-29), made possible due to the maturity of the programme.

1.5 The department is now working at pace to transition to the new operating model ideally without the need for any extension of the current MSP contract, which expires in March 2026. If the department determines that an extension is required, it will be a short one and minimised as far as possible. The department will write to the Committee by February 2026 to update on the final timeline for implementation of the new operating model.

3. PAC conclusion: The Department does not yet know which options for the loan book's future management would provide best value for the taxpayer in the long term.

3. PAC recommendation: The Department should assess which long-term strategic options for the loan book, including, for example, its sale, would provide best value for the taxpayer.

3.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

3.2 As above, the department undertook a review of its strategic options for the management of the loan book. This was a comprehensive assessment drawing on external expertise and an external evaluation of the programme. Options assessed included a full or partial sale of the loan book, third party management and improved in-house management.

3.3 The department consulted a wide variety of stakeholders to ensure a range of expert views. This included UK Government Investments, British Business Bank, and Social Investment Business, amongst many others. At the final stage, the department also held a challenge panel of external experts to test the review's findings and recommendations.

3.4 Based on the strategic review, endorsed by the views of the external challenge panel, the department chose, at this stage, to maintain and refine the roles of the department and Loan Agents but remove the current MSP role. The department is currently working at pace to transition to this operating model (as summarised in the response to recommendation 1). Sale was deemed not to represent a value for money option at this point, due to the short track record of repayment data so far, the small size of the loan book, and the limited expected market appetite.

3.5 The department has committed to conducting strategic reviews a minimum of every 3 years to ensure the operating model remains appropriate. This will ensure that the operating model is retested on a routine basis and best value for money continues to be achieved. The department will also continue to actively look for opportunities to accelerate returns and/or minimise the cost of loan administration.

4. PAC conclusion: The Department is being overly optimistic in the management of its loan book in the face of continuing uncertainty over future repayments.

4a. PAC recommendation: The Department should revisit its estimates of expected repayment levels and insolvency rates by December 2025 to reflect its experience once all borrowers have started to make repayments.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

4.2 The end of the final repayment holiday periods for all borrowers in September 2025 provided an appropriate time to revisit the department's repayment forecasts. The department is updating its estimates of expected repayment and insolvencies across the portfolio, utilising financial reporting documentation that the department receives regularly from borrowers as well as other sources of relevant data. This work will conclude in December 2025 and the department will include the updated forecasts when writing to the Committee to update on recommendation 1. The department intends to build further on these forecasts when they are utilised as part of the department's cost modelling work, including in response to the [NAO's recommendation A \(page number 14\)](#) which is due in March 2026, with outputs being routinely updated and refined.

5. PAC conclusion: The Department is displaying an inconsistent approach to its engagement with professional sports.

5. PAC recommendation: The Department should work with Sport England to compile a strategy for engaging with borrowers in future in order to ensure that they engage consistently and fairly with different sports as more borrowers start to repay their loans.

5.1 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

5.2 Every borrower is treated in line with the department's Policy Framework and loan book objectives. The department maintains regular communication with its borrowers through its Loan Agents. There is a standard and equitable approach to engaging all borrowers, with the flexibility for loan agents to communicate more frequently with higher risk borrowers and especially with any borrowers who are in breach, or at risk of being in breach, of their loan agreements.

5.3 In line with the Committee's recommendation 5 and the [NAO's recommendation C \(page number 14\)](#), the department has implemented an overarching borrower engagement strategy. This strategy builds on the successful day-to-day relationship management approaches used by Arts Council England and Sport England. The strategy defines guiding principles for borrower interactions, formalises the roles and responsibilities of stakeholders in engagement, and outlines evaluation methods to measure consistency of communications.

5.4 The strategy addresses this recommendation by providing Sport England and Arts Council England with the overarching framework for loan agents to operate within, to ensure the strategy is applied consistently and fairly across all borrower sectors and risk levels. Reflecting the Committee's specific interest in different sports, this strategy establishes the equitable standard of engagement that all Sport Survival Package borrowers are expected to receive.

Twenty-First Report of Session 2024-26

Department of Health and Social Care

Fixing NHS Dentistry

Introduction from the Committee

The Department of Health and Social Care (DHSC) is responsible for overall healthcare policy in England. The Government recently announced that over the next two years NHS England (NHSE), will be brought into DHSC, but in the meantime it is an arm's length body of DHSC, and is responsible for the implementation of health services in England, including NHS dentistry. Dentistry is delivered by independent dental practices, that enter into a contract with integrated care boards (ICBs), who are responsible for commissioning NHS dental care under delegation from NHSE.

Overall spending on NHS dentistry came to £3.11 billion in 2023–24, a fall from £3.66 billion in 2019–20. Access to NHS dentistry was affected by the COVID–19 pandemic, when the proportion of the adult population seen by an NHS dentist fell from 49% in the 24 months up to March 2020 to 34% in the following 24 months up to March 2022. While this recovered to 40% by March 2024, access remains below pre–pandemic levels. In 2024 the then government announced its dental recovery plan. The plan had three components: four initiatives to deliver more than an additional 1.5 million courses of treatment in 2024–25 at a cost of £200 million; Smile for Life (a focus on prevention and oral health in children); and measures to support the dental workforce.

Relevant reports

- NAO report: [Investigation into the NHS dental recovery plan](#)– Session 2024-25 (HC 308)
- PAC report: [Fixing NHS Dentistry](#) – Session 2024-26 (HC 648)
- [Treasury Minute](#): June 2025 (CP 1341)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1341 above), the remaining recommendations are updated below.

1. PAC conclusion: Minor changes to a contract that is not fit for purpose have failed to incentivise dental professionals to undertake sufficient levels of NHS work, and while more fundamental reform has been needed for decades there is still no sign of progress.

1a. PAC recommendation: DHSC and NHSE should set out in their Treasury Minute response what they believe a realistic timetable would be if a decision to replace the existing dental contract with a new one is taken by ministers. This should include how they will consult on reforms with stakeholders and the public.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: by Summer 2029

1.2 The government is committed to reforming the dental contract, with a focus on matching resources to need, improving access, promoting prevention and rewarding dentists fairly, while enabling the whole dental team to work to the top of their capability. The

government is committed to achieving fundamental reform by the end of this Parliament (summer 2029). This will include fully consulting on the proposals.

1.3 The government is continuing to engage with the sector on these reforms to scope potential changes.

1.4 Alongside progress on longer term reform, the government undertook a public consultation between 8 July and 19 August 2025 on measures to improve access and the quality of NHS dentistry to help meet the diverse oral health needs of people across England. The government is considering the responses to the consultation and will publish a response shortly. Subject to the outcome of the consultation, the government aim to introduce the reforms from April 2026, which will underpin the delivery of 700,000 more urgent dental care appointments every year, better support patients with complex treatment needs, and incentivise the delivery of more preventative care. The changes also seek to make NHS dentistry more attractive for dental professionals.

2. PAC conclusion: The dental recovery plan was never going to deliver its headline ambition that everyone who needs to see an NHS dentist would be able to, and has failed even to deliver the hoped for 1.5 million additional courses of treatment in 2024–25.

2a. PAC recommendation: DHSC and NHSE must publish their evaluation of the dental recovery plan and what was spent on it. They should write to the Committee as soon as is practical to confirm their final analysis of the plan's performance in 2024–25, including details of:

- **how many additional treatments the plan as a whole delivered;**

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: December 2025

Original target implementation date: Autumn 2025

2.2 NHS England (NHSE) is carrying out analysis of the main initiatives which were planned to result in additional appointments being delivered: the New Patient Premium, Golden Hellos and the uplift to the minimum Unit of Dental Activity (UDA) rate. The government decided not to implement a national programme of mobile dental vans and so this will not be included in this analysis.

2.3 In addition to this analysis, NHSE has conducted focus groups with stakeholders to understand their views on the New Patient Premium.

