



wachet und betet

LIVING STONES

1469-260418

CUR INTER VIVOS QUAERITIS MORTUOS? *

PART 4 - HELD SOMEWHERE, DISCLOSABLE NOWHERE

Where does authority terminate?

[MONEYWEASEL](#)

MAR 03, 2026

There is a familiar tone to official refusal letters. It is calm, procedural and faintly reassuring. The implication is that nothing improper has occurred; only that the request was too broad, too difficult, too old, too sensitive, or simply addressed to the wrong institution.

Read one letter in isolation and that explanation may sound plausible. Read a stack of them together and a different picture begins to form.

What the latest replies show is not the dramatic discovery of a single hidden file. It is something subtler and, in many ways, more consequential: the modern state preserves responsibility in fragments. One body confirms that relevant records exist but says they cannot be disclosed. Another accepts that it likely holds information but refuses to retrieve it because the burden of doing so is said to be disproportionate. Older material has already slipped beyond reach under routine retention schedules. What remains is split between departments, auditors and operational silos.

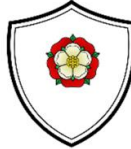
The result is not a total absence of records. It is a system in which records are held somewhere, but no longer obtainable in a joined-up way.

That is now the story.



The latest letter (5 March 2026) from the National Audit Office is a case in point. On its face, it is an ordinary refusal. In substance, it is more revealing than it first appears. The NAO states that it does hold some information within scope of the request relating to the Government Banking Service. More importantly, it confirms that it holds four Internal Audit reports produced by HMRC, but refuses disclosure under section 33 of the Freedom of Information Act, the exemption covering public audit functions. It says those reports contain sensitive internal audit information relating to HMRC’s “compliance, operational resilience, and financial management.”

That matters. It means the material exists. It means it was serious enough to be gathered, reviewed and retained within the state’s own audit machinery. And it means the issue is not that there is nothing to see, but that once the material enters the audit channel it enters a protected zone of confidentiality.



National Audit Office

The UK's independent public spending watchdog

Switchboard +44 (0)207 798 7000
Direct Line +44 (0)207 798 7264
Email FOI@nao.org.uk

Reference FOI-1908
Date 05 March 2026

By email: [redacted]

Dear [redacted]

GOVERNMENT BANKING SERVICE (GBS)

Thank you for your request dated 05 February 2026 to the National Audit Office (NAO). Your request has been handled under the Freedom of Information Act 2000 (FOIA). To summarise, you asked for information in relation to the governance, oversight, audit, or value-for-money assessment of the Government Banking Service (GBS).

We have searched our Financial Audit and Value for Money records to consider whether we hold any relevant information to your request. We can confirm that the NAO holds some recorded information within scope of part 1 of your request. Some of the information you requested can be found in the two reports which are detailed below; however, we do not hold information for the full period 1 January 2008 to 1 January 2020. This is due to our six-year Records Retention Policy.

The policy can be found online. We operate standard [retention periods](#) and dispose of information in accordance with these. With regards to the information we do hold, our 2015 report on <https://www.nao.org.uk/wp-content/uploads/2015/09/Financial-institutions-landscape.pdf> makes two brief references to GBS. Given the elapsed time since publication, we would no longer hold any underlying evidence/papers for this report given our retention schedules as explained above. There is also our 2021 report <https://www.nao.org.uk/wp-content/uploads/2021/08/Investigation-into-supply-chain-finance-in-the-NHS.pdf>. This makes brief references to GBS.

We hold four Internal Audit reports produced by HMRC, which fall within the broad scope of part 1 of your request. However, this information is exempt from disclosure under section 33 (public audit functions) of the FOIA. A detailed explanation of this exemption, including the public interest test, is provided below. FOIA provides a legal right of access to recorded information held by a public authority, but it is subject to certain exemptions that may apply.

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.





The NAO is explicit about this. It says it is “vital” that it retains a “safe space” in which to gather information and engage in “free and frank discussions” with audited bodies, and that disclosure would weaken those exchanges. That may be orthodox from an audit perspective. But the effect is plain enough: the public is told that scrutiny exists, while also being told that scrutiny cannot be examined too closely because doing so would damage scrutiny itself.

That is not a trivial point of administrative wording. It goes to the heart of how public accountability is now mediated. Parliament may be told that auditors are looking; the public is told that the workings of that scrutiny are, in important respects, off limits.

There is a second admission in the NAO letter that is just as significant. The office says it does not hold information for the full 2008-2020 period because of its six-year records retention policy. It adds that it does not hold correspondence, briefings or legal opinions relating to the use of citizen identifiers within Government Banking Service systems, nor documents assessing the legal or statutory basis for linking citizen identifiers to pooled government banking accounts.



(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 some of your request because the material was provided to the NAO solely for our statutory audit work. It contains sensitive Internal Audit information related to HMRC's compliance, operational resilience, and financial management. Disclosing this information under the FOIA could compromise the effectiveness of our audits.

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 HMRC. To fulfil our statutory functions, some information must be exchanged confidentially, ensuring it is not shared beyond auditing needs. Release of the data you requested could hinder future audit information flow and weaken critical exchanges.

