Thank you for giving evidence on 24 May 2016. We found the evidence session very helpful for our inquiry. You provided us with some really useful information and thoughts on both management accounts and annual accounts. As I discussed with you after the session, we are very interested in working with the National Audit Office on this inquiry. I am writing to ask you to expand on a couple of your statements during the hearing.

• You mention in question 92 that you think that the Treasury should be encouraged to continue with its streamlining review and take it quite a bit further. Do you have any specific suggestions of items that could be removed from these documents?

• We welcome your commitment in question 92 to publishing dashboards of information from the accounts for people to use. When do you envisage that dashboard being published for the accounts for 2015-16 and what will be in it?

• In question 93, you said that the Whole of Government accounts show that the government is spending more money than is coming in by about £70 billion. We have received evidence from Professor David Heald that that is rendered less transparent as the accounts describe it not as a deficit but as net expenditure. Do you agree with Professor Heald and how do we ensure this does not happen in the future?

• In question 95, Kate Mathers told us that the NAO sees good and bad practice in transparency in accounts and annual reports. Could you identify to us some of the departments which perform best in this regard and also why you think they do? We would find it particularly useful if you could identify some examples from the accounts that are published for the year 2015-16 in the Treasury’s new format.

• In response to question 99, you agreed that departmental accounts were often badly written. We would be interested in your views on how we might incentivise Departments to make their accounts and annual reports more accessible to the general public.
• In response to question 101, you said that you receive 'quite a fair amount of queries' from journalists about the accounts. How many queries do you receive and how does that compare to your value for money reports? Can you provide a breakdown of what these queries focus on?

• In question 112, you told us that your value for money teams use the accounts to get 'a picture of the control environment' and that they 'get a lot out of it'. Can you show us reports which have used the accounts in this way?

• In response to question 113, you mention your desire to improve the use of information inside departments. How do we make sure that any progress that is made as a result of your and our efforts is sustained and becomes normal practice?

• In response to question 117, you said that you found accounts useful as a way to compare departments- you mentioned the Ministry of Defence and Department of Transport. What have you learnt from the accounts about the comparison between these two departments? Which, for example, manages major projects more efficiently according to the accounts?

• In response to question 122 Kate Mathers told the committee that the distinctions between DEL and AME and programme and administrative expenditure were useful. Could you provide us with examples from the NAO's value for money reports where your teams have used either DEL and AME or the programme/administrative spend split to generate useful conclusions about departments?

  o Are you content that departments are consistent in the way that they apply these distinctions?

• In response to question 122, you referred to the competing needs of control and accountability. We would be very interested in hearing any further thoughts you have about this issue and also any thoughts you have on how it might be resolved in the future.

• In response to question 158, Kate Mathers told us you were part of the working group on the Treasury project on accounts. Were you aware through your participation in that group of whether the audience for the accounts were consulted during that project and what they said they wanted from accounts?

• In response to question 159, you talked about “making more of a reality of the accruals aspect of accounting”. How could this happen in the future?

• Professor David Heald said in his written evidence to us that “knowledge that government entities have delivered accounts and secured clean audit certificates is highly relevant to public confidence in the management of public finances. Since the cessation of the Comptroller and Auditor General’s annual report on
financial reporting and auditing... this summary information appears not to be publicly available." How do you think this information could be made available in the future?

Thank you again for your useful comments during the session. As I said during the session, if you have further thoughts either about the financial or management accounts please feel free to contact me or the committee staff.

Bernard Jenkin
Chair
Public Administration and Constitutional Affairs Select Committee