confidence about their suitability, effectiveness, prudence, quality, and good value (judged for the Exchequer as a whole, not just for the Accounting Officer's organisation); and that they can be delivered sustainably, and to the agreed time, cost and quality.

- **Control**: the Accounting Officer shall personally approve and confirm their agreement to all Cabinet Committee papers and major project or policy initiatives before they proceed.
- **Management of opportunity and risk** to achieve the right balance commensurate with the institution's business and risk appetite (for example using the Orange Book: Management of Risk – Principles and Concepts to assist).
- **Evaluation**: ensure that all activity is robustly and proportionately evaluated, in line with the Green Book, and Magenta Book guidance.
- **Learning from experience**, both organisational learning, for example from projects and programmes, in line with the Teal Book, and experience from the wider public sector and beyond.
- **Accounting accurately** for the organisation's financial position and transactions: to ensure that its published financial information is transparent and up to date; and that the organisation's efficiency in the use of resources is tracked and recorded.

3.3.4 In the case of principal accounting officers, these responsibilities apply to the business of the whole departmental group.

3.4 Accounting Officer assessments

3.4.1 Accounting officers shall routinely scrutinise significant policy proposals or plans to start or vary major projects and then assess whether they measure up to the standards in box 3.2.

Box 3.2 The Accounting Officer Standards

Regularity: the proposed transaction is compliant with the 'framework of authorities' of the department or body concerned. That the transaction under consideration has sufficient legal basis, Parliamentary authority (see Annex 2.4), and Treasury authorisation; is compatible with the agreed spending budgets, the wider legal framework (for example subsidy control, procurement and other law), and the requirements regarding spending set out in this document.

INQ000660377_0028

Propriety: the proposal meets high standards of public conduct and relevant Parliamentary control procedures and expectations, including compliance with any conventions or commitments made to Parliament and cross-cutting Government policies or standards, as well as the standards of conduct and good governance as set out in this document.

Value for money: in comparison to alternative proposals or doing nothing, the proposal delivers the stated policy objectives in a way that represents good value for the Exchequer as a whole, taking into consideration the chances of different degrees of success or failure.

Feasibility: the proposal can be implemented accurately, sustainably, and to the intended timetable with the resources available and without incurring wasteful or nugatory spend.

3.4.2 A systematic written accounting officer assessment helps to ensure good decision making and provides positive assurance that the four standards have been properly considered. It will help structure an Accounting Officer's thinking and record judgements in respect of each of the four tests, including the balance of priorities between them and any constraints (for example limited information, time or resources).

3.4.3 An accounting officer assessment shall be produced for projects or programmes which form part of the Government Major Projects Portfolio (GMPP):

- alongside the request for the Accounting Officer's approval of the Outline Business Case for a project; at the first approval stage for Programme Business Cases; or at the point when it enters the GMPP if this is later
- at subsequent stages of the project if it departs from the four standards or the agreed plan – including any contingency – in terms of costs, benefits, timescales, or level of risk, which informed the Accounting Officer's previous approval
- if the Senior Responsible Owner (SRO) of the project decides one is merited at any other stage of the project.

3.4.4 In addition, it is good practice to prepare an accounting officer assessment for each significant novel and contentious transaction or proposal involving the use of public funds. This may be particularly useful where it is not possible to produce a fully developed business case, for example due to lack of time and/or data, or the risk environment is higher than usual. The Treasury often asks spending departments and organisations for such analyses before clearing them to proceed, as will the National Audit Office (NAO) when conducting any review of the issue.

3.4.5 Beyond that, in many cases, the normal governance procedures, such as production and approval of business cases, should provide sufficient assurance against the Accounting Officer standards, without need for a bespoke accounting officer assessment.

3.4.6 Every accounting officer assessment should include, at a minimum, a summary of the evidence underpinning their value for money assessment. This should detail the sources of evidence, which may include evaluations of previous policies and relevant studies, to ensure transparency and accountability in the decision making process.

3.4.7 All draft accounting officer assessments must be signed off by the organisation's senior officer responsible for finance (usually Finance Director, Chief Financial Officer or Director General for Finance) or alternate senior member of the finance function within the department before being submitted to the Accounting Officer for final sign off.

3.4.8 Whenever an accounting officer assessment is produced for a GMPP project, a summary of the key points shall also be prepared and published.

3.4.9 Accounting officers may also choose to publish similar information from assessments made in other circumstances at their discretion. In particular, accounting officers may decide to publish a summary accounting officer assessment, or to write to the PAC, in situations where no direction has been sought, but where risks to one or more of the Accounting Officer standards remain high.

