



**Public Administration
and Constitutional Affairs
Committee**

From the Chair
William Wragg MP

Rt Hon Pat McFadden MP
Shadow Chancellor of the Duchy of Lancaster
Via email only

17th October 2023


Dear Pat,

NAO Audit of Cabinet Office expenditure

Thank you for your letter of 21st September relating to the Comptroller and Auditor General's observations in the Cabinet Office's Annual Report on the regularity of its expenditure on former Prime Minister Boris Johnson's legal advice during the inquiry by the Committee on Privileges into whether he misled Parliament.

The Committee raised this matter with the Cabinet Office Permanent Secretary Sir Alex Chisholm when he gave evidence on 26 January 2023. He was robust in defending the appropriateness of this spending, saying "It is an established precedent, across multiple Administrations, that former Ministers can be supported with legal representation after they have left office when the matters relate to their time and conduct as a Minister" (Q299). He confirmed that he did not think it necessary to seek Ministerial Direction before authorising the expenditure (Q300).

Given the Comptroller and Auditor General's observations on both the precedents for such expenditure and the process by which it was approved, the Committee will be returning to the matter with Mr Chisholm at the next available opportunity.

Yours sincerely,


William Wragg MP
Chair, Public Administration and Constitutional Affairs Committee



HOUSE OF COMMONS
LONDON SW1A 0AA



William Wragg
Houses of Parliament,
Westminster,
SW1A 0AA

Our Ref: PM30952

21 September 2023

Dear William ,

I am writing to you in your capacity as Chair of the Public Administration and Constitutional Affairs Committee regarding the publication of the recent NAO audit of Cabinet Office expenditure.

As you will no doubt be aware, the cost of former Prime Minister Rt Hon Boris Johnson's legal representation for the duration of the Committee of Privileges' inquiry into whether he misled Parliament about Downing Street parties was borne by the taxpayer. This represents a £265,000 cost to the public purse.

In his audit of this year's Cabinet Office accounts. Gareth Davies, the Comptroller and Auditor General, highlighted several issues relating to this use of public funds.

He said he did not find the Department's assessment that precedents concluded that 'this proposed expenditure was not novel, contentious or repercussive' to be 'wholly persuasive', and that the examples cited "are substantively different from an investigation by the Committee of Privileges into a potential contempt of the House by a Prime Minister." I would very much agree.

The NAO found issues with Cabinet Office processes - namely that the Permanent Secretary for No10 was not appointed as an Accounting Officer in this matter and, while there is evidence of the Cabinet Office's Principal Accounting Officer's involvement from September 2022, there is not evidence of such involvement at the point of the initial contract award in August 2022. In his view, the Department's Principal Accounting Officer should have approved this expenditure before it was incurred, supported by a formal Accounting Officer assessment given its nature, in line with the guidance in Managing Public Money.

The use of public funds in the Partygate inquiry is a matter of legitimate public interest in terms of the sums of money involved, their use and the approval processes for agreeing this.

Given this I wanted to ask whether the committee might consider:

1. The use of taxpayer funds for this purpose.
2. The processes by which the use of funds for these purposes were approved involving the Cabinet Office, Number 10 and the Treasury.
3. If any of these processes prove to be inconsistent with good government practice the question of whether the funds should be returned, as we have previously called for.

Yours sincerely,

Rt Hon Pat McFadden MP
Shadow Chancellor of the Duchy of Lancaster

Crescent House, Broad Street, Bilston, WV14 0BZ

Telephone: 020 7219 4036
or 01902 405762

Email: patrick.mcfadden.mp@parliament.uk
Facebook: [@patmcfaddenwolverhampton](https://www.facebook.com/patmcfaddenwolverhampton)
www.patmcfadden.com

Twitter: [@patmcfaddenmp](https://twitter.com/patmcfaddenmp)
Instagram: [@patmcfaddenmp](https://www.instagram.com/patmcfaddenmp)