



Public Accounts Committee

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Whole of Government Accounts 2020-21

Dear Second Permanent Secretary,

Thank you for your letter dated 4 October 2022 providing an update on the Whole of Government Accounts (WGA) in which you explained that the 2020-21 account is not likely to be available by your target date of 31 March 2023.

At the Public Accounts Committee session on 8 June 2022, we outlined the Committee's view on the importance of timeliness in the preparation of the WGA. In that session you outlined that March 2023 was your best estimate for the publication of the 2020-21 account, with November 2023 for the publication of the 2021-22 account. The WGA provides important transparency on the financial position and spending of Government, and therefore it is very disappointing to hear that both of these timetables are now unlikely to be met at a time when significant changes in public finances have been occurring.

In your letter you identify two causes of delay: the system performance of OSCAR II and delayed completion of local government audits. You explain that these issues are widespread across both central and local government, with only one third of the entities meeting the extended deadline of 30 September. I was not clear from your letter on the extent to which these performance levels are attributable wholly to OSCAR II and issues in the local government audit market and ask that you provide clarity on this point within your next update.

While it is encouraging to hear that the system issues from 2019-20 are not recurring, this Committee raised concerns in our [recent report on the 2019-20 WGA](#) about the poor design and testing of OSCAR II. The fact that issues have again arisen in the live environment indicates that project management weaknesses identified last year remain unresolved. We ask that you reflect on this when responding to the Committee's recommendation in this area.

I also note that the problems experienced by the users of OSCAR II over the summer are system wide. It is a matter of some concern to hear that there are widespread issues impacting the key HM Treasury system used to monitor and control public expenditure at this time. I would be grateful if your next update letter could explain how capacity issues have been resolved; and provide your assessment of the extent to which these system failures have reduced HM Treasury's ability to monitor and control public finances.



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I am grateful for your commitment to write to me again in due course with a revised timetable for WGA 2020-21 and 2021-22. I recognise and support your commitment to working with the National Audit Office to ensure that any timetables set are realistic. I would also like you to set out your expectations of when WGA will return to delivery timescales like that of the 2018-19 WGA, which was published approximately 15 months after the end of the reporting period.

Yours sincerely

Dame Meg Hillier MP
Chair of the Committee of Public Accounts