2.4 DHSC has also commissioned a small-scale independent evaluation of the recovery plan which is currently underway.

2.5 NHS England received the necessary data to undertake the analysis later than originally anticipated in September 2025. NHS England prioritised calculating the costs and impact of the Plan to provide a response to recommendation 2b. Wider contract level evaluation is currently being progressed.

2.6 NHS England is therefore aiming to implement recommendation 2a by end December 2025 and will write separately to the Committee with their findings.

2b. PAC recommendation:

- **for each of the four main initiatives a breakdown of what they individually achieved;**

2.7 The government agrees with the Committee's recommendation.

Recommendation implemented: November 2025

2.8 NHSE has completed an analysis of the impact of two key elements of the Plan: New Patient Premium and increasing the minimum Units of Dental Activity (UDA) value. Analysis of the impact of the Golden Hello scheme requires practitioner level data which has been requested from the NHS Business Services Authority (NHS BSA). The government decided not to implement a national programme of mobile dental vans and so this will not be included in any analyses. Analysis suggests that 4.3 million patients attracted a New Patient Premium Payment. An additional 56,457 UDAs (0.9%) were delivered by contractors who were eligible for an uplift to their UDA value in 2024-25 compared to 2023-24. NHSE are unable to express this as appointments as contractors claim for activity based upon the care provided rather than the number of appointments required to deliver it. There was no significant difference in changes in delivery between contracts who received a minimum UDA uplift and those contracts with low UDA values of between £28-£30 per UDA.

2c. PAC recommendation:

- ***the final amount spent on each initiative; and***

2.9 The government agrees with the Committee's recommendation.

Recommendation implemented: December 2025

2.10 It should be noted that, since [the Committee's report](#) was published, figures for overall spending on NHS dentistry for 2024-25 are available. In 2024-25 the dental services ringfence was £3.97 billion, which was £250 million more, compared to 2023-24. This is partly due to the additional funding for the contractor pay rise of 6%. The equivalent spending on General Dental Services (GDS) and Personal Dental Services (PDS) contracts in 2024-25 will be included in NHS England annual accounts which are not yet published.

2.11 Due to the two-month window for activity claims to be submitted by dental contractors, the data necessary to provide this confirmation was received at the end of August 2025. Subsequent analysis suggests that the amount spent on each initiative to September 2025 was:

- New Patient Premium: £126 million. This reflects an updated figure compared to the one shared previously with the Committee and takes account of the annual uplift to the contract which was applied in March 2025, with retrospective effect. This incentive ceased in April 2025.
- Minimum UDA value: £11 million in 2024-25. Costs associated with an increase to the contract will continue for the duration of the contract.
- Golden Hello incentives: As of September 2025, ICBs have reported the total sum of golden hello payments as £900,000. This incorporates the total sum of payments made in 2024-25 of £574,000 and those to September 2025 in 2024-25 of £322,000. These payments are in respect of 103 dentists. Given that these payments are phased there will be ongoing costs in respect of this policy until eligible dentists have completed their three years.

2d. PAC recommendation:

- ***how far the performance in the 2024–25 plan can be continued into 2025–26.***

2.12 The government agrees with the Committee's recommendation.

Target implementation date: March 2026

2.13 The New Patient Premium ended in March 2025. Integrated Care Boards are being encouraged to continue to make use of the Golden Hellos scheme into 2025-26, working with practices to support recruitment to these posts. However, the government is committed to reviewing the scheme to assess whether it is delivering the expected outcomes. The government is currently considering the future of the scheme and an update will be provided to the Committee in due course.

4. PAC conclusion: The dental recovery plan relied on centrally planned and imposed initiatives that ultimately failed to positively influence the amount of care delivered by dental practices.

4b. PAC recommendation: NHSE and DHSC must in their future plans for NHS dentistry:

- **explain how they intend to support ICBs to innovate within their commissioning powers, while holding them to account for improving dentistry in their areas; and**

4.1 The government agrees with the Committee's recommendation.

Revised target implementation date: March 2026

Original target implementation date: December 2025

4.2 NHS England published a national service specification and associated clinical standard to support Integrated Care Boards (ICBs) in their commissioning of additional urgent care capacity. The government consulted on reform to the dental contract in August 2025. There is an interdependency between these reforms and flexible commissioning.

4.3 NHS England is therefore aiming to implement recommendation 4b by March 2026 when the government's response to this consultation is known.

6. PAC conclusion: Without a workforce sufficiently supported to deliver NHS dental care, there will be no future for NHS dentistry and DHSC and NHSE have not yet done enough to address workforce issues.

6a. PAC recommendation: DHSC must:

- **publish its response to the consultation on a dental graduate "tie-in".**

6.1 The government agrees with the Committee's recommendation.

Target implementation date: Winter 2025

6.2 As announced in the [10 Year Health Plan](#) the government will make it a requirement for newly qualified dentists to practice in the NHS for a minimum period, intended to be three years. That will mean more NHS dentists, more NHS appointments and better oral health.

6.3 Training a dentist costs the taxpayer up to £200,000. The government believes it is fair to taxpayers to expect graduate dentists to invest their skills and expertise in the NHS for a period of time. The government also believes that working in the NHS will give dental graduates the best start to their careers, by giving them a broad range of experience, support from strong teams of dental professionals and comprehensive training.

6.4 The government will be working closely with the sector on the detail of the scheme and will consult on the detail and design of the model in due course. The government plans to

publish the response to the [2024 consultation](#) on the proposal for a 'tie-in' to NHS dentistry for graduate dentists by Winter 2025.

6.5 More broadly and as announced in the 10 Year Health Plan, the government will publish a 10 Year Workforce Plan to create a workforce ready to deliver a transformed NHS service. The 10 Year Workforce Plan will ensure that the NHS has the right people in the right places, with the right skills to deliver the best care for patients when they need it.

Twenty-Second Report of Session 2024-26

Department for Energy Security and Net Zero

Government's support for biomass

Introduction from the Committee

Biomass, such as plants or food waste, can be used to generate power or heat, or made into biofuel for vehicles or other uses. Since 2002, the government has provided financial support for businesses and households using biomass for power and heat because it sees biomass as a low-carbon alternative to fossil fuels, provided it comes from sustainable sources. Over that time, the use of biomass in energy production has increased significantly. For example, in 2022, biomass-fuelled power stations generated 11% of the UK's electricity, an increase of around eight percentage points compared with 2010. In 2022, 66% of the biomass fuel used in UK heat, electricity and transport was from domestic sources.

The government sees biomass as low-carbon provided it is produced from sustainable sources. If sustainable biomass is enabled with carbon capture and storage, it could generate negative emissions because biomass absorbs carbon as it grows and is then captured when burnt to generate heat or power rather than being released back into the atmosphere; although no UK biomass generators currently have the capability to capture and store carbon. The Department for Energy Security and Net Zero (DESNZ) has overall responsibility for government's approach to supporting biomass.

Relevant reports

- NAO report: [The government's support for biomass](#) – Session 2023-24 (HC 358)
- PAC report: [Government's support for biomass](#) – Session 2024-26 (HC 715)
- [Treasury Minute](#): June 2025 (CP 1341)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1341 above), the remaining recommendations are updated below.

1. PAC conclusion: DESNZ has relied for too long on an untested approach to ensure biomass generators are meeting sustainability criteria for receiving financial support.

1. PAC recommendation: DESNZ should complete a comprehensive assessment of the strength of its current approach to gaining assurance around the sustainability of biomass.

1.1 The government agrees with the Committee's recommendation

Revised target implementation date: February 2026

Original target implementation date: Autumn 2025

1.2 The Department for Energy Security and Net Zero (DESNZ) is committed to a process of continuous improvement around the sustainability of biomass used for UK electricity generation. Although new sustainability criteria for large-sale biomass generation were published earlier this year, the department continues to keep the current arrangements for assuring compliance with existing sustainability criteria - through the Renewables Obligation and existing Contracts for Difference (CfDs) to 2027 - under review. In the case of Drax, the

largest of the UK's biomass generators, this includes working closely with Ofgem to understand the lessons that can be learned from its previous investigation into sustainability reporting and the ongoing global audit of Drax's biomass supply chain.