3.4.10 When an accounting officer assessment for a GMPP project is completed, the summary assessment should be published promptly on the department's pages of GOV.UK. The Treasury maintains a collection page titled 'Accounting Officer Assessments'[22] that links to these publications. Departments should ensure that their page is added to this collection page once they publish it.

3.4.11 Copies should be deposited in the Library of the House of Commons, and sent to the Chair of the PAC, the Comptroller and Auditor General and the Treasury Officer of Accounts. It should also be copied to the Principal Accounting Officer if prepared by another accounting officer in the department or one of its arm's length bodies.

3.4.12 Where an accounting officer decides the public interest is best served by delaying publication of a summary assessment, they should nevertheless share the summary on a confidential basis with the chairs of the PAC and the relevant departmental select committee, as well as the Comptroller & Auditor General and the Treasury Officer of Accounts[23].

---

22 https://www.gov.uk/government/collections/accounting-officer-assessments-collection

23 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1090958/DAO_0422_Accounting_officer_assesments_and_framework_documents.pdf

3.4.13 Further guidance on producing and publishing accounting officer assessments can be found in Accounting Officer Assessments: guidance[24].

3.5 Working with other organisations

3.5.1 It often makes sense for two or more departments to work together to deliver public services. In such circumstances, each accounting officer remains personally responsible for the resources of their own organisation. It is good practice for participating bodies to document their respective responsibilities, for example by way of a memorandum of understanding. Further details are set out in Chapter 7.

3.5.2 It may also be the case that, in assessing a project or proposal, the Accounting Officer will want to draw on expertise from another department or public body. Where this happens, the Accounting Officer may ask the organisation to provide written assurances of the robustness of the analysis and any underlying methodology. However, the ultimate judgement in each case lies with the Accounting Officer personally.

3.6 Directions

3.6.1 An accounting officer cannot simply accept their minister's aims or policy without examination. Each departmental accounting officer shall take care to bring to the attention of their minister(s) any conflict between the Minister's instructions and the standards set out in box 3.2.

3.6.2 Where a departmental accounting officer determines that a proposal does not meet one or more of these standards, the best next step is to consider whether the policy or proposed course of action can be modified to make it fit. If not, and the Minister decides it is nevertheless appropriate to continue with the proposal, the Accounting Officer shall ask their senior minister for a formal written direction to proceed.[25] An oral direction shall be confirmed promptly in writing.

3.6.3 Before finalising a direction request, it is good practice for accounting officers to discuss the matter with the Treasury. Often, by their nature, issues that might call for a ministerial direction are novel, contentious, or repercussive, and therefore require explicit Treasury consent. Where this is the case, Treasury consent should be obtained before the direction request is finalised. Treasury consent does not remove the need for a direction if the requirements of box 3.2 are not met.

---

24 www.gov.uk/government/publications/accounting-officer-assessments

25 in exceptional circumstances, for example if the senior minister is conflicted or is otherwise unable to make the final policy judgement, another minister in the department may direct the Accounting Officer,

3.6.4 As always, the ultimate judgement in each case must lie with the Accounting Officer personally. The acid test is whether the Accounting Officer could justify the proposed activity if asked to defend it.

3.6.5 There is no set form for requesting a direction, though the Accounting Officer shall be specific about their nature and the standard or standards that is/are not satisfied.

3.6.6 When a direction is made, the Accounting Officer shall:

- follow the Minister's direction without further ado
- promptly copy the direction request, the direction and other papers the Accounting Officer considers relevant to the Public Accounts Committee, their departmental select committee, the Comptroller and Auditor General and the Treasury Officer of Accounts
- unless it is in the public interest that the matter is kept confidential, arrange for the direction request and direction itself to be published on the GOV.UK website promptly, notifying the chairs of the PAC and the relevant departmental select committee as soon as this occurs
- where confidentiality is required, copy the papers to those listed above as usual, and explain when they expect the need for confidentiality to fall away and publication to take place
- if asked, explain the Minister's course of action - this respects ministers' rights to frank advice, while protecting the quality of internal debate.

3.6.7 A direction on regularity or propriety grounds does not change that position – it does not make the action regular or proper. It is important to note that a direction does not permit unlawful action and does not protect against a court finding unlawfulness.

3.6.8 Where a direction has been issued, the Accounting Officer should seek to bring the policy in line with standards at the earliest opportunity if possible. Accounting officers should make use of the accounting officer assessment process to set out how this will be managed.

3.6.9 In addition, if circumstances change, including any adaptation or extension of the government action, the Accounting Officer should consider whether the existing direction provides sufficient cover or whether a new direction is required. The Accounting Officer should also revisit with the Minister if the direction is still supported at appropriate stages of policy implementation or where there is a significant change in circumstances.