

CORRESPONDENCE FROM OFGEM TO THE PUBLIC AUDIT COMMITTEE, DATED 19 AUGUST 2015

Public Audit Committee – accountability, audit and the further devolution of powers: issues paper

Ofgem welcomes the opportunity to comment on the Committee's recommendations on the form and content of our future Annual Report and Accounts. As noted below, we are currently looking in detail at how we might respond to the Committee's recommendations and aim to report back more fully by the end of September.

The Committee recommends that Ofgem should provide Scottish specific financial, performance and service data in our Annual Report and Accounts and has endorsed the approach, suggested by the Scottish Government, that this additional data might be included in an annex. The Committee notes that the Scottish Government has identified examples of the information that could be provided in an annex, such as value for money for consumers, security of supply information and an update on activity under social and environmental schemes.

Our Annual Report and Accounts is a summary of our work in the previous reporting year to protect the interests of gas and electricity consumers in Great Britain. Our role to regulate the integrated GB gas and electricity markets mean that much, though not all, of the information we collect and can report on will be at the GB level. A separate annex on Scotland could, depending on the scope and level of detail, represent a significant change to how we report on our work and to how we organise our work.

As noted in our previous submission, each year we publish a range of reports on our work in Great Britain which includes information on Scotland. We need to consider carefully the relationship of the information in these reports to the type of information we can usefully include in our Annual Report and Accounts and what sort of information could provide additional insights into our work in Scotland.

In our review we are considering a range of factors including the need to find an appropriate balance between transparency, practicality, appropriateness and cost. That said, we are keen to provide more information about our activities in Scotland where we can and, as indicated, we aim to update the Committee on our review by the end of September.

I do hope that the Committee will find this update helpful.

Yours sincerely

Michael Leonard
Senior Manager, External Relations