



National Audit Office

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National Audit Office

 Interactive

# Impacts case studies 2014

Examples of NAO work to improve public services



Using this interactive PDF



Case studies by parent department



Case studies by issue addressed



Impacts case studies



Financial impacts statement



# Impacts case studies 2014

## Examples of NAO work to improve public services

The NAO helps drive public sector improvement by sharing our specialist expertise and the insights we gain through our work across government.

This publication illustrates some of the ways we have helped government achieve both financial and non-financial benefits.

All public sector organisations can benefit by applying the lessons and good practice set out in our reports.

Please [contact us](#) if you would like to discuss any issues with an NAO expert.



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## NAO impacts reporting

As part of our performance reporting we account for the impact of our work, in two ways:

**An independently validated statement of the financial savings** achieved as a result of a direct link between the NAO's work and a quantifiable beneficial change in an audited body. These savings totalled £1.15 billion in 2014.

**Case studies** of non-financial and/or less directly attributable financial benefits.

The savings statement and some of the case studies are included in our [Annual Report and Accounts](#).

The case studies can also be searched on the [publications](#) page of our website.

### Using this interactive PDF



[Financial Impacts statement](#) lists the savings, an explanation of the validation process and an example of how we have calculated the savings attributable to the NAO.

There are 3 ways to access our case studies:



**1** Browse pages 11 to 44 by using the navigation buttons at the bottom of each page.



**2** View the case study list by [parent department](#) and follow the links.



**3** View the case study list by [issues addressed](#) and follow the links.



# Case studies by parent department

Find case studies listed by parent department on the following 2 pages.

Department	Case study	Department	Case study
<b>Parliament</b>	<a href="#">Investigating potential conflicts of interest in procurement at the Parliamentary and Health Service Ombudsman</a>	<b>Department for Business, Innovation &amp; Skills (BIS)</b>	<a href="#">Using our expertise to help improve consumer protection across central and local government</a>
<b>Across government</b>	<a href="#">Shining a spotlight on contract management</a> (specifically relates to Home Office and MoJ)		<a href="#">Improving access to finance for Small &amp; Medium Enterprises (SMEs)</a>
<b>Cabinet Office</b>	<a href="#">Helping to ensure an effective strategic centre of government</a> (also relates to HM Treasury)		<a href="#">Greater accountability around the use of public funds by local bodies</a> (also relates to DCLG & Cabinet Office)
	<a href="#">Greater accountability around the use of public funds by local bodies</a> (also relates to BIS and DCLG)		<a href="#">Achieving value for money for the sale of government shares</a>
	<a href="#">Helping to improve strategic management of debt owed to government</a> (also relates to HM Treasury)		<a href="#">Providing clarity over the arrangements for oversight and funding of alternative higher education providers</a>
	<a href="#">Improving data quality and records retention of the Principal Civil Service Pension Scheme</a>		
	<a href="#">Improving the efficiency and effectiveness of grant spending</a>	<b>Department for Communities &amp; Local Government (DCLG)</b>	<a href="#">Managing reductions in local authority government funding</a>
	<a href="#">Improving Confiscation Orders</a> (also relates to Ministry of Justice)	<b>Department for Education</b>	<a href="#">Greater accountability around the use of public funds by local bodies</a> (also relates to BIS & Cabinet Office)
	<a href="#">Helping the Charity Commission to improve its effectiveness</a>		<a href="#">Delivering better careers advice for young people</a>
			<a href="#">Driving a customer service focus at the Education Funding Agency</a>
		<b>Department for Energy &amp; Climate Change (DECC)</b>	<a href="#">Highlighting an accountability gap in the reporting of the Levy Control Framework</a>
			<a href="#">Securing better progress on nuclear decommissioning</a>



## Case studies by parent department

Department	Case study	Department	Case study
<b>Department for Environment, Food &amp; Rural Affairs</b>	<a href="#">Helping Defra to manage its facilities contract better</a>	<b>HM Revenue &amp; Customs</b>	<a href="#">Increasing the effectiveness of tax collection</a> <a href="#">Encouraging the effective management of tax reliefs</a> (also relates to HM Treasury)
<b>Department for Transport</b>	<a href="#">Helping government to learn from past rail infrastructure programmes</a> <a href="#">Developing the capability needed to deliver the rail strategy</a>	<b>HM Treasury</b>	<a href="#">Helping to improve strategic management of debt owed to government</a> (also relates to Cabinet Office) <a href="#">Encouraging the effective management of tax reliefs</a> (also relates to HMRC)
<b>Department for Work &amp; Pensions (DWP)</b>	<a href="#">Learning from the experience of welfare reform</a>	<b>Home Office</b>	<a href="#">Shining a spotlight on contract management</a> (also applies across government and Ministry of Justice) <a href="#">Earlier certification of the Home Office resource accounts</a>
<b>Department of Health</b>	<a href="#">Helping to improve accountability in the health system</a> <a href="#">Improving the procurement of consumables by NHS Trusts</a> <a href="#">Drawing together information and insights across the adult care system</a> <a href="#">Driving improvements in NHS stroke care</a> <a href="#">Helping the Department of Health to improve its accounting processes</a>	<b>Ministry of Justice</b>	<a href="#">Shining a spotlight on contract management</a> (also applies across government and to Home Office) <a href="#">Improving Confiscation Orders</a> (also applies to Cabinet Office)
<b>Foreign &amp; Commonwealth Office (FCO)</b>	<a href="#">Improving the British Council's financial management</a> <a href="#">Helping the Parliament of Morocco create a Committee for Public Accounts</a> (also relates to International)	<b>International audit work</b>	<a href="#">New UN resolution achieved with NAO support</a> <a href="#">Malaysian peer review highly praised</a> <a href="#">Helping the Parliament of Morocco create a Committee for Public Accounts</a> (also relates to FCO)



# Case studies by issue addressed

The following 4 pages link to the case studies listed by the following key issues.

## Transforming public services

Strategic centre of government

Consumer protection

Customer management

Economic growth

## Local service delivery

Financial and service sustainability

Improving local service delivery

## Operations and programme delivery

Improving operations and programme delivery

Data quality and information management

Commercial capability and contract management

Managing major projects

Oversight of service delivery

Accountability and governance

## Financial management

Financial management

Asset sales and privatisation

Fraud, error and debt management

## International issues

International issues

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## Case studies by issue addressed

Please see the issues listed here and note that some case studies are listed under more than one issue

### Transforming public services

Issue addressed	Case study
<b>Strategic centre of government</b>	<a href="#">Helping to ensure an effective strategic centre of government</a>
	<a href="#">Helping to improve strategic management of debt owed to government</a>
<b>Consumer protection</b>	<a href="#">Using our expertise to help improve consumer protection across centre and local government</a>
	<a href="#">Highlighting an accountability gap in the reporting of the Levy Control Framework</a>
<b>Customer management</b>	<a href="#">Providing clarity over the arrangements for oversight and funding of alternative higher education providers</a>
	<a href="#">Delivering better careers advice for young people</a>
	<a href="#">Driving a customer service focus at the Education Funding Agency</a>
	<a href="#">Drawing together information and insights across the adult care system</a>
<b>Economic growth</b>	<a href="#">Improving access to finance for Small and Medium Enterprises (SMEs)</a>
	<a href="#">Greater accountability around the use of public funds by local bodies</a>

