



National Audit Office

Helping the nation spend wisely

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Room RED 3
Reference FOI-489
Date 10 September 2010

By email: request-45329-d3b224bf@whatdotheyknow.com

Dear Ms Evans

FOI REQUEST: NAO REPORT TO HM TREASURY ON WGA DRY RUN

Thank you for your email dated 18 August 2010 requesting a copy of the NAO's report to HM Treasury on the Whole of Government Accounts 2008-09 dry run process.

We have completed our search for the information that you requested and I can confirm that we hold the information that meets the terms of your request.

We consider our report to HM Treasury of our findings arising from our review of the 2008-09 dry run Whole of Government Accounts process to be exempt from disclosure under Section 33(2) (audit functions) of the Freedom of Information Act 2000. Details of this exemption, its application and our consideration of the public interest test are at Annex A.

I hope you find this response helpful. Annex B of this letter sets out the steps you should take if you are not satisfied with the way in which we have handled your request for information under the Freedom of Information Act 2000.

Yours sincerely

Nick Lacy
Head of Policy and Legal Advice



Section 33 of the Freedom of Information Act provides that:

1. This exemption applies to any public authority which has functions in relation to-
 - a. the audit of the accounts of other public authorities, or
 - b. the examination of the economy, efficiency and effectiveness with which other public authorities use their resources in discharging their functions.
2. Information held by a public authority to which this section applies is exempt information if its disclosure would, or would be likely to, prejudice the exercise of any of the authority's functions in relation to any of the matters referred to in subsection (1).
3. The duty to confirm or deny does not arise in relation to a public authority to which this section applies if, or to the extent that, compliance with section 1(1) (a) would, or would be likely to, prejudice the exercise of any of the authority's functions in relation to any of the matters referred to in subsection (1).

The exemption applies because:

HM Treasury have commissioned the C&AG annually to review their dry-run Whole of Government Accounts (WGA) and the processes supporting its preparation. This exercise benefits from free and frank engagement between the National Audit Office and HM Treasury. Our report on the HM Treasury's 2008-09 WGA dry-run process was written with the aim of helping HM Treasury to improve its processes in preparation for the first 'live' year for 2009-10, the output of which HM Treasury plans to publish in spring 2011. Disclosure of our report would inhibit our ability to provide ongoing advice to HM Treasury on what is developing work which has yet to enter the public domain, prejudicing HM Treasury production and subsequent publication of WGA. Disclosure would further inhibit the frankness and speed of exchange between ourselves and HM Treasury in relation to future reports on the WGA process and could prejudice the effective performance of future audits.

Reasons why, as regards the exemption which is not absolute, the public interest in maintaining the exclusion outweighs the public interest in disclosing the information in this case:

We recognise that there is a public interest in understanding HM Treasury's current progress against its publicly stated intention to produce cross-departmental, commercial style accounts and further, to understand the rigour of the audit framework in place to ensure that suitable progress is being made. This needs to be balanced against the public interest in maintaining an audit process which leads to accurate and reliable reports on progress and a frank and honest exchange of views which HM Treasury can use to develop and improve its process in time for the publication of the first Whole of Government Accounts in 2011. Information on the progress of WGA is already publicly available on the Financial Reporting Advisory Board section of the HM Treasury's website. We believe that, in this case, the public interest in maintaining an effective public audit function outweighs the public interest in disclosure of the information requested.

Statement of Policy

Our policy is to respond to requests made under the Freedom of Information Act as helpfully and promptly as possible, having regard to the principles set out in the Act. I therefore hope you are happy with the way we have handled your request of information under the Freedom of Information Act. If you are not then you should take the following steps.

In the first instance, write to the Freedom of Information (FOI Team) at FOI@nao.gsi.gov.uk or by post to:

FOI Team, Red Mezz, National Audit Office, 157-197 Buckingham Palace Road, London, SW1W 9SP.

This will be sent to the Head of FOI who will arrange a review, which will be conducted by a senior member of staff who was not involved in decisions relating to your original request. Once the review has been completed we will write to you with the outcome.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF.