National Audit Office

The UK's independent public spending watchdog

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INTERNATIONAL ACCOUNTING STANDARD 24

Thank you for your request of 19 December 2025 where you asked us for information under the Freedom of Information Act. To summarise, you asked us for correspondence between the Department of Health and Social Care (DHSC) and other organisations relating to the International Accounting Standard 24 (IAS 24 - related party disclosures) to the finalisation and sign off, of the Departments accounts for the financial year 2024/5.

Your request has been handled under the terms of the Freedom of Information Act 2000 (FOIA), and I can confirm that we do hold information that falls within the scope of your request. However, while the FOIA provides a legal right of access to recorded information held by a public authority, it is subject to certain exemptions that may apply. We consider that the information you requested is exempt from disclosure under section 33 (public audit functions) of the FOIA.

section 33 of the FOIA provides that:

(1) This section 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).

Reasons why we have applied the section 33 exemption:

We have applied the section 33 exemption to the information we hold within the scope of your request because this information was provided in confidence. We hold various correspondence both from our engagement with DHSC and internally within our audit team, which includes sensitive information about ministers and senior officials' interests. We believe that disclosing this information under the FOI Act would be likely to prejudice the effective performance of our public audit functions going forward.

For the NAO to carry out its statutory function, and to be able to engage in an effective and comprehensive audit, some information is required to be exchanged in confidence on the understanding that it will not be shared beyond that required for auditing purposes. Disclosure of the information you have requested would impair the provision of audit information in the future, and would reduce, if not cut off, critical information flows. It is vital that the NAO has a safe space to gather information and knowledge and engage in free and frank discussions with audited bodies, such as the DHSC.

The release of the information you requested would remove this safe space and would be likely to lead to increased challenge for audit information. This would require the NAO to formally assert our statutory access rights more frequently and potentially seek to enforce them, leading to significant delay, formal proceedings and increased audit costs. This would conflict with Section 17(3) of the Budget Responsibility and National Audit Act 2011 which places a duty on the C&AG to “aim to carry out functions efficiently and cost-effectively”.

The Public Interest Test

We recognise that there is a public interest in knowing the use of public money is subject to appropriate levels of accountability and transparency. The NAO’s work helps Parliament hold government to account, and in our view, the balance of public interest rests with the NAO being able to deliver an effective and efficient public audit function and report our findings in public. Consequently, given the negative impact that would result from disclosure, we consider it appropriate to maintain the section 33 public audit exemption in this case.

I hope this information is helpful. If you are not happy with the way we have handled your request, you can escalate your concerns. You should write to us within 40 working days, and we will carry out an internal review in relation to your original request.

Write to the NAO (FOI) Team at FOI@nao.org.uk. 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 primary way of escalating your concerns to the Information Commissioner is at: https://ico.org.uk/foicomplaints.

Yours sincerely,

NAO FOI Team