1.3 This ongoing review of sustainability assurance has fed directly into the new CfD with Drax for large-scale generation from 2027, and the department has been working closely with the Low Carbon Contracts Company (LCCC) to equip them with new, updated assurance resources and strengthened audit rights to review sustainability data in the biomass supply chain. This ensures the department has taken targeted and effective action to improve the assurance of compliance with the enhanced sustainability criteria and learned from existing schemes. It has also contributed to the forthcoming public consultation on a Common Biomass Sustainability Framework, which will be published in December 2025.

2. PAC conclusion: DESNZ has not made clear how its plans to strengthen the sustainability rules might work in practice.

2a. PAC recommendation: DESNZ should estimate the cost and test the effectiveness of its proposals for monitoring compliance against an increased threshold for sustainability.

2.1 The government agrees with the Committee's recommendation.

Revised target implementation date: January 2026
Original target implementation date: Autumn 2025

2.2 The department has worked closely with LCCC to develop the assurance measures required to monitor compliance against the robust sustainability criteria for large-scale biomass generation published in February 2025. In the case of the contract with Drax, this includes increasing the detail and standard of routine audits and introducing strengthened access rights that enable LCCC to reach into Drax's supply chain to review compliance with sustainability criteria, where appropriate.

2.3 The department's work with LCCC includes agreeing the funding available via the operational cost levy to resource additional assurance checks and audits, whilst ensuring that the costs to the billpayer are proportionate to the outcome. This funding is subject to public scrutiny. A consultation on LCCC's operational cost budget and associated levy rates for the financial years 2026-27 to 2028-29 opened in early November 2025 and will run for 4 weeks. The department will review any responses received before issuing a government response in January 2026. In parallel, the department will lay a draft affirmative statutory instrument that will set the levy rates for those years, which will be debated in both houses of Parliament before becoming law.

2.4 The department has strengthened the provisions for sustainability compliance in the Contract for Difference itself, ensuring that there are strong deterrents and consequences in place for breaches of sustainability criteria: these have the potential to lead to the loss of subsidy payments and, ultimately, termination of the contract should there be repeated and serious breaches.

2.5 The department is confident that these measures represent a step-change in the compliance arrangements against enhanced sustainability criteria, ensuring that compliance with Land Criteria (including sustainable sourcing and legal harvesting requirements), supply chain Greenhouse Gas emissions, and the exclusion of primary feedstocks from Primary Forest and Old Growth areas are delivered without exception.

2b. PAC recommendation: DESNZ and HM Treasury should, working with Ofgem, consider the resource implications for Ofgem of introducing and then running a new oversight regime. DESNZ should set out, and publish, the steps it is taking to make sure it has the confidence that all the fuel burned at Drax is sustainably sourced; and

2.6 The government agrees with the Committee's recommendation.

Target implementation date: December 2025

2.7 DESNZ has agreed new arrangements for the low-carbon dispatchable CfD with Drax that incorporates oversight of sustainability criteria in the new contract into the role of LCCC as contract counterparty. LCCC can draw on significantly strengthened measures in the contract – with consequences including loss of subsidy and contract termination – if these criteria are not adhered to. Ofgem will no longer have a role in the business-as-usual oversight of biomass sustainability under the CfD scheme from 2027, which will make lines of accountability clearer. However, Ofgem and LCCC have agreed to work together to ensure the smooth transfer of responsibilities and share knowledge and best practice.

2.8 Ofgem will continue to have extensive powers available to act against breaches of licence conditions by any generator. This includes conducting investigations and issuing fines.

2.9 Now that contract negotiations with Drax have concluded, the department is considering how best to publish the measures in place from 2027 to assure the integrity of the enhanced sustainability criteria: it is committed to ensuring that taxpayers and billpayers can be confident that no subsidy is paid for unsustainable biomass, and that there are significant consequences for breaches of sustainability criteria. The contract itself will be published by LCCC.

4. PAC conclusion: The deployment of BECCS has been repeatedly delayed, even though it remains a key part of the government's plans to decarbonise the UK.

4. PAC recommendation: DESNZ should map a critical path showing when BECCS needs to be operational for the UK to achieve its decarbonisation goals and take concrete action to meet it. If BECCS is no longer considered to be viable, DESNZ should put in place robust contingency plans setting out how it will achieve the net carbon removals it requires and what the future of biomass will be.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

4.2 In October 2025, DESNZ published its plan to meet Carbon Budgets in compliance with the High Court's Order and Section 14 of the Climate Change Act 2008. This plan sets out the policies and proposals needed to meet Carbon Budgets 4-6 on the pathway to net zero by 2050. The government recognises a portfolio of Greenhouse Gas Removal (GGR) technologies will be needed to deliver climate ambitions. This includes technologies such as BECCS, including power BECCS.

4.3 The department will set out the level of Carbon Budget 7 in Spring next year, followed by a delivery plan in due course.

4.4 Separately, a [report](#) from the independent review of GGRs, led by Dr Alan Whitehead CBE, was published in October 2025. The review considered how GGRs including large-scale power BECCS and Direct Air Carbon Capture and Storage (DACCS), can assist the UK in

meeting our Net Zero targets. The government welcomes this report and will consider the recommendations and respond in due course.

5. PAC conclusion: There are number of risks to the supply of biomass that need effective management.

5. PAC recommendation: DESNZ should make sure it has an approach in place for identifying and then mitigating the risks to the supply of biomass, both domestically and internationally.

5.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2027

5.2 DESNZ officials continue to monitor the domestic and international biomass landscape closely, working across government to identify emerging supply risks, and changes to regulation and legislation around the world. DESNZ officials regularly engage with external stakeholders – including regulators, biomass certification bodies, and environmental groups – and a delegation travelled to the southeastern US in May 2025 to understand more about the productive forestry that supplies much of the UK's imported biomass. The department is also appointing an independent advisor on biomass sustainability to provide further expertise and advice on changes to international best practice.

5.3 It is important to recognise that imported biomass will continue to play a vital role in large-scale electricity generation in the UK: although domestically sourced biomass underpins smaller-scale support schemes, including the Renewable Heat Incentive, there are not sufficient forests to provide the required supply of residues and sourcing at scale from outside the UK ensures that the carbon emissions associated with processing and transport are managed as efficiently as possible.

5.4 The contract agreed with Drax includes specific provisions to manage the risk of regulatory regression around the definition of Primary Forest and Old Growth (PFOG) areas in other jurisdictions: this ensures risk assessments for areas where PFOG forest is present are kept under constant review. A contractual 'backstop' based on the latest European Union definition of PFOG is in place in the event that such risk assessments cannot provide sufficient reassurance that the risk of primary residues from PFOG areas entering the supply chain can be properly managed.

Twenty-Third Report of Session 2024-26

HM Revenue and Customs

The cost of the tax system

Introduction from the Committee

The tax system administered by His Majesty's Revenue and Customs (HMRC) raised £829 billion in 2023–24. HMRC's aim is to be a trusted, modern tax authority. Its strategic objectives include collecting the right tax, and making it easy to get tax right but hard to bend or break the rules. HMRC takes the lead role in government on the implementation of tax policy. HM Treasury leads on the design of tax policy.

Administering taxes costs all parties over £20 billion per year, with most cost falling on businesses. Of the £4.3 billion HMRC spent on tax collection in 2023–24, £2.4 billion (56%) was accounted for by its Customer Compliance Group and £1.3 billion (30%) by its Customer Services Group. The costliest taxes for HMRC to administer in 2023–24 were Income Tax Self Assessment (£1,056 million, 25% of HMRC's total cost of tax collection), VAT (£905 million, 21%), Income Tax Pay As You Earn (£777 million, 18%) and Corporation Tax (£496 million, 12%).

Relevant reports

- NAO report: [The administrative cost of the tax system](#) – Session 2024-25 (HC 675)
- PAC report: [The cost of the tax system](#) – Session 2024-26 (HC 645)
- [Treasury Minute](#): July 2025 (CP 1367)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1367 above), the remaining recommendations are updated below.