### Local service delivery

Issue addressed	Case study
<b>Financial and service sustainability</b>	<a href="#">Managing reductions in local authority government funding</a>
	<a href="#">Drawing together information and insights across the adult care system</a>
<b>Improving local service delivery</b>	<a href="#">Managing reductions in local authority government funding</a>
	<a href="#">Driving improvements in NHS stroke care</a>

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## Case studies by issue addressed

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### Operations and programme delivery

#### Issue addressed

#### Case study

##### Improving operations and programme delivery

[Learning from the experience of welfare reform](#)

[Improving access to finance for Small and Medium Enterprises \(SMEs\)](#)

[Helping the Charity Commission to improve its effectiveness](#)

[Improving the efficiency and effectiveness of grant spending](#)

[Improving the procurement of consumables by NHS trusts](#)

[Driving improvements in NHS stroke care](#)

[Improving Confiscation Orders](#)

[Increasing the effectiveness of tax collection](#)

[Encouraging the effective management of tax reliefs](#)

#### Issue addressed

#### Case study

##### Data quality and information management

[Improving data quality and records retention of the Principal Civil Service Pension Scheme](#)

[Driving a customer service focus at the Education Funding Agency](#)

[Helping to improve accountability in the health system](#)

[Shining a spotlight on contract management](#)

[Improving the procurement of consumables by NHS trusts](#)

[Helping the Charity Commission to improve its effectiveness](#)



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# Case studies by issue addressed

Please see the issues listed here and note that some case studies are listed under more than one issue

## Operations and programme delivery *continued*

Issue addressed	Case study
<b>Commercial capability and contract management</b>	<a href="#">Shining a spotlight on contract management</a>
	<a href="#">Learning from the experience of welfare reform</a>
	<a href="#">Helping Defra to better manage its facilities contract</a>
	<a href="#">Developing the capability needed to deliver the rail strategy</a>
<b>Managing major projects</b>	<a href="#">Learning from the experience of welfare reform</a>
	<a href="#">Helping government to learn from past rail infrastructure programmes</a>
	<a href="#">Developing the capability needed to deliver the rail strategy</a>
	<a href="#">Securing better progress on nuclear decommissioning</a>
<b>Oversight of service delivery</b>	<a href="#">Providing clarity over the arrangements for oversight and funding of alternative higher education providers</a>
	<a href="#">Delivering better careers advice for young people</a>
	<a href="#">Securing better progress on nuclear decommissioning</a>
	<a href="#">Driving improvements in NHS stroke care</a>

Issue addressed	Case study
<b>Accountability and governance</b>	<a href="#">Greater accountability around the use of public funds by local bodies</a>
	<a href="#">Helping to improve accountability in the health system</a>
	<a href="#">Highlighting an accountability gap in the reporting of the Levy Control Framework</a>
	<a href="#">Using our expertise to help improve consumer protection across central and local government</a>
	<a href="#">Shining a spotlight on contract management</a>
	<a href="#">Investigating potential conflicts of interest in procurement at the Parliamentary and Health Service Ombudsman</a>
	<a href="#">Improving data quality and records retention of the Principal Civil Service Pension Scheme</a>
	<a href="#">Helping the Charity Commission to improve its effectiveness</a>
	<a href="#">Helping government to learn from past rail infrastructure programmes</a>
	<a href="#">Encouraging the effective management of tax reliefs</a>
	<a href="#">Increasing the effectiveness of tax collection</a>

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Please see the issues listed here and note that some case studies are listed under more than one issue

## Financial management

Issue addressed	Case study
<b>Financial management</b>	<a href="#">Encouraging the effective management of tax reliefs</a>
	<a href="#">Helping the Department of Health to improve its accounting processes</a>
	<a href="#">Improving the British Council's financial management</a>
	<a href="#">Earlier certification of the Home Office resource accounts</a>
<b>Asset sales and privatisation</b>	<a href="#">Achieving value for money for the sale of government shares</a>
<b>Fraud, error and debt management</b>	<a href="#">Helping to improve strategic management of debt owed to government</a>
	<a href="#">Increasing the effectiveness of tax collection</a>
	<a href="#">Learning from the experience of welfare reform</a>

## International issues

Issue addressed	Case study
<b>International issues</b>	<a href="#">New UN resolution achieved with NAO support</a>
	<a href="#">Malaysian peer review highly praised</a>
	<a href="#">Helping the Parliament of Morocco create a Committee for Public Accounts</a>

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## Impacts case studies

Case studies are ordered by parent department – Parliament, cross-government, then alphabetical

**Issue(s)**

**Accountability and governance**

**Parent department**

**Parliament**

**Related documents**

[Parliamentary and Health Service Ombudsman Procurement Investigation \(Dec 2014\)](#)

### Investigating potential conflicts of interest in procurement at the Parliamentary and Health Service Ombudsman

The Parliamentary and Health Service Ombudsman (PHSO) began a change programme in early 2012. Following an internal audit of costs associated with the programme, we noted concerns regarding the management of conflicts of interest in procuring services during the transitional period covered by the change programme. We published a report that confirmed we had found no evidence of material irregularity, or undue influence in procurements arising from conflict of interest. We did however note that, as a result of the issues noted in report, PHSO may be exposed to criticism that it had not exercised the expected stewardship and governance over public funds.

**Impact:** PHSO reflected our findings in the Governance Statement that was published in their 2013-14 Annual Report and Accounts, noting and responding to material weaknesses in procurement policy, practice and effectiveness. The Statement also included a Procurement Policy and Practice action plan with progress against this plan reported regularly to the Ombudsman and Audit Committee.

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## Issue(s)

**Commercial capability and contract management**

**Accountability and governance**

**Data quality and information management**

## Parent department

**Cross-government**

**Home Office**

**Ministry of Justice**

## Related documents

Transforming Government's Contract Management  
(Sep 2014)

PAC report: Transforming contract management  
(Nov 2014)

## Shining a spotlight on contract management

We looked at contract management across government, following the over-billing on Ministry of Justice's electronic monitoring contracts and the subsequent cross-government reviews. The government based its reviews on our 2008 Contract Management Good Practice Framework, and invited us to act as an observer on the oversight board. The reviews found systemic problems with the management of contracts across central government. Our 2014 reports identified a lack of senior engagement with and visibility of contracts as well as insufficient resourcing of contract management. The Committee of Public Accounts also held evidence sessions in 2014 on contract management. Our comparative report on contract management in the Ministry of Justice and Home Office highlighted the main areas where both departments had more to do. For example, following our observations the Ministry of Justice introduced strategic oversight of its key suppliers. Our comparative approach helped the departments collaborate more in dealing with common issues and in better defining good contract management practice.

