Meg Hillier MP
Chair of the Committee of Public Accounts
House of Commons
London
SW1A 0AA

16 May 2019

Dear Ms Hillier,


I am writing in response to the Public Accounts Committee report into the first sale of student loans. Specifically, in relation to how the programme balances transparency, including releasing information relating to investors, with any risks to value for money.

I recognise the Committee’s concerns, and so asked that UKGI carry out an exercise to test the impact of disclosing investor names. UKGI have carefully considered the Committee’s recommendations. In doing this, they have drawn on evidence collected from investors and advisors from previous sales.

I have enclosed with this letter the findings from this exercise and the subsequent advice from UKGI. Whilst we accept there is a general public interest in transparency, we must recognise that investors have not purchased the loans themselves, but the rights to repayments from those loans. The terms of the sold loans and method of collection will not be affected by the sale, nor will the investors have any contact with the borrowers. The advice set out by UKGI clearly shows the negative impact disclosure of names would likely have on the demand for the sale, and therefore the price achieved for the taxpayer.

Based on this advice, I agree with the recommendation made by UKGI that it is not in the public interest to publish investor names from previous and future sales, and that to do so would likely reduce the proceeds achieved from future sales.

I am copying this letter to Charles Roxburgh, Second Permanent Secretary HM Treasury, Justin Manson, UKGI, Sir Amyas Morse, Comptroller and Auditor General and Richard Brown, Treasury Officer of Accounts.

Best wishes

JONATHAN SLATER
PERMANENT SECRETARY