1. PAC conclusion: The cost of administering taxes is increasing for HMRC and taxpayers.

1. PAC recommendation: HMRC should publish realistic plans to simplify the tax system and establish robust metrics for reporting the impact on its costs, and on taxpayers' costs, in its annual reports. The plans should explain how HMRC has identified areas of most concern to taxpayers and how it will address these.

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: July 2025

1.2 The government published [HMRC's Transformation Roadmap](#), which sets out how HMRC's plans to transform the tax and customs systems. The government has committed to simplifying the tax system and taking this forward as part of its three priorities for HMRC (improving day-to-day performance and the overall customer experience, closing the tax gap, and reform and modernisation).

1.3 The Transformation Roadmap sets out the specific actions HMRC will undertake to deliver on these priorities. This transformation will be enabled by simplified policies and procedures, the application of new technologies like artificial intelligence (AI), tailored nudges, alerts and pre-populated data for tax returns and the introduction of more digital self-serve

options for taxpayers. Also, an improved education offer and clearer guidance to help taxpayers self-serve with confidence.

1.4 The Transformation Roadmap was informed by insight and feedback from external stakeholders, who will continue to support and challenge HMRC in delivering the future of tax and customs.

1.5 HMRC is committed to reporting progress against the deliverables in the Transformation Roadmap, as well as the metrics in its Annual Report and Accounts or supporting performance publications.

1.6 HMRC publishes the cost of collection within its [Annual Report and Accounts](#). In 2024 to 2025, it cost HMRC 0.51 pence for every pound of tax revenue collected. HMRC will continue to develop further metrics on the costs of the system.

4. PAC conclusion: HMRC allowed many of its IT systems for administering tax and interacting with customers to become out of date, increasing both its costs and the burdens on taxpayers.

4a. PAC recommendation: Within three months of the spending review being published, HMRC should write to the Committee setting out its timetable for remediating its legacy IT systems, the forecast cost of investments and expected savings. It should then report its progress and spending on remediation in its annual reports.

4.1 The government agrees with the Committee's recommendation.

Recommendation implemented: September 2025

4.2 HMRC [wrote to the Committee](#) on 8 September 2025 detailing its plans and future reporting. HMRC will report on Technical Health improvements, investment outturn and benefits realised in its Annual Report and Accounts.

Twenty-Fourth Report of Session 2024-26

Cabinet Office

Government cyber resilience

Introduction from the Committee

Cyber attack is one of the most serious risks to the UK and the Government's resilience. The government defines cyber resilience as "the ability of an organisation to maintain the delivery of its key functions and services and ensure the protection of its data, despite adverse cyber security events". Government's digital estate is vast, complex and diverse. Departments, arm's-length bodies and their partners use a wide range of IT systems to provide public services. Ageing and outdated IT systems, known as 'legacy', increase the cyber risk to government. The cyber threat comes from individuals, groups or organisations, including hostile states and financially motivated cyber criminals, that have malicious intent to cause harm to digital devices or systems. Cyber attacks increasingly threaten the government's ability to safeguard national security and run public services.

The Government Security Group (GSG) in the Cabinet Office was responsible for leading the implementation of the Government Cyber Security Strategy: 2022–2030 ('the Strategy') and supporting government departments to improve their cyber resilience. In June 2025, the government moved responsibility for government and public sector cyber security from the Cabinet Office to the Department for Science, Innovation and Technology (DSIT). Departments are responsible for their own cyber resilience and for ensuring their sectors and arm's-length bodies meet strategic resilience targets. The National Cyber Security Centre (NCSC) provides technical advice, support and guidance. In the 2021 Spending Review, the government announced it would invest £2.6 billion in cyber, of which it allocated £1.3 billion to departments for cyber security and legacy IT remediation.

Relevant reports

- NAO report: [Government cyber resilience](#) – Session 2024-25 (HC 546)
- PAC report: [Government cyber resilience](#) – Session 2024-26 (HC 643)
- Policy paper: [A blueprint for modern digital government](#)
- Policy paper: [Government Cyber Security Strategy](#)
- [Treasury Minute](#): July 2025 (CP 1367)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1367 above), the remaining recommendations are updated below.

1. PAC conclusion: Government has not kept up with the severe and rapidly evolving cyber threat.

1. PAC recommendation: In one year's time, the Cabinet Office should write to the Committee setting out their assessment of: how the cyber risk to government has continued to change; how government's approach has evolved in response; and the extent to which the gap between the cyber threat and government's cyber resilience has grown or reduced.

1.1 The government agrees with the Committee's recommendation.

Target implementation date: Autumn 2026

1.2 The Department for Science, Innovation and Technology (DSIT) has carried out significant work developing the Government Cyber Action Plan which will set out the approach to driving cyber and technology resilience ahead of publication by February 2026. DSIT will write to the Committee to update them on implementation in Autumn 2026 as well as how the risk to government may have changed.

1.3 DSIT is establishing a risk management team within the Government Cyber Unit. The Technology Risk Group will be the most senior governance and accountability structure for the new central risk management function and will have ownership of centrally set minimum digital, cyber and technology risk appetite statements for government and the wider public sector and then hold organisations to account for meeting these.

2. PAC conclusion: There is a longstanding shortage in government of the experienced, technical cyber skills required.

2. PAC recommendation: Following the conclusion of the 2025 Spending Review, the Cabinet Office should set out: how many of the estimated cyber vacancies in government that its central interventions will fill; and how it will support departments' plans to fill the remaining gaps in their workforces.

2.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

2.2 The government continues to attract and upskill new cyber security talent through several comprehensive talent programmes, including an additional 26 Cyber Apprentices and 12 Cyber Fast Streamers. In addition, 8 new recruits to the Government Cyber Security Academy are now in post after successfully completing their cyber bootcamp programme. As part of the move of cyber into DSIT, the government has been working on aligning cyber talent programmes with wider digital programmes, to ensure greater join up.

2.3 Analysis from the Government Security Workforce commission 2025 has been distributed to departments. This data identifies cyber vacancies in government and will support departments' plans on how they can fill these vacancies through current programmes and initiatives.

2.4 In Spring 2026, DSIT will set how many of the anticipated cyber vacancies in government its central initiatives will address and how it will assist departments in their efforts to fill the remaining workforce gaps.

3. PAC conclusion: Departments have not done enough to prioritise cyber security, meaning that government's cyber resilience is far from where it needs to be.

3. PAC recommendation: The Cabinet Office should set out how it is supporting accounting officers to: improve accountability by appointing an appropriately experienced and expert Chief Information Officer and Chief Security Officer at senior management and board-level; include cyber resilience in departmental plans and activities; and create a strong cyber security culture in their organisations.

3.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

3.2 DSIT will jointly publish the Government Cyber Action Plan to maximise impact by aligning cyber and digital resilience activities and by clearly articulating how the Target Operating Model enables delivery of the Government Cyber Security Strategy outcomes. The

joint publication in February 2026 will set clear roles and responsibilities, including specified Accounting Officer responsibilities that need to be met.

4. PAC conclusion: Government still has substantial gaps in its understanding of how resilient its IT estate is to cyber attack.

4a. PAC recommendation: The Cabinet Office should set out: what proportion of critical and legacy IT systems it has assessed so far; the optimal scale and frequency of assessment activity needed; a deadline for when this will be achieved by.

4.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

4.2 DSIT is still improving the way that data is collected on legacy systems across government, however the emerging scale and complexity of this work has meant that DSIT is leading work to create a suitable model to collect the necessary data and to perform the analysis. As part of this work, DSIT will define consistent metrics and methods to measure the ongoing costs of legacy systems as well as the estimated cost of failing to remediate or to replace systems.

4.3 Departments are continuing to be required to identify and report on their critical systems through GovAssure. The GovAssure team is increasing capacity for continuous improvement and cyber advisory services, to enable further adoption of the scheme across government.

4.4 Work is progressing to use the combined insights from this assurance framework, alongside scoping of continuous assurance models, to guide the assessed estate's proportion and future assessment scale and frequency.