**Impact:** As a result of our work, the government accepted the need to improve the governance, information systems and structures needed to improve performance and provide greater assurance. There are improvements under way across government in response to this need. In addition, the government has introduced a major programme to reform the commercial profession and within this to improve contract management capability overall. The contracting industry largely accepted that it has a duty of care to the taxpayer and the need for improved transparency.

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# Impacts case studies

## Issue(s)

**Strategic centre of government**

## Parent department

**Cabinet Office**

**HM Treasury (HMT)**

## Related documents

The centre of government:  
an update (Mar 15)

The centre of government  
(Jun 14)

## Helping to ensure an effective strategic centre of government

Our work on cross-government studies over a number of years had identified failings by the centre of government collectively to act in an effective, coherent and consistent way. In reports on various topics, we showed how this led to failures to integrate cross-cutting programmes and poor value for money.

**Impact:** Because of our 2014 report on the centre and the subsequent Committee of Public Accounts evidence session, the government produced its first high-level statement on the role of the centre, which emphasised the need for close collaboration between the Cabinet Office and the Treasury. In addition, the new Chief Executive for the Civil Service is developing a new approach based on stronger cross-cutting functions. The 2014 Autumn Statement package included a clearer statement than ever before about the need for a more coherent centre to work closely with departments to achieve the transformation needed to reduce costs further.

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## Issue(s)

**Fraud, error and debt management**

**Strategic centre of government**

## Parent department

**Cabinet Office**

**HM Treasury (HMT)**

## Related documents

Managing Debt owed to Central Government (Feb 2014)

## Helping to improve strategic management of debt owed to government

Our report on debt management in government made recommendations for HM Treasury and Cabinet Office to work together to improve strategic management of debt owed to government. Our work has been cited as a key part of the case for making the government's approach to managing debt more integrated.

**Impact:** The Cabinet Office and HM Treasury have updated the formal Consolidated Budgeting Guidance, which will strengthen financial reporting of debt management in government. The new Cabinet Office and HM Treasury Joint Working Group has overseen the development of departmental debt strategies, and used the NAO's suggested performance measures to establish a consistent government-wide approach to monitoring debt performance for the first time, which will fundamentally strengthen the evidence base to inform decision-making. In terms of delivery, the 'Debt Market Integrator' is designed to improve government's performance in managing debt, with the first services expecting to be delivered from July 2015 (at the time of writing).

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## Issue(s)

**Accountability and governance**

**Data quality and information management**

## Parent department

**Cabinet Office**

## Related documents

[Principal Civil Service Pension Scheme 2013-14 audit and Report on Accounts](#)

## Improving data quality and records retention of the Principal Civil Service Pension Scheme

Our audit of the Principal Civil Service Pension Scheme (PCSPS) identified significant weaknesses in some data quality and records retention. These deficiencies led to inefficiencies in the administration of the Scheme and the risk that individual members may not be receiving their correct entitlement. We made a number of recommendations to the Scheme and employers around governance, data validation, records management and the assurance arrangements.

**Impact:** The Cabinet Office put in place an action plan to address our findings and the Scheme clarified its governance arrangements, increased engagement with employers and introduced a new risk-based assurance framework. The Scheme's administrator undertook the first phase of a data cleansing exercise, which will eventually cover all members, and built improved data validation checks into its new administration system. The Cabinet Office acknowledged the pivotal role of the audit in highlighting the issues and gaining senior support for improvement.

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## Issue(s)

**Process and operations  
management**

## Parent department

**Cabinet Office**

## Related documents

[Follow-up: grants to the Big  
Society Network and the Society  
Network Foundation \(Nov 2014\)](#)

[Government Grant Services  
\(Jul 2014\)](#)

[Investigation into grants from  
the Big Lottery Fund and the  
Cabinet Office to the Big Society  
Network and the Society Network  
Foundation \(Jul 2014\)](#)

## Improving the efficiency and effectiveness of grant spending

Grants are a huge area of government spend, and the Cabinet Office established the Grants Efficiency Programme to improve both the efficiency and effectiveness of using this funding mechanism. We published our work on grants management in 2014 and worked very closely with the Cabinet Office, sharing examples of our data analysis and our emerging findings.

**Impact:** Partly because of our focus and collaborative approach, the Cabinet Office adjusted their programme to consider the appropriateness of grants as a funding mechanism as well as the efficiency of grant processing. The Cabinet Office also plans to design a technology solution to improve the efficiency of processing certain types of grant and to collate management information. Our findings and recommendations were heavily referenced in the business case for this development.



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## Issue(s)

**Operations and  
programme delivery**

## Parent department

**Cabinet Office**

## Related documents

Confiscation Orders (Dec 2013)

## Improving Confiscation Orders

The NAO's report, Confiscation Orders, found that the government's process for confiscating criminals' assets was not working well enough and was not value for money.

**Impact:** As a result of the NAO report and the related report from the Committee of Public Accounts, one of the bodies involved in the process, the Crown Prosecution Service, has set about overhauling its whole approach. It has joined up its fragmented resources into a dedicated Proceeds of Crime centre, introduced an enhanced case management system and improved its performance and cost management data. It is also changing its regional offices so they are co-located with police asset recovery teams and regional organised crime units. Although the changes are not yet complete (at the time of writing), early indications are that asset recovery and resulting crime disruption have increased and will become more effective as new working practices embed.

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## Issue(s)

**Improving operations and  
programme delivery**

**Accountability and governance**

**Data quality and information  
management**

## Parent department

**Cabinet Office**

## Related documents

[Follow-up on the Charity  
Commission \(Jan 2015\)](#)

[The regulatory effectiveness  
of the Charity Commission  
\(Dec 2013\)](#)

[The Cup Trust \(Dec 2013\)](#)

## Helping the Charity Commission to improve its effectiveness

We have published three reports on the Charity Commission in the past 14 months, which have prompted a radical internal overhaul of the Commission itself and new legislation to plug gaps we identified in the Commission's statutory powers.

**Impact:** Following NAO and Committee of Public Accounts criticisms in 2013, the Commission recruited a new CEO, revised its regulatory strategy, developed a new business model and launched a 3-year change programme. We are also credited in the foreword to the draft Protection of Charities Bill as identifying some of the legislative gaps the bill seeks to address. We gave evidence to the Joint Committee carrying out pre-legislative scrutiny of the bill. In its final report, which backs the bill's proposals, the committee made more than 50 references to that oral evidence and our reports on the Charity Commission.

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## Issue(s)

**Consumer protection**

**Accountability and governance**

## Parent department

**Department for Business,  
Innovation & Skills (BIS)**

## Related documents

[Update on consumer protection  
landscape reforms \(Apr 2014\)](#)

## Using our expertise to help improve consumer protection across central and local government

We reported on the system of consumer protection across central and local government in 2011 and we published an update in 2014. We also conducted workshops with the Department of Business, Innovation and Skills and its delivery partners. We identified problems with the system for protecting consumers, finding that, although much detriment occurs at the regional and national level, incentives are weighted against a coordinated approach. Although there are no reliable figures, we estimated the cost of detriment, which cannot be tackled at local level, was more than £4.8 billion each year. The system for enforcing consumer law was fragmented and underequipped to tackle serious consumer scams.

