



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Dame Meg Hillier DBE  
Public Accounts Committee  
House of Commons  
London  
SW1A 0AA

31 March 2022

Dear Dame Meg Hillier,

**SUBSIDY CONTROL ACT- COMMITMENT TO NOTIFY SELECT COMMITTEE CHAIRS OF THE USE OF A DIRECTION**

I'm writing to reaffirm the position set out by my predecessor John Glen in his letter to you on the 8<sup>th</sup> May 2022 regarding the procedure to confidentially notify chairs of relevant committees of the use of a financial stability direction under the Subsidy Control Act.

This proposal sets out that where an intervention incurs a contingent liability and is accompanied by the use of a direction, the same process used to inform Parliament of the contingent liability will be used to disclose the use of a direction. This means that where appropriate HMT will follow the full process as set out in Managing Public Money.

However, where necessary to protect financial stability, a Treasury Minister would inform, in confidence, the Chairs of the Public Accounts Committee and Treasury Committee of the use of that direction and any related contingent liability in an oral briefing. Full disclosure to Parliament would be then made once any prudential risks from its publication had subsided, as set out in section 47(7) of the Subsidy Control Act. I would like to reassure you that in the event there is a change in Committee Chair during the period before which public disclosure is made, the new Chair will be notified of the direction in an oral briefing to ensure Parliament remains informed at all times.

I am also copying this letter to Harriett Baldwin MP, chair of the Treasury Committee, and Gareth Davies, the Comptroller and Auditor General.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Andrew Griffith'.

ANDREW GRIFFITH MP