4b. PAC recommendation: [The Cabinet Office should set out] How it will prevent departments from diverting funding away from this activity [critical and legacy IT systems].

4.5 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

4.6 To prevent the diversion of funding earmarked for cyber and legacy projects following spending review settlements, DSIT has worked with the Treasury to ringfence key cyber security and legacy programmes. DSIT is now working closely with HMT to ensure that these programmes have outcome-based metrics to ensure accurate and useful reporting.

4.7 Settlement letters also included a specific requirement for departments to report overall levels of digital spending, broken down by the main areas of spend to Treasury and GDS on a six-monthly basis. DSIT are in the early stages of working with the Treasury and departments to define what the main areas of spend are to provide a clear framework for departmental reporting. This will act as the basis for future financial reporting, alongside performance reporting, helping us to have better oversight of the total quantum of cyber budgets across government.

4.8 To prevent this issue reoccurring in the future, in September 2025, DSIT Permanent Secretary and National Cyber Security Centre (NCSC) CEO briefed Permanent Secretaries on government cyber resilience, the criticality of work to improve government's cyber resilience and the need to prioritise cyber-related activity through business planning.

4.9 Furthermore, the Government Cyber Action Plan will set out clear commitments for how DSIT and NCSC will drive and support transformation, and clear expectations for departments. These commitments will help to drive departmental action towards their required resilience targets.

5. PAC conclusion: *The scale and diversity of government's supply chains, and the size of the public sector, makes it significantly harder for government to manage cyber risk.*

5. PAC recommendation: *The Cabinet Office should secure clear assurance from departments that they understand and are effectively managing the cyber risk from their arm's-length bodies and supply chains.*

5.1 The government agrees with the Committee's recommendation.

Target implementation date: Spring 2026

5.2 The Digital Commercial Centre of Excellence is reforming procurement processes and ensuring clearer guidelines for departments. The strategic supplier relationship management approach is under development to leverage the skills and capabilities of the Government Commercial Function supplier and markets team, Crown Commercial Service and departmental category leads from across government. This work will focus on the key strategic supplier relationships and big tech providers supporting the development of national digital infrastructure.

5.3 DSIT will support departments to manage their supply chain risks. The Government Cyber Action Plan will reassert the role of Lead Government Departments. DSIT will work with lead government departments to understand, manage and report against the cyber risk of their department, arm's-length bodies, and wider public sector in alignment with government-wide risk appetites and direction.

6. PAC conclusion: *Government's work to date has not been sufficient to make it resilient to cyber attack by 2025, and meeting its 2030 aim to make the wider public sector cyber resilient will require a fundamentally different approach.*

6. PAC recommendation: *Following the conclusion of the 2025 Spending Review, the Cabinet Office should set out what levers and instruments the centre of government will use to take a fundamentally different approach to cyber resilience.*

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: February 2026

Original target implementation date: Winter 2025

6.2 The Government Cyber Action Plan has been defined and is in final stages of development ahead of publication by February 2026. This will set out the levers and instruments to achieve a fundamentally different approach to government cyber security. DSIT will jointly publish the plans for implementation of this model, and how it will enable the delivery of a strong and interventionist approach to cyber and digital resilience.

Twenty-Fifth Report of Session 2024-26

Department of Health and Social Care

Annual Report and Accounts 2023-24

Introduction from the Committee

The Department leads the health and social care system in England. The Department and its group spent £187.3 billion in 2023–24. The C&AG has qualified his opinions on the Department's accounts for the last five years due to a number of different issues within both the Department itself and its wider group of organisations that form part of its accounts. Whilst some of these issues were due to the COVID–19 pandemic, the range and scale of them has highlighted issues with oversight across the group, including financial and compliance issues.

NHS England leads the NHS in England and sets the national direction for the NHS. It commissions services from NHS Trusts and Foundation Trusts, and from other healthcare providers, runs national NHS IT systems, and is responsible for the education and training of the NHS workforce. NHS England spent £180.0 billion in 2023–24, of which £153.6 billion was on the commissioning of health and social care services for patients. The government announced on 13 March 2025 that NHS England will be abolished and its functions merged into the Department.

Parliament expects Departments' accounts to be published before the summer recess each year, which the Department has not met since 2019. The Department published its accounts covering 2019–20 to 2022–23 in January each year, six months after this deadline. It published its 2023–24 accounts in December 2024, marking an improvement on the previous four years, but still five months after the pre–summer recess deadline. The 2023–24 accounts were delayed as a result of ongoing issues at UKHSA following the C&AG's disclaimed opinions on its 2021–22 and 2022–23 accounts and because of delays to local NHS audits. The Department's Annual Report and Accounts needs assurance from NHS England's accounts and the Consolidated NHS Provider Accounts because they account for over £100 billion of expenditure. Those accounts in turn rely on assurance from the audits of NHS commissioners and NHS providers.

Relevant reports

- PAC report: [DHSC Annual Report and Accounts 2023-24](#) – Session 2024-26 (HC 639)
- DHSC report: [Department of Health and Social Care Annual Report and Accounts 2023-24](#)
- [Treasury Minute](#): July 2025 (CP 1367)

Update to the Government response to the Committee

Following the government's last response to the Committee on this report (CP 1367 above), the remaining recommendations are updated below.

1. PAC conclusion: The announcement of the abolition of NHS England, and staff cuts across the Department, NHS England, and Integrated Care Boards, has created high levels of uncertainty for patients and for staff.

1a. PAC recommendation: Within the next 3 months, the Department must reflect on the lessons learnt from previous structural changes and share with us its plan and timetable for the structured transfer of NHS England's functions to the Department, including the resources it will now have for each of its key responsibilities, and any activity it will cease

1.1 The government agrees with the Committee's recommendation.

Recommendation implemented: October 2025

1.2 The department has examined the lessons from previous organisational changes involving Department of Health and Social Care and NHS England and will continue to do so.

1.3 The Secretary of State [wrote to the Committee Chair](#) on 4 July 2025 providing an update on the work of the programme and the structure of the future department.

1.4 Since the Committee's report, the government has published the [10 Year Health Plan](#), which outlines the future operating model for the health system. The Plan sets out that the new centre will be smaller, more agile and focused on whole-system strategic leadership and building partnerships. It outlines that the new DHSC will provide greater clarity and purpose to the health system by establishing clear priorities, mandating fewer targets and equipping local leaders to improve population outcomes.

1.5 The new DHSC's functions will support this through greater focus, prioritisation and reduction of duplication. The government remains committed to a large reduction in the size of the centre and will achieve this through careful design, deliberation and, where required, consultation with staff. The combined organisation will cease some activity, including that which is: not aligned to the 10 Year Health Plan; is duplicative; could be better delivered locally; or represents poor value for money.

1.6 The department has developed a plan and timetable for the transfer of NHSE's functions. This will require primary legislation and so is subject to Parliamentary time and approval. The department will write to the Committee shortly to share this timetable and provide an update on the work to date.

1b. PAC recommendation: The changes should preserve the place-based approach to retain close and effective working relations with local councils, directors of public health and local GPs.

1.7 The government agrees with the Committee's recommendation.

Target implementation date: to be confirmed, subject to Primary Legislation

1.8 The government's [10 Year Health Plan](#) hardwires place-based working into the future vision for joined up health and care provision through two main mechanisms:

- A clearer planning framework which reinvigorates the role of Health and Wellbeing Boards, enabled by local government reform, committing place partners – local government, NHS commissioners and providers – to develop a new neighbourhood health plan (incorporating public health, social care and the Better Care Fund) which sets out shared objectives across place partners, how the model of care will change based on the needs of local communities and how commissioners and providers will reorganise themselves to deliver services in a more integrated way.
- New integrated delivery models at place through the development of multi-neighbourhood contracts and integrated healthcare organisations who will take on greater responsibility for population health through the coordination of local multi-disciplinary care. These models will build on existing partnerships, but importantly begin operating consistently, at scale,

backed by the right incentives, leadership and delegated decision making to deliver on their shared objectives.