**Impact:** The department cited our work as a catalyst for changing the system of consumer law and providing new rights to consumers to protect them against rogue traders. The government also sought to improve delivery and accountability arrangements, giving Trading Standards a stronger role in co-ordinating enforcement activity. We plan to revisit the new arrangements in 2016-17.

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## Issue(s)

**Economic growth**

**Improving operations and  
programme delivery**

## Parent department

**Department for Business,  
Innovation & Skills (BIS)**

## Related documents

[Improving access to finance  
for SMEs \(Nov 2013\)](#)

## Improving access to finance for SMEs

Our work on improving access to finance for small and medium-sized enterprises (SMEs) achieved a number of impacts. We recommended SMEs should be better informed about the financing options open to them. We also recommended that the Department for Business, Innovation & Skills should articulate more clearly what it expects to achieve through its programme of schemes, and how the schemes will contribute to the overall goal of improving SMEs' access to finance.

**Impact:** As a result, at its launch, the British Business Bank agreed with HM Treasury a formal financial return target for its activities, to be achieved by 2019. It also undertook to publish scheme-by-scheme Key Performance Indicators by summer 2015. In November 2014, the Secretary of State for Business, Innovation and Skills stated that the Public Accounts Committee report on improving access to finance for SMEs had been 'an extremely useful contribution to our thinking' in developing the British Business Bank. The British Business Bank also worked with finance bodies on a free Finance Guide, distributed by the high street banks and other finance providers, setting out funding options for SMEs.

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## Issue(s)

**Asset sales and privatisation**

## Parent department

**Department for Business,  
Innovation & Skills (BIS)**

## Related documents

The Privatisation of Royal Mail  
(Apr 2014)

See also an Independent Review  
for the Secretary of State for  
Business, Innovation & Skills:  
IPOs and bookbuilding in future  
HM government primary share  
disposals; the Myners review,  
Dec 2014.

## Achieving value for money for the sale of government shares

In October 2013 the Shareholder Executive – part of the Department for Business, Innovation & Skills (BIS) – sold 60% of the government's shares in Royal Mail PLC to private investors, generating proceeds of £1,980 million. We conducted a value-for-money study, which examined the Shareholder Executive's method of sale. We reported that there are limitations in the standard 'book-building' process to create demand for and allocate shares. We concluded that although the Shareholder Executive achieved its primary objective of delivering a sale of shares within this Parliament it could have achieved better value for the taxpayer. Our report recommended that the government should consider whether alternative methods of accessing equity markets would achieve better value than the process used to privatise Royal Mail.

**Impact:** In response, the Secretary of State for Business, Innovation & Skills appointed Lord Myners to lead a panel of relevant experts in conducting a review of the way government-owned shares are sold through Initial Public Offerings. Lord Myners found that: the standard system of book-building used in the privatisation of Royal Mail demonstrated its limitations; Royal Mail might have priced a little higher but not anywhere close to the level of initial trading; and any decision to revise the price range would have added uncertainty and risk. His recommendations included a number of changes to United Kingdom market convention and, in some cases, regulation. We also supported two parliamentary committees' hearings on the Royal Mail privatisation, and we have continued our engagement with the Shareholder Executive through regular dialogue concerning other corporate finance transactions and the development of commercial skills.

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### Issue(s)

**Customer management**

**Oversight of service delivery**

### Parent department

**Department for Business,  
Innovation & Skills (BIS)**

### Related documents

[Investigation into financial support  
for students at alternative higher  
education providers \(Dec 2014\)](#)

## Providing clarity over the arrangements for oversight and funding of alternative higher education providers

We conducted an investigation into the financial support for students at alternative higher education providers. The report and subsequent Committee of Public Accounts evidence session underlined the risks with a rapidly expanding market, and what can go awry when public bodies lack adequate controls to regulate a new market.

**Impact:** This investigation is having an early impact. In January 2015, the Department for Business, Innovation & Skills (BIS) announced action to secure improved standards among alternative higher education providers. In particular, alternative providers will now face tougher checks from the Quality Assurance Agency. In addition, the department is using student number controls to limit recruitment at providers whose performance is unsatisfactory and has consulted on the introduction of a minimum English language requirement to strengthen recruitment practice by providers.

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# Impacts case studies

## Issue(s)

**Financial and service sustainability**

**Improving local service delivery**

## Parent department

**Department for Communities and Local Government (DCLG)**

## Related documents

[Financial sustainability of local authorities 2014 \(Nov 2014\)](#)

## Managing reductions in local authority government funding

Our report on local authority funding reiterated that government must understand the implications of funding reductions on the delivery of local services, and whether supporting local authorities to redesign selected services and join up with other local service providers would deliver the improvements and savings needed.

**Impact:** Our work has been instrumental in securing acknowledgement from the Department for Communities and Local Government (DCLG) that its processes for estimating local authority spending requirements and assessing the potential impacts of spending reductions need to be improved. Our report has also been widely used in the sector. For example, Leeds City Council and Birmingham City Council repeatedly drew on our work to inform their ongoing debate with central government over devolution. Other councils such as Wolverhampton City Council and Oldham Council used the report to inform discussion and decision-making in cabinet meetings and audit and scrutiny committees. More widely, commentators including the Local Government Association and treasurers' societies have used our analysis to inform their thinking, and firms such as Grant Thornton and KPMG have included substantial coverage of the work in the audit updates for many local authorities.

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## Issue(s)

**Accountability and governance**

**Economic growth**

## Parent department

**Department for Communities  
and Local Government (DCLG)**

**Department for Business,  
Innovation & Skills (BIS)**

**Cabinet Office**

## Related documents

Local government funding:  
assurance to Parliament  
(Jun 2014)

Progress report on the Regional  
Growth Fund (Feb 2014)

Funding and structures for local  
economic growth (Dec 2013)

## Greater accountability around the use of public funds by local bodies

Accountability to Parliament for the use of public funds by local bodies has been a central issue in much of our work and we have had real influence through pointing out risks to proper accountability and advising on systems that work in practice.

**Impact:** Following our work in this area the government committed to reviewing the accountability arrangements for Local Enterprise Partnerships (LEPs) and how accountability would support the achievement of the objectives of the Local Growth Fund. We worked with the Department for Communities and Local Government, the Department for Business, Innovation and Skills and the Cabinet Office through their drafting of an accountability system statement, the assurance framework, and the monitoring and evaluation framework, which is still in development (at the time of writing). We highlighted risks from a lack of transparency, independent monitoring and scrutiny within the frameworks. We recommended a clearer explanation of the role of the accountable local authority, and questioned the reliance on democratic accountability when LEPs have majority private sector membership and are chaired by the private sector. The departments responded positively to our suggestions, leading them to consult more widely on how accountability arrangements could be made more effective and put in place a more robust system.



