Dear Jonathan,

Sale of student loans

As you will be aware, my committee published a report on the sale of student loans on 14 November 2018. In this report, we expressed our concern about the lack of transparency to the public and Parliament surrounding the sale of student loans (see paragraphs 9 and 10). This was because the Department would not disclose the identity of investors, arguing that doing so would negatively affect the demand for this and future sales. We concluded that decisions to withhold information should be based on evidence, rather than assumptions, and the impacts considered. We recommended that for future sales there must be a presumption to release investor names, unless there is an evidenced and quantified risk to value for money in doing so.

We are therefore disappointed to see that in the Department for Education report laid on 20 December Second Sale of Pre-2012 (Plan 1) Income Contingent Student Loans, you did not a) disclose the identity of investors, or b) provide an evidenced and quantified assessment of the risks you identified in doing so. Further, while we note your commitment to facilitating Parliamentary scrutiny in Section 6 of the report by providing "the names of investors to the PAC and NAO in confidence", we are yet to receive these names, despite your report being laid over a month ago.

On this basis, we would appreciate a response to the following questions:

1. Why did the Department decide not to disclose the identity of investors as recommended by the Committee?
2. Could the Department explain the risks to value for money it identified in naming these investors? Could the Department also outline why it believes these risks outweigh the need for transparency?
3. Will the Department reconsider the decision not to publish the names of investors? If not, when can the Committee expect to receive these names in confidence, as the Department has committed to in its report?

I am copying this letter to the Comptroller and Auditor General and Treasury Officer of Accounts.

Yours sincerely,

MEG HILLIER MP
CHAIR OF COMMITTEE OF PUBLIC ACCOUNTS