1.9 Integrated Care Boards (ICBs) as strategic commissioners will play an important role in supporting these models through the setting of longer-term evidence-based population health improvement plans (building from the neighbourhood health plans) and working with local partners to create the conditions for success, including the development of local capability, new joint commissioning models, funding flows and contractual mechanisms. Earlier this year, NHS England published guidance (Strategic Commissioning Framework) to support ICBs in jointly planning and co-commissioning these integrated delivery models with local partners

2. PAC conclusion: The Department's accounts do not provide sufficient information on key long-term financial pressures facing the health and social care system.

2a. PAC recommendation: In line with its Treasury Minute response, the Department should write to the Committee to set out its plans to improve the transparency and usability of its Annual Report and Accounts in the following areas: social care; productivity; prevention; digital and artificial intelligence; palliative and end-of-life care; severance and clinical negligence payments; and any new and emerging areas of Parliamentary and public interest.

2b. PAC recommendation: All future annual reports and accounts should be very clear about what productivity and efficiency gains have been made during the year and how. Also, a prediction for future years should be included.

2.1 The government agrees with the Committee's recommendations.

Recommendation implemented: November 2025

2.2 The department wrote to the Committee on [7 November](#) setting out its plans for the Annual Report and Accounts (ARA) 2024-25. The letter sets out how the department is improving its ARA in the areas specified by the Committee.

2.3 Recommendation 2b has also been implemented in the 2024-25 ARA, to be published in December 2025.

3. PAC conclusion: There is little to show for the £400 million spent so far on the development of Harlow Health Security Campus, with no decision yet on the future of the site.

3a. PAC recommendation: In line with the recommendations this Committee made in May 2024, UKHSA should urgently outline how it will ensure that the UK continues to have the infrastructure it needs to protect public health, and confirm its plans for its high containment laboratories, including setting out full costs and timeline for completion. In light of spending review, and given UKHSA's poor record of delivering new facilities, it should set out as soon as possible, exactly what the arrangements are in respect of accountability, oversight, and the involvement and status of delivery partners.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: April 2026

Original target implementation date: April 2026

3.2 The government has now taken a decision on the future location of the Science Hub and has chosen to build a new facility at Harlow which will incorporate UKHSA's existing

scientific facilities at Porton Down and Colindale, as well as its corporate headquarters in London. This was announced by the Secretary of State on 17 July 2025.

3.3 The government has committed £250 million to the project within this Parliament, with the total costs estimated at £3.5 billion. The new site is set to open in the mid-2030s, with all staff in scope on the site by 2038.

3.4 To meet this timeline, UKHSA has already conducted significant amounts of work to remobilise the programme. This includes baselining the critical path for infrastructure delivery, scaling up the internal team and bringing on board external specialist support (such as designers and cost-consultants) to confirm requirements, designs and costs. The programme will use this work to inform a Programme Business Case with a view to obtaining Treasury approval by the summer of 2026. This will then enable the appointment of Tier 1 contractors.

3.5 Simultaneously, UKHSA is working closely with DHSC on an accountability review – this will finalise accountability arrangements for the project for when the business case has been approved. This review is in two parts – the first, to establish whether UKHSA should lead on building its own requirements and the second, to establish whether UKHSA should also lead on exploring co-location opportunities with external partners for the site, or whether another organisation is better placed to do so. This review will conclude by the end of March 2026.

4. PAC conclusion: It is unacceptable that the Department is yet to develop a plan to deal with the cost of clinical negligence claims, and so much taxpayers' money is being spent on legal fees.

4a. PAC recommendation: Within the next 6 months, the Department should set out a plan with clear actions to:

- **Reduce tragic incidences of patient harm to as low a level as possible; and**

4.1 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

4.2 The government is committed to advancing patient safety and a learning culture across the NHS. [The Ten-Year Health Plan](#) (4 July) and [Dr Penny' Dash's report](#) on the patient safety landscape (7 July) made clear that the changes the government is making will improve quality and safety by making it clear where responsibility and accountability sits at all levels of the system.

4.3 Progress being made includes key measures under the [NHS Patient Safety Strategy](#). The Strategy is in its sixth year and NHS England estimate that it is now achieving the aims it set out in 2019; saving around [1000 lives and over £100 million in care costs each year](#). The Strategy's patient safety improvement programmes have led to over 1500 neonatal lives saved, over 500 fewer [cerebral palsy cases in premature babies](#) and more than 1900 deaths prevented overall through medicines safety improvement, and in the first 10 months of [Martha's Rule](#), escalation calls have resulted in more than 260 patients requiring transfers of care to high dependency or intensive care units, enhanced levels of care or a tertiary centre.

4.4 The development of a Quality Strategy and a revitalised National Quality Board are key components of the 10 Year Plan. Once the Quality Strategy is published (March 2026), work will begin to review and update the NHS Patient Safety Strategy to continue the focus on improving patient safety.

4.5 The Care Quality Commission is modernising its regulatory approach via a data-driven, intelligence-led model to enable the regulator to have a more rounded understanding of the service quality and safety Trusts are delivering.

4b. PAC recommendation:

- ***Manage the costs of clinical negligence more effectively, including introducing a mechanism to reduce legal fees.***

4.6 The government agrees with the Committee's recommendation.

Target implementation date: to be advised

4.7 This is a continuing area of concern to government. In the 10 Year Health Plan published on the 3 July, the department announced David Lock KC will be providing expert policy advice on the rising legal costs and how the government can improve patients' experience of clinical negligence claims, this work and the recent NAO report [Costs of Clinical Negligence](#) published on 17 October, will enable the department and ministers to consider next steps on the rising cost of clinical negligence claims.

4.8 The government expects to publish an update on the next steps for this work in 2026.

4c. PAC recommendation:

- ***Improve patient safety across the NHS and in particular in maternity services.***

4.9 The government agrees with the Committee's recommendation.

Target implementation date: April 2026

4.10 On 23 June, the Secretary of State announced an independent Investigation into NHS Maternity and Neonatal services, led by Baroness Amos. The Investigation will review international evidence, adoption of best practice and undertake a system wide investigation of maternity and neonatal care. It will also carry out local investigations of maternity and neonatal services in NHS Trusts.

4.11 Baroness Amos will provide an update on the Investigation in December 2025. The Investigation will publish its final report and recommendations in the Spring 2026.

4.12 The government is also establishing a National Maternity and Neonatal Taskforce, which will use the recommendations from the investigation and will work closely with families to develop a national plan to drive improvements across maternity and neonatal care.

4.13 In the interim period, the NHS has been focused on a number of priority actions:

- Setting strong expectations for trust chairs, chief executives and boards. This includes development of a new performance dashboard with a focused set of metrics.
- Creating an Equity and Equality data dashboard and deliver a Perinatal Equity and Anti-Discrimination Programme.
- Delivering the Maternity Outcomes Signal System to support the earlier detection and addressing of potential safety concerns.
- Diversifying and strengthening support available to trusts through the Maternity Safety Support Programme.
- Supporting high quality care through delivering a maternal care bundle to reduce mortality and morbidity; the Avoiding Brain Injury in Childbirth programme to detect intrapartum foetal deterioration; and principles for maternity triage services.
- Improving how it listens and responds to service user feedback through the development of a Patient Reported Experience Measure

5. PAC conclusion: We are disappointed by the Department's continued failure to return to publishing its accounts before the summer Parliamentary recess.

5. PAC recommendation: By the start of September 2025, the Department must write to us with a realistic and credible plan to produce audited accounts before the summer Parliamentary recess. This must include how it will:

- **Effectively support and hold group bodies to account to ensure they produce accounts of appropriate quality on a timely basis; and**
- **Work with stakeholders across the local audit system to build capacity, resilience and ensure deadlines are met in particular given organisational changes.**

5.1 The government agrees with the Committee's recommendations.

Recommendation implemented: November 2025

5.2 The department has [written to the Committee](#) on 7 November setting out its position and plans with regard to a return to pre-Summer Parliamentary recess publication of the DHSC Group Annual Report and Accounts.