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# Impacts case studies

## Issue(s)

**Customer management**

**Oversight of service delivery**

## Parent department

**Department for Education (DfE)**

## Related documents

[16- to 18-year-old participation in education and training \(Sep 2014\)](#)

## Delivering better careers advice for young people

Our report and Committee of Public Accounts evidence session concluded that despite many different approaches over the years, most young people do not receive the careers advice they need. We recommended the Department for Education reconsider how it could help improve advice provided by schools and colleges. Others – including Ofsted, the Education Select Committee, the Sutton Trust, employers, and schools and colleges – echoed this view.

**Impact:** Informed by this range of evidence, in 2014 the Secretary of State for Education announced the creation of a new independent careers and enterprise company to broker relationships between employers and schools and colleges so that young people are inspired and receive the guidance they need for success in working life.

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# Impacts case studies

## Issue(s)

**Customer management**

**Data quality and information management**

## Parent department

**Department for Education (DfE)**

## Related documents

Performance and capability of the Education Funding Agency (Jan 2014)

## Driving a customer service focus at the Education Funding Agency

Our 2014 report on the newly created Education Funding Agency highlighted a pressing need for the Agency to bring together plans for improving its performance, so that it could meet growing demand for its services as more academies opened.

**Impact:** In response, the Agency launched a single change programme called Fit for the Future. This programme brought together the Agency's plans to improve its customer service; use of data, systems and business processes; and the skills of its people. In response to our recommendation for continued improvements in customer service, the Agency joined the Institute of Customer Service to identify areas where it could do better and developed an action plan.

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# Impacts case studies

## Issue(s)

**Accountability and governance**

**Consumer protection**

## Parent department

**Department of Energy &  
Climate Change (DECC)**

## Related documents

The Levy Control Framework  
(Nov 2013)

## Highlighting an accountability gap in the reporting of the Levy Control Framework

Our report highlighted an accountability gap in the reporting of the Levy Control Framework. The Framework is used to monitor and control the cost of energy schemes not accounted for in the Department of Energy and Climate Change's accounts, as consumers fund them through their energy bills.

**Impact:** The Energy and Climate Change Committee agreed, and secured a commitment from the Department of Energy & Climate Change (DECC) and HM Treasury to regularly report information on the Levy Control Framework and other consumer-funded policies to Parliament in line with our recommendations. The first report, published in November 2014, gave parliamentarians and the public much better information about DECC's consumer-funded expenditure, of which levies totalled around £3.3 billion in 2013-14 (in 2011-12 prices).

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# Impacts case studies

## Issue(s)

**Managing major projects**

**Oversight of service delivery**

## Parent department

**Department of Energy &  
Climate Change (DECC)**

## Related documents

[Assurance of reported savings  
at Sellafield \(Oct 2013\)](#)

[Managing Risk Reduction  
at Sellafield \(Nov 2012\)](#)

## Securing better progress on nuclear decommissioning

We produced two reports on nuclear decommissioning at Sellafield. The first, published in 2012, examined how the Nuclear Decommissioning Authority manages risk at Sellafield. The second, published in 2013, examined how the Authority receives assurance about the level of reported efficiency savings on the site. The Committee of Public Accounts also published two reports, in 2013 and in 2014, reporting on progress on the site and the Authority's decision to continue its parent body agreement with Nuclear Management Partners into a second term.

**Impact:** In response to our work and that of the Committee, the Authority confirmed it had been considering and would further develop its alternatives to the parent body organisation model. It completed a strategic review of the delivery arrangements in 2014, and in January 2015 announced its decision to terminate its contract with Nuclear Management Partners and implement a new delivery model. The Authority considers its proposed revised approach will secure better management of the site and decommissioning, and bring significant savings.

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# Impacts case studies

## Issue(s)

**Commercial capability and contract management**

## Parent department

**Department for Environment, Food & Rural Affairs (Defra)**

## Related documents

Unpublished: Investigation into Defra's management of the Interserve facilities management contract (2014-15)

## Helping Defra to better manage its facilities contract

In 2014, we conducted an investigation into the Department for Environment, Food & Rural Affairs' (Defra) Interserve facilities management contract. We examined the issues arising from the contract and reviewed Defra's work to assure itself it understood the extent of these issues, including amounts that it could have potentially been overcharged.

**Impact:** Our findings were considered fully by Defra as part of their final calculations. Defra told us "whilst we were already considering an amount of settlement, the NAO investigation report gave greater impetus to the work being conducted at a very senior level within core Defra. It also provided independent validation that the methodology and approach the department was adopting in seeking a settlement was legitimate."

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# Impacts case studies

## Issue(s)

**Managing major projects**

**Accountability and governance**

Parent department

**Department for Transport (DfT)**

Related documents

Lessons from major rail  
infrastructure programmes  
(Oct 2014)

## Helping government to learn from past rail infrastructure programmes

In 2014, we published 24 lessons from past examinations of five major rail infrastructure programmes, intended to help departments who sponsor or invest in major infrastructure programmes. We identified lessons in: developing the business case; programme governance and skills; integrating different elements; planning and monitoring progress; funding and financing; and evaluating benefits.

**Impact:** In response to our work, the Department for Transport is starting to apply some of these lessons. For example, the High Speed Two (HS2 rail) programme used our recommendation that the role of sponsor and delivery body are clearly separated. The department formalised these roles in the Development Agreement which it signed with HS2 Ltd in December 2014.

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# Impacts case studies

## Issue(s)

**Managing major projects**

**Commercial capability and contract management**

## Parent department

**Department for Transport (DfT)**

## Related documents

[Procuring new trains](#) (Jul 2014)

## Developing the capability needed to deliver the rail strategy

A number of our reports on the Department for Transport (DfT) have commented on: the mismatch in terms of skills and experiences between DfT and bidders teams engaged in commercial negotiations; and the DfT's capacity to deal with such a large portfolio of major programmes. The Committee for Public Accounts pursued these themes, commenting in its report on the DfT's procurement of new trains that "the department still lacks the skills needed to manage complex procurements. The department must develop, set out and implement a clear strategy for developing the capability needed to deliver its rail strategy and address the concerns we have raised over many years about its senior management capacity and its commercial skills."

**Impact:** Partly in response to our work, the DfT launched a Commercial Capability Strategy in 2014, including a fast-track programme to give commercial experience to some graduates entering the department each year. The DfT is also enrolling senior responsible owners and project directors of the government major projects portfolio in the Major Projects Leadership Academy and developing a senior network for sharing advice.

