Dear Permanent Secretary

Treasury Minute response to the Committee’s report on UKTI and the contract with PA Consulting

Thank you for the October 2017 Treasury Minute response to our report on UKTI and the contract with PA Consulting. I was pleased to see that the government accepted most of the Committee’s recommendations.

However, I note from your response to Recommendation 1 that the legal terms of the settlement agreement between UKTI and PA Consulting do not provide for further, formal assurance to be obtained by government from PA Consulting.

It appears that this settlement agreement has, either by accident or design, effectively removed any legal basis for further Parliamentary scrutiny of this contract. I am disappointed to find that this has happened and I would be very concerned if this situation was to be replicated with other public sector contracts.

I would be grateful for some assurance from you as to what steps you are taking to ensure that Parliament, and the National Audit Office acting on its behalf, retains the ability to scrutinise public spending in contracts which have been terminated. Please write to me by 18 December.

This letter is also being sent to Gareth Rhys Williams, Government Chief Commercial Officer. I am copying this letter to the Treasury Officer of Accounts and the Comptroller & Auditor General.

MEG HILLIER MP
CHAIR OF THE COMMITTEE OF PUBLIC ACCOUNTS