5.3 The letter explains how the department is holding group bodies to account for the production of timely, high-quality accounts, and describes the work the department is doing with stakeholders to address the challenges in the private sector audit market, which continue to constrain the NHS's and department's ability to go faster.

6. PAC conclusion: NHS England does not have a coherent plan to better protect taxpayers' money and prevent future unapproved exit packages.

6. PAC recommendation: As part of its Treasury Minute response, NHS England should set out how it will ensure that all exit packages receive the appropriate approvals in advance of payment being made, including details of consequences for non-compliance with the rules. Given the proposed scale of redundancies it should set out how its new approvals mechanism can be enforced to prevent even more unauthorised severance payments.

This should include how it will ensure that this corporate knowledge and any lessons learned are not lost when it is abolished and its functions are taken on by the Department.

6.1 The government agrees with the Committee's recommendation

Revised target implementation date: end of December 2025

Original target implementation date: end Summer 2025

6.2 NHS England (NHSE) has centralised the national teams supporting exit payments to ensure that there is a single point of contact for approval support.

6.3 NHSE published [updated guidance for Trusts](#) and Integrated Care Boards (ICB) on the adoption of Mutually Agreed Resignation Schemes, which is available on their website.

6.4 Guidance on other exit payments was finalised in May 2025 but is being reviewed following the publication of updated Treasury guidance on public sector exit payments in July 2025. The guidance includes instruction on all types of exit packages including voluntary severance, compulsory redundancy and special severance payments. Once approved it will be published on NHSE's website.

6.5 NHSE conducts quarterly assurance reviews through which Trusts and ICBs declare exit payments made during a reporting period. This supports the central review of compliance with approvals processes. If issues arise with compliance a lessons learnt exercise is initiated and approval rules are reiterated to the organisations involved. NHSE also promotes good practice through financial control events where it reminds delegates of the governance arrangements for certain types of transactions.

6.6 Future oversight of exit payments mechanisms will depend on where legal powers reside after the integration of NHSE into the Department of Health and Social Care. NHSE will continue to work with DHSC to define these processes during transition.

Twenty-Sixth Report of Session 2024-26

Home Office

Tackling Violence Against Women and Girls

Introduction from the Committee

Violence against women and girls (VAWG) is an umbrella term used to describe a variety of different crimes that are known to disproportionately impact women and girls. These crimes include domestic abuse, rape (and other sexual offences), stalking, harassment, upskirting, revenge porn, so-called ‘honour’-based abuses (such as forced marriage, female genital mutilation and so-called ‘honour’ killings) and many more.

At least one in 12 women are victims of violence against women and girls every year with over one in four women being a survivor of sexual assault in their lifetimes. In 2022–23, the National Police Chiefs’ Council reported that one in five police recorded crimes were related to violence against women and girls. Despite the stark nature of these statistics, the true scale of VAWG is likely to be even higher, as not all survivors will report their experience to authorities. These crimes can have devastating impacts on survivors, affecting them physically, mentally, socially and financially.

The Home Office leads cross-government efforts to tackle violence against women and girls and is the lead department for the government’s ‘Safer Streets’ mission. Achieving long-term, sustainable change will require the commitment and coordination of multiple government departments, including education, health, justice and local government.

The Home Office has led successive efforts to address violence against women and girls, and in July 2021 published its third strategy since 2009–10, followed by the accompanying Domestic Abuse plan in March 2022. The Home Office has spent £149 million between April 2021 and the end of September 2024 tackling VAWG, whilst the National Audit Office estimated that around £979 million was spent by other government departments tackling VAWG in the period from 2021–22 to 2023–24. The current government has set an ambition to halve violence against women and girls in the next decade, as part of its ‘Safer Streets’ mission. The Home Office told us that it will outline government’s plans to deliver on this ambition in its new VAWG Strategy, which we aim to publish in September 2025.

Relevant reports

- NAO report: [Tackling Violence against Women and Girls](#) - Session 2024-25 (HC 547)
- PAC report: [Tackling Violence against Women and Girls](#) - Session 2024-26 (HC 644)
- [Treasury Minute](#): July 2025 (CP 1367)

Update to the Government response to the Committee

Following the government’s last response to the Committee on this report (CP 1367 above), the remaining recommendations are updated below.

3. PAC conclusion: Short-term and fragmented funding hinder government departments’ efforts to maximise the impact it is having both at the local and national level.

3. PAC recommendation: In light of the forthcoming Spending Review, the Home Office should then write to the Committee within one month outlining how government's approach is changing in order to coordinate all spending on VAWG-related activities across government and provide long-term funding stability to the sector.

3.1 The government agrees with the Committee's recommendation.

Revised target implementation date: early 2026

Original target implementation date: Autumn 2025

3.2 The government is committed to delivering its ambition to halve violence against women and girls (VAWG) in a decade, underpinned by a transformational approach which will be set out in the VAWG Strategy. This includes ensuring that maximum stability is provided to the sector so that they can continue to deliver for victims and respond to perpetrators. A [letter was sent to the Committee](#) on 3 October providing an update on the publication of the Strategy.

3.3 Following the Spending Review 2025, the Home Office is progressing through its departmental budget allocations process which will determine the final funding settlement.

3.4 The coordination of VAWG spending across government will also be subject to other government departments completing their own internal allocation processes.

3.5 Once these processes are complete, the department will write to update the Committee.

5. PAC conclusion: There are considerable gaps in the Home Office's understanding of the scale of violence against women and girls, which will undermine its efforts to target interventions and monitor progress against its ambition to halve VAWG.

5. PAC recommendation: As part of its Treasury Minute response, the Home Office should set out how it will:

- **Measure progress against its ambition to halve VAWG in a decade, demonstrating what alternative indicators will be used to measure progress in those areas not covered by the Crime Survey for England and Wales; and**
- **Ensure all relevant departments, notably DHSC and DfE, are sharing intelligence relating to VAWG appropriately, to build up government's understanding of the scale of VAWG, and its ability to prioritise efforts effectively.**

5.1 The government agrees with the Committee's recommendation.

Revised target implementation date: early 2026

Original target implementation date: September 2025

5.2 The government will use a broad suite of metrics to comprehensively measure the ambition and work on tackling VAWG. This will include a headline metric on the prevalence of VAWG as reported through the Crime Survey for England and Wales (CSEW); measured by a new combined measure of those who have experienced domestic abuse, and/or sexual assault and/or stalking in the previous 12 months. The Office for National Statistics published the [combined measure](#) for the first time in July 2025, providing data for the year ending March 2024 and March 2025.

5.3 The government will use supporting headline metrics covering repeat domestic abuse, the prevalence of sexual harassment as measured by the CSEW, and female homicides. In addition, a range of sub-metrics will be used to provide a more comprehensive picture of VAWG in society, including data not covered by the headline or supporting headline metrics, such as online VAWG. This suite of metrics will allow the government to monitor the whole system response to tackling VAWG. Further detail will be set out in the new VAWG Strategy.

5.4 The Safer Streets Mission provides the forum by which departments will share relevant information on VAWG. All relevant government departments have contributed to the development of the performance framework, ensuring a range of metrics are included on the scale of VAWG and the full government response. Further detail will be published in the VAWG Strategy.

6. PAC conclusion: We are concerned that, to date, the approach to tackling violence against women and girls has not put enough emphasis on preventative measures that are necessary to achieve long-term change.

6. PAC recommendation: As part of the Treasury Minute response to this report, the Home Office should outline:

- **how it intends to put greater emphasis on preventative measures over and above work it has done previously through its upcoming Strategy, to achieve long-term change; and**
- **how it will work with other relevant departments, notably the Department for Culture, Media and Sport, MHCLG and MoJ, to ensure all opportunities are being taken to work with young boys to prevent harmful attitudes perpetuating, and how this work is being incorporated into the upcoming VAWG Strategy.**
- **Also, as part of the Treasury Minute response to this report, the Department for Education should set out how it intends to work with children and young people to prevent violence against women and girls, including further changes to the relationships and sex education (RSE) curriculum, and how this is being coordinated through the Home Office's upcoming VAWG Strategy**

6.1 The government agrees with the Committee's recommendation.

Revised target implementation date: early 2026

Original target implementation date: September 2025

6.2 The new VAWG strategy will place prevention at the very heart of the government's approach to halving VAWG in a decade. A key part of the department's approach will be improving the policing, criminal and family justice response. However, enforcement alone is not enough.