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# Impacts case studies

## Issue(s)

**Improving operations and  
programme delivery**

**Managing major projects**

**Commercial capability and  
contract management**

**Fraud, error and debt management**

## Parent department

**Department for Work  
& Pensions (DWP)**

## Related documents

Welfare reform – lessons learned  
(May 2015)

Universal Credit – Progress update  
(Nov 2014)

Housing Benefit fraud and error  
(Oct 2014)

The Work Programme (Jul 2014)

Child maintenance 2012 scheme:  
Early progress (Jun 2014)

Personal Independence Payment:  
early progress (Feb 2014)

## Learning from the experience of welfare reform

Our 2015 work on welfare reform brought together our existing knowledge of early implementation from recent Department for Work & Pensions (DWP) reform programmes. It identified lessons learnt for individual programmes and highlighted the challenges for the DWP in introducing a wide range of reforms concurrently. Our previous work examined several reforms. In 2014, we reported on the progress of Personal Independence Payments, the child maintenance 2012 scheme, the Work Programme and Universal Credit. We also considered fraud and error in Housing Benefit, for which the DWP has already introduced several reforms and plans to align these with Universal Credit for working age claimants.

**Impact:** Partly in response to our work, the DWP took steps to improve financial monitoring and controls within major programmes; worked with HM Treasury and the Cabinet Office to update its business case for Universal Credit; and improved its management of contracts with suppliers. It has put in place processes to share good practices from programmes such as the child maintenance 2012 scheme and is reorganising the way it manages its portfolio of change programmes.



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## Issue(s)

**Accountability and governance**

**Data quality and information management**

**Parent department**

**Department of Health (DH)**

## Related documents

[NHS waiting times for elective care in England \(Jan 2014\)](#)

[Maternity services in England \(Nov 2013\)](#)

## Helping to improve accountability in the health system

Strong and clear accountability in a devolved delivery system has been a common theme running through our recent health studies and our work has highlighted examples where accountability required further definition. Obtaining consistent and reliable data is also an important element of strong accountability, something we have considered.

**Impact:** Our 2013 report on maternity services in England recommended that the Department of Health clarify its objectives for maternity services and explicitly state who was accountable for their implementation. The department clarified these accountabilities in its revised Accounting Officer System Statement, published in October 2014. Our 2014 report on NHS waiting times for elective care in England recommended the department clarify its assurance processes over the data quality for waiting lists. Following our report, Monitor amended its annual reporting guidance to require all NHS foundation trusts to include in their annual governance statements an explicit statement on how they assure data quality, accuracy and risk.

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# Impacts case studies

## Issue(s)

**Improving operations and programme delivery**

**Data quality and information management**

## Parent department

**Department of Health (DH)**

## Related documents

[The procurement of consumables by NHS acute and Foundation trusts \(Feb 2011\)](#)

## Improving the procurement of consumables by NHS trusts

Our 2011 report on the procurement of consumables by NHS acute and foundation trusts concluded that trusts were paying widely varying prices for the same products, and that there was a need for much greater transparency in the prices being paid to suppliers by individual trusts. We recommended that the Department of Health require the NHS to adopt standard product bar coding to improve procurement data and enable price comparisons. This would help trusts to improve their financial sustainability through cost savings.

**Impact:** The department recognised that our study was a powerful lever for change and committed to adopt a standard product coding system for the NHS. In July 2014, it launched the 'NHS Procurement Atlas of Variation', which shows differences in the amount hospital trusts pay for everyday items including catheters, gloves and needles. This tool helps hospitals to compare prices and identify where they need to drive down costs so they can invest more in improving front line services.

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# Impacts case studies

## Issue(s)

**Financial and service  
sustainability**

**Customer management**

Parent department

**Department of Health (DH)**

## Related documents

Adult social care in England:  
overview (Mar 2014)

## Drawing together information and insights across the adult care system

Our 2014 report on adult social care described the increasing pressures on the care system as the need for care increases while public funding falls. It described how transforming and integrating care and health services are seen as the solution to long-term sustainability, but cautioned that evidence of what works is weak.

**Impact:** The Department of Health acknowledged that more research is needed to identify the most effective ways of working. Our report was widely praised by representatives of the adult care sector for bringing together information and insights across the whole of the adult care system, for example drawing attention to the fact that the care system is increasingly dependent on people who provide unpaid care to their relatives and friends. Our report has been extensively referenced and has raised the profile of the debate about how adults' care needs will be met in the future, for example, it is credited as being part of the reason that the King's Fund set up the influential Commission on the Future of Health and Social Care in England.

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# Impacts case studies

## Issue(s)

**Improving operations and  
programme delivery**

**Improving local service delivery**

**Oversight of service delivery**

## Parent department

**Department of Health (DH)**

## Related documents

Progress in improving stroke care  
(Feb 2010)

Reducing Brain Damage:  
Faster access to better  
stroke care (Nov 2005)

## Driving improvements in NHS stroke care

We found that the NHS was not making best use of proven clinical practices in stroke care that were known to improve patient outcomes and reduce costs. These included specialist stroke units, brain scanning and early supported discharge. Slow progress in implementing best practice meant that stroke patients were staying in hospital longer than necessary.

**Impact:** Our findings accelerated change, prompting the Department of Health to develop a national strategy for stroke care and the NHS to adopt clinical best practice more widely. Our recommendations helped improve outcomes for stroke patients through faster access to tests and specialist treatment, and the associated efficiencies helped save the NHS an estimated £456 million between 2007-08 and 2013-14.

See how we calculated the financial impact  
attributable to the NAO

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# Impacts case studies

Issue(s)

**Financial management**

Parent department

**Department of Health (DH)**

Related documents

[Department of Health Annual Report and Accounts 2013-14](#)

## Helping the Department of Health to improve its accounting processes

The reforms to the health system in 2013 created five new bodies which we audit. Four of these were significant in size with the potential to affect materially the 2013-14 Department of Health consolidated resource accounts and one, NHS England, itself represented over 200 new commissioning bodies that consolidated to make the new NHS England group.

**Impact:** Our work helped the department, NHS England and the other new bodies to improve the strength and efficiency of their consolidation processes and to solve significant problems such as how to account for legacy balances and build stronger group communications. Despite the scale of the changes, the C&AG certified the department's group accounts and all the associated components before the summer Parliamentary recess in 2014. As this was only the second year this vast group had achieved certification before the recess the success in managing the change was all the more an achievement. As part of his feedback about the NAO, the department's Finance Director reported "they have been invaluable as a source of advice and guidance as we have managed the changes arising from the new health and social care system".

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## Issue(s)

**Financial management**

## Parent department

**Foreign & Commonwealth  
Office (FCO)**

## Related documents

[British Council Annual Report  
and Accounts, 2013-14](#)

## Improving the British Council's financial management

Our work on the audit of the accounts of the British Council identified possible material error in its accruals balances. The Council decided to investigate these balances and re-present their accounts to avoid the possibility of a qualified audit opinion. As a result, sign-off was delayed for a period of five months while its investigation reviewed processes and eventually identified errors of £8.9 million.

**Impact:** Improvement actions have been taken including: kick-starting a number of related projects; increased scrutiny over accruals balances, particularly in relation to old un-cleared transactions; revised approval processes for high-value accruals; and better training for in-country and shared service centre staff. The new Chief Financial Officer has welcomed our work and continued engagement, which has given her a valuable insight into the challenges and opportunities that she and her team face in improving the Council's financial management and staff capability and capacity.

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Issue(s)

**International issues**

Parent department

**Foreign & Commonwealth  
Office (FCO)**

## Helping the Parliament of Morocco create a Committee for Public Accounts

Since 2012, following a request from the Speaker of the Moroccan House of Representatives, we have been providing advice and support to the Moroccan parliament to help establish a committee of public accounts.

**Impact:** This committee was formally established in April 2014. Several other parliaments in North Africa are now considering establishing committees of public accounts.

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# Impacts case studies

## Issue(s)

**Improving operations and programme delivery**

**Accountability and governance**

**Fraud, error and debt management**

## Parent department

**HM Revenue & Customs (HMRC)**

## Related documents

[Increasing the effectiveness of tax collection: a stocktake of progress since 2010](#) (Mar 2015)

– including a link to a database of HMRC's responses to PAC recommendations since 2010

[Tax avoidance: tackling marketed avoidance schemes](#) (Nov 2012)

## Increasing the effectiveness of tax collection

In 2015, we published a report examining how HMRC responded to recommendations from the NAO and the Committee of Public Accounts in areas our work has focused on since 2010.

**Impact:** HMRC responded positively to our recommendations and made changes in significant areas of tax administration. We made more than 130 recommendations to HMRC and it has implemented more than 80% of them. Following our report on marketed tax avoidance, HMRC obtained new powers to change the economics of tax avoidance by increasing the risks and reducing the advantages of using or promoting avoidance schemes. It also set up a new counter-avoidance directorate to coordinate its activities better. HMRC estimates that its new measures to tackle anti-avoidance will increase tax revenue by £400 million in 2014-15 and more than £1,600 million in 2015-16.

HMRC improved the transparency and accountability around how it settles large tax disputes in response to our recommendations. It appointed a new tax assurance commissioner who publishes an annual report describing its progress in resolving major disputes. Its new governance arrangements provide more independent challenge with greater separation between those working a dispute and those responsible for approving how it is resolved.



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## Issue(s)

**Improving operations and  
programme delivery**

**Financial management**

## Parent department

**HM Revenue &  
Customs (HMRC)**

**HM Treasury (HMT)**

## Related documents

[The effective management of  
tax reliefs \(Nov 2014\)](#)

[Tax reliefs \(Mar 2014\)](#)

[Increasing the effectiveness of  
tax collection: a stocktake of  
progress since 2010 \(Mar 2015\)](#)  
– including a link to a database  
of HMRC's responses to PAC  
recommendations since 2010

## Encouraging the effective management of tax reliefs

Our work on tax reliefs in 2014 broke new ground regarding the level of accountability needed for these important policy mechanisms. Our work illustrated that reliefs are material to the UK's fiscal position, but there is no consistent approach to introducing or modifying these. We recommended that HM Revenue & Customs (HMRC) develop a methodology for identifying similar reliefs and the level of administration needed for each type.

**Impact:** HMRC and HM Treasury both agreed they have responsibility for evaluating whether reliefs are achieving their aims and for assessing their costs and benefits. We saw examples of good practice emerging. HMRC uses specialists to monitor patent box relief and is developing new techniques to respond quickly to analyse any changes in its use. We have encouraged HMRC, with HM Treasury, to determine an appropriate level of administration for tax reliefs in proportion to risk.

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# Impacts case studies

Issue(s)

**Financial management**

**Financial audit**

Parent department

**Home Office**

Related documents

[Home Office Annual Report and  
Accounts 2013-14](#)

## Earlier certification of the Home Office resource accounts

We certified the 2013-14 Home Office group accounts almost three weeks earlier than the 2012-13 accounts.

**Impact:** The early certification of the accounts meant that less Home Office and NAO staff time was spent on the audit in a period of considerable change in the Home Office finance function, and Parliament (and the public) had more timely financial information on the department's activities. We were also able to reduce our audit fees compared with those of 2013-14 by taking a more efficient approach and cutting out unnecessary work. It was a combination of our more efficient and collaborative approach and management's positive engagement with the audit that enabled the earlier certification.

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Issue(s)

**International issues**

## New UN resolution achieved with NAO support

A new resolution on strengthening Supreme Audit Institutions was adopted by the UN General Assembly with NAO support. The resolution gave Supreme Audit Institutions a clear role in reporting on progress towards the international development goals.

**Impact:** Dr Josef Moser, who is both the Secretary General of The International Organisation of Supreme Audit Institutions (INTOSAI) and President of the Court of Audit of Austria, congratulated us for our sustained commitment to helping secure support for a new UN resolution. Dr Moser said, “without your efforts, this resolution would not have been adopted in this form”.

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# Impacts case studies

Issue(s)

**International issues**

## Malaysian peer review highly praised

In December 2014, we carried out a rapid appraisal of the Malaysian Audit Office, examining issues of independence and compliance with the international standards for financial audits.

**Impact:** The work was highly praised by the Malaysians and is being used by them as part of their contribution to the country's transformation agenda.

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Financial impacts  
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## Financial impacts statement

Basis for calculating and  
validating financial impacts 

Example of how financial  
benefits were achieved 

List of financial impacts, 2014 

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# Financial impacts statement

The following pages list the financial impacts directly attributable to our work.

## Types of impacts

Impacts must be one of the following four types:

- 1 Cashable reduction in net expenditure
- 2 Cashable increase in net income
- 3 Non-cashable: leading to improvements in public sector efficiency through improved quality or service delivery
- 4 Represent benefits to third parties.

The impacts are calculated on the following five principles:

- 1 **Causation** – There must be a causal link between work conducted by the NAO and the benefit.
- 2 **Realisation** – Impacts must have been realised within, or before, the calendar year in which they are reported. There can be a time-delay between NAO's recommendations and recording of the impact achieved.
- 3 **Valuation** – The calculation is based on reliable evidence or data and a robust methodology.
- 4 **Attribution** – The proportion of impact claimed reflects the degree of the NAO's contribution to the benefit realised. The impact of our recommendations is not always separable from other influences and we exercise careful judgement in attributing a percentage of the impacts to our work. See the [case study](#) as an example of how the percentage is calculated.
- 5 **Validation** – Impacts are agreed with the relevant body we audit, are subject to our internal quality assurance processes and are audited independently as part of our Annual Report and Accounts.

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## Achieving financial impacts: an example

### Issue(s)

**Improving operations and programme delivery**

**Improving local service delivery**

**Oversight of service delivery**

**Parent department**

**Department of Health (DH)**

### Related documents

Progress in improving stroke care  
(Feb 2010)

Reducing Brain Damage: Faster access to better stroke care  
(Nov 2005)

### Driving improvements in NHS stroke care

We found that the NHS was not making best use of proven clinical practices in stroke care that were known to improve patient outcomes and reduce costs. These included specialist stroke units, brain scanning and early supported discharge. Slow progress in implementing best practice meant that stroke patients were staying in hospital longer than necessary.