6.3 The preventative measures in the VAWG Strategy will be designed to achieve long-term change, underpinned by the Theory of Change. This includes challenging the societal norms, attitudes and misconceptions about relationships and consent, and identifying early risk factors in children and families so fewer children perpetrate abuse or become victims themselves. Prevention of VAWG is a wide-reaching area requiring cross-government effort across DfE, DCMS, MHCLG, DSIT and MoJ, and others.

6.4 An updated version of the Relationships, Sex and Health Education (RSHE) [statutory guidance](#) was published in July 2025. The Home Office and the Department for Education have worked closely with a range of stakeholders to get the guidance right and ensure it supports teachers in preventing VAWG and promoting healthy relationships among students.

6.5 The Home Office will also continue to work closely with the Department for Science, Innovation and Technology to enhance media literacy among children and parents, so that they are able to critically assess content they are viewing online, including misogynistic content.

6.6 The government's [Opportunity Mission](#) is also dedicated to setting up every child with the best start in life, helping all children to achieve and thrive and creating environments in which young people feel they belong - these are the best available tools for combating violence and prejudice, including misogyny.

7. PAC conclusion: We are concerned that government departments' approach to tech-enabled violence against women and girls is not sufficiently agile to address the threats posed by online harm.

7a. PAC recommendation: In six months' time, DSIT should write to the Committee outlining the impact that the Online Safety Act has had on improving the safety of children and young people online, and the role it is expected to play in preventing VAWG in the long-term.

7.1 The government agrees with the Committee's recommendation.

Target implementation date: Winter 2025

7.2 The Online Safety Act (OSA)'s illegal harms duties came into force in March 2025, and the child safety duties in July 2025. Under their illegal harms duties, it is a priority for platforms to proactively tackle illegal content, much of which disproportionately affects women and girls.

7.3 DSIT has analysed the Wave 8 results of Ofcom's [Online Experiences Tracker](#) (OET), which reports the experiences of adults on regulated services in June-July 2025. This is the first wave since the illegal harms duties came into effect. The data offer valuable insights, including the types of VAWG content being encountered by UK internet users and the effect it had on these users, though due to the complex and evolving nature of the online environment, it is too early to attribute any changes to the OSA specifically.

7.4 These incidence and enforcement results form part of a broader evaluation programme to understand how the OSA is working. This programme draws on multiple evidence sources and further waves of data from the OET. Other evidence DSIT will consider includes the Ofcom's Children's Online Safety Tracker (due to be published later in December, also covering June-July), and end-of-year report on the OSA.

7.5 DSIT will update the Committee by the end of Winter 2025 on the OSA's implementation, including early changes in the incidence of harm, following the illegal content duties, and actions being taken to protect women and girls online.

Treasury Minutes Progress Reports Archive

Treasury Minute Progress Reports provide 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 Session 2019-21: updates on 1 PAC report Session 2021-22: updates on 5 PAC reports Session 2022-23: updates on 24 PAC reports Session 2023-24: updates on 30 PAC reports Session 2024-26: updates to 25 PAC reports	CP 1453
March 2025	Session 2017-19: updates on 3 PAC reports Session 2019-21: updates on 1 PAC report Session 2021-22: updates on 9 PAC reports Session 2022-23: updates on 41 PAC reports Session 2023-24: updates on 36 PAC reports	CP 1284
May 2024	Session 2017-19: updates on 5 PAC reports Session 2019-21: updates on 1 PAC report Session 2021-22: updates on 10 PAC reports Session 2022-23: updates on 53 PAC reports Session 2023-24: updates on 6 PAC reports	CP 1102
December 2023	Session 2017-19: updates on 9 PAC reports Session 2019-21: updates on 2 PAC reports Session 2021-22: updates on 18 PAC reports Session 2022-23: updates on 48 PAC reports	CP 987
June 2023	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 11 PAC reports Session 2019-21: updates on 5 PAC reports Session 2021-22: updates on 29 PAC reports Session 2022-23: updates on 27 PAC reports	CP 855
December 2022	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 16 PAC reports Session 2019-21: updates on 14 PAC reports Session 2021-22: updates on 38 PAC reports Session 2022-23: updates on 8 PAC reports	CP 765
June 2022	Session 2013-14: updates on 1 PAC report Session 2017-19: updates on 27 PAC reports Session 2019-21: updates on 34 PAC reports Session 2021-22: updates on 30 PAC reports	CP 691
November 2021	Session 2013-14: updates on 1 PAC report Session 2016-17: updates on 3 PAC reports Session 2017-19: updates on 33 PAC reports Session 2019: updates on 2 PAC reports Session 2019-21: updates on 47 PAC reports Session 2021-22: updates on 5 PAC reports	CP 549

Publication Date	PAC Reports	Ref Number
May 2021	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 1 PAC report Session 2015-16: updates on 3 PAC reports Session 2016-17: updates on 7 PAC reports Session 2017-19: updates on 73 PAC reports Session 2019: updates on 2 PAC reports Session 2019-21: updates on 28 PAC reports	CP 424
November 2020	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 1 PAC report Session 2016-17: updates on 7 PAC reports Session 2017-19: updates on 73 PAC reports Session 2019: updates on 2 PAC reports	CP 313
February 2020	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 1 PAC report Session 2015-16: updates on 3 PAC reports Session 2016-17: updates on 14 PAC reports Session 2017-19: updates on 71 PAC reports	CP 221
March 2019	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 4 PAC reports Session 2014-15: updates on 2 PAC reports Session 2015-16: updates on 7 PAC reports Session 2016-17: updates on 22 PAC reports Session 2017-19: updates on 46 PAC reports	CP 70
July 2018	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 4 PAC reports Session 2014-15: updates on 2 PAC reports Session 2015-16: updates on 9 PAC reports Session 2016-17: updates on 38 PAC reports Session 2017-19: updates on 17 PAC reports	Cm 9668
January 2018	Session 2010-12: updates on 2 PAC reports Session 2013-14: updates on 5 PAC reports Session 2014-15: updates on 4 PAC reports Session 2015-16: updates on 14 PAC reports Session 2016-17: updates on 52 PAC reports	Cm 9566
October 2017	Session 2010-12: updates on 3 PAC reports Session 2013-14: updates on 7 PAC reports Session 2014-15: updates on 12 PAC reports Session 2015-16: updates on 26 PAC reports Session 2016-17: updates on 39 PAC reports	Cm 9506
January 2017	Session 2010-12: updates on 1 PAC report Session 2013-14: updates on 5 PAC reports Session 2014-15: updates on 7 PAC reports Session 2015-16: updates on 18 PAC reports	Cm 9407
July 2016	Session 2010-12: updates on 6 PAC reports Session 2012-13: updates on 2 PAC reports Session 2013-14: updates on 15 PAC reports Session 2014-15: updates on 22 PAC reports Session 2015-16: updates on 6 PAC reports	Cm 9320

Publication Date	PAC Reports	Ref Number
February 2016	Session 2010-12: updates on 8 PAC reports Session 2012-13: updates on 7 PAC reports Session 2013-14: updates on 22 PAC reports Session 2014-15: updates on 27 PAC reports	Cm 9202
March 2015	Session 2010-12: updates on 26 PAC reports Session 2012-13: updates on 17 PAC reports Session 2013-14: updates on 43 PAC reports	Cm 9034
July 2014	Session 2010-12: updates on 60 PAC reports Session 2012-13: updates on 37 PAC reports	Cm 8899
February 2013	Session 2010-12: updates on 31 PAC reports	Cm 8539
July 2012	Session 2010-12: updates on 28 PAC reports	Cm 8387
January 2012	Session 2010-12: updates on 13 PAC reports	Cm 8271