**Impact:** Our findings accelerated change, prompting the Department of Health to develop a national strategy for stroke care and the NHS to adopt clinical best practice more widely. Our recommendations helped improve outcomes for stroke patients through faster access to tests and specialist treatment, and the associated efficiencies helped save the NHS an estimated £456 million between 2007-08 and 2013-14.

### Calculation of financial impact attributable to NAO:

We looked at hospital trusts' reported expenditure on the cost of providing stroke care services to estimate the increased efficiency between 2006-07 and 2013-14. Applying the reduction in unit costs from the base year of 2006-07 to the number of hospital admissions for stroke each year gave us a total efficiency saving of £456m over the 7-year period, after adjusting for inflation. We attribute 30% of this saving to our impact, equating to £136m. This reflects the impetus for change that our reports brought about, but recognises that other stakeholders have focused on this issue and that the department played a key role in delivering the improvements.

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# Financial impacts from NAO work, 2014

Description	Impact identified <sup>1</sup> (£m)	Nature of impact	Year of claim	Audited body with whom impact agreed
<b>Managing the defence inventory</b> Reduction in spending on inventory where there is already sufficient levels of stock	354	Recurring	3 of 3	Ministry of Defence
<b>Influence of NAO and Committee of Public Accounts' work on tax compliance</b> Successful delivery of additional tax yield through additional enforcement and compliance work	230	One-off	1 of 1	HM Revenue & Customs
<b>Central government's use of consultants and interims</b> New controls on contracting for consultants and interims reduced spending	165	Recurring	4 of 5	Cross-government
<b>Reducing brain damage: faster access to better stroke care and progress in improving stroke care</b> Improvements in efficiency of stroke care from better care in stroke units and earlier discharge	136	One-off	1 of 1	Department of Health
<b>The procurement of consumables by NHS acute and foundation trusts</b> Savings achieved in procurement activity	41	Recurring	1 of 3	Department of Health
<b>Social Fund debt difference</b> Achievement of a stable and robust debt reconciliation	36	One-off	1 of 1	Department for Work & Pensions
<b>Managing civil tax investigations</b> Improvements in the referral system for civil tax investigations	31	One-off	1 of 1	HM Revenue & Customs
<b>Delivering the free entitlement for 3- and 4-year-olds</b> Changes to funding system: removal of top-up funding where not used as intended	29	Recurring	2 of 2	Department for Education
<b>Note</b> 1 The column may not add up due to rounding.				



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## Financial impacts from NAO work, 2014

Description	Impact identified <sup>1</sup> (£m)	Nature of impact	Year of claim	Audited body with whom impact agreed
<b>The Ministry of Justice's electronic monitoring contracts</b> Settlement of over-billing by contractors from electronic tagging contracts	26	One-off	1 of 1	Ministry of Justice
<b>Virgin Money</b> Clawback rights implemented in the sale of Northern Rock	25	One-off	1 of 1	HM Treasury
<b>Social Fund regularity</b> Improved processes and reduced error on Social Fund payments	18	Recurring	2 of 2	Department for Work & Pensions
<b>Police procurement</b> Better collaboration among police forces in procuring non-IT equipment	16	One-off	1 of 1	Home Office
<b>Removal of failed asylum seekers from the UK</b> Improved coordination led to reduction in losses incurred for cancelled airline bookings	13	Recurring	5 of 6	Home Office
<b>Legal Aid</b> Reduction in irregular payments	8	Recurring	4 of 4	Ministry of Justice
<b>Managing the expansion of the Academies programme</b> Improved recovery of funding from local authorities	6	Recurring	1 of 2	Department for Education
<b>Note</b>				
1 The column may not add up due to rounding.				

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# Financial impacts from NAO work, 2014

Description	Impact identified <sup>1</sup> (£m)	Nature of impact	Year of claim	Audited body with whom impact agreed
<b>PFI in housing</b> Improved realisation of whole-life savings from PFI contracts	4	Recurring	4 of 10	Department for Communities and Local Government
<b>Introduction of ePassports</b> Improved market testing ahead of open competition	3	Recurring	5 of 10	Home Office
<b>Authenticity in the processed meat supply chain</b> Reduced resource allocation for local authority food surveillance activities	2	One-off	1 of 1	Department for Environment, Food and Rural Affairs
<b>War pensions benefit</b> Improved process of ceasing payments upon death of recipient	2	Recurring	2 of 3	Ministry of Defence
<b>NHS Business Services: student bursaries</b> Improved payment accuracy levels	1	Recurring	2 of 3	Department of Health
<b>Audit of Agricultural Funds</b> Reduction in the audit burden in the UK	1	Recurring	1 of 7	Department for Environment, Food and Rural Affairs
<b>Agricultural Funds</b> Increased contribution from EU	0.8	One-off	2 of 4	Department for Environment, Food and Rural Affairs

**Note**

1 The column may not add up due to rounding.

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## Financial impacts from NAO work, 2014

Description	Impact identified <sup>1</sup> (£m)	Nature of impact	Year of claim	Audited body with whom impact agreed
<b>Nuclear Decommissioning Authority</b> Improving project oversight of Magnox	0.7	One-off	1 of 1	Department for Energy and Climate Change
<b>NHS Business Services: student bursaries</b> Improved payment accuracy level	0.4	Recurring	2 of 3	Department of Health
<b>The failure of FiReControl</b> Reuse of regional fire and control centres	0.3	Recurring	1 of 10	Department for Communities and Local Government
<b>Military pay</b> Improved calculation of payments	0.1	One-off	1 of 1	Ministry of Defence
<b>Audit of IPSA</b> Improved recovery of funds following mis-payments	0.1	One-off	1 of 1	Parliament
<b>Out-of-hours GP services in Cornwall</b> Recovery of Serco bonus payments	0.04	One-off	1 of 1	Department of Health
<b>UK Hydrographic Office</b> Reducing in banking charges	0.03	Recurring	3 of 4	Ministry of Defence
<b>Government Pipeline and Storage System</b> Removal of audit burden and fee	0.03	Recurring	3 of 3	Ministry of Defence
<b>Note</b> 1 The column may not add up due to rounding.				

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## Financial impacts from NAO work, 2014

Description	Impact identified <sup>1</sup> (£m)	Nature of impact	Year of claim	Audited body with whom impact agreed
CPS Benefits Programme Correction of valuation arrears	0.03	One-off	1 of 1	Department of Work & Pensions
Ministry of Defence Civilian Pay Recovery of overpayment to an employee	0.02	One-off	1 of 1	Ministry of Defence
CPA Benefits Programme Overpayment of entitlement	0.001	One-off	1 of 1	Department of Work & Pensions
Audit of IPSA Strengthen controls for lease payments	0.001	One-off	1 of 1	Parliament
<b>Total financial impacts</b>	<b>1,151</b>			

**Note**  
1 The column may not add up due to rounding.

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