Therefore, disclosure would remove our safe space for gathering information, leading to challenges in accessing audit material and possibly increasing formal proceedings and costs. This conflicts with Section 17(3) of the Budget Responsibility and National Audit Act 2011, which requires the C&AG 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.

Information Not Held

Furthermore, I can confirm that we do not hold any correspondence, briefings or legal opinions relating to the use of citizen identifiers (such as NI numbers or UTRs) within GBS systems. This has not been the subject of NAO audit work. Neither do we hold audit findings, working papers or other unpublished material relating to HMRC's use of GBS accounts or the mechanisms by which individual taxpayer payments are tracked, allocated or reconciled. Lastly, we do not hold documents assessing the legal or statutory basis for linking citizen identifiers to pooled government banking accounts. We do not hold Data Protection Impact Assessments on this topic.

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,

FOI & Correspondence Officer
NAO FOI Team



Again, that is not nothing. It tells us something precise about the architecture of accountability. The audit body may inspect, assess and gather internal reports, but it does not necessarily hold the deeper legal and system-design material one might reasonably expect to sit behind so central a function. Some older evidence has already disappeared under retention rules. Some legal architecture was never in the NAO's hands to begin with. The public is therefore asked to trust a chain of scrutiny whose own underlying papers may have been disposed of, and whose remit does not extend to the full legal design of the system being examined.

The Treasury's latest response adds a different layer to the same pattern. It is framed as a refusal under section 14, usually associated with vexatious requests, but its substance is revealing. Treasury officials state that HM Treasury "likely holds some information within scope" of the requests, yet refuse to comply because locating, reviewing and extracting the material would require extensive searches across multiple systems and locations and would impose a disproportionate burden on staff.

That distinction is critical. The barrier is no longer "not held". The barrier is administrative resistance to reconstruction.

The Treasury goes further. It says the number, pattern and breadth of the requests informed its decision, noting that multiple requests were submitted in quick succession on related themes. It also says that broad categories such as policy documents, internal memoranda, analytical materials and briefings are particularly difficult to search. In one of the more striking passages, it says that a search on just one term from one request returned "over 1,200 potentially relevant items" requiring manual review.

This is revealing in a different way. The state is not saying that there is no record. It is saying that the records are too numerous, too dispersed and too burdensome to be brought together for the purpose of public scrutiny. Government can aggregate across systems when it wishes to administer, tax, allocate and enforce. The citizen is told that a comparable aggregation for accountability is an unreasonable demand.



That is not transparency in any meaningful sense. It is one-way visibility.



If you contend any element is "not held" because it is held by another body or supplier, please confirm the name of that body/supplier and whether HMT holds any contract, MoU, service schedule, or governance pack for the relevant arrangement.

Exclusions (to avoid s.12)

For avoidance of doubt, this request excludes transaction logs/payment-level data, searches of individual payment cases, system extracts/screenshots, and operational manuals.

Section 16 duty to assist

If you consider any part engages s.12, please specify which numbered question is problematic and provide advice and assistance under s.16 by proposing a narrower formulation limited to a single named document that would fall within the appropriate limit.

Following a search of our records, we can confirm that HM Treasury likely holds some information within scope of your requests.

However, as with your previous request (FOI2025/27853), we consider not only your follow-up request (FOI2026/02440), but your additional requests (FOI2026/02365, FOI2026/02458 and FOI2026/04451) to still be very wide in scope. It remains HM Treasury's view that locating all of the recorded information we hold in scope of your requests would require extensive searches across multiple systems and locations. This is because the Treasury does not collate information in a way that could be used to easily identify possible information within the scope of your request, in the manner they are currently worded.

The effort required to locate, review, assess and extract the requested information would be considerable and would place an undue burden upon staff. Therefore, we are refusing your requests under section 14(1) of the Freedom of Information Act, due to the disproportionate effort that would be required to comply with each request in totality. While the FOI Act describes this exemption as relating to vexatious requests, it can also be used to refuse a legitimate request where the handling burden is deemed to be disproportionately high. We consider this to be the case for your combined requests.

In making this decision, we have carefully considered whether the value and purpose of your requests justify their impact. A number of factors relating to the number, pattern and breadth of your requests have informed our decision. We note that you submitted three separate requests for information to HM Treasury within two working days, on topics relating to the Government Banking Service, the Consolidated Fund & National Loans Fund and FSMA 2000/RMBS structures. Following this, we wish to highlight the ICO's guidance for Section 14 of the FOI Act relating to "Pattern of requests":

"You may become overwhelmed, if numerous requests are made in quick succession. This includes where similar requests are submitted before you've had the opportunity to respond to previous ones."

We consider this guidance to be relevant as you initially made three broad requests in quick succession over the course of two working days, and submitted a fourth, similar request relating to the governance and authoritative systems of the Government Banking Service within the statutory time period of your initial requests.



The most candid passage in the Treasury response comes later. In the name of advice and assistance, officials explain that future requests are more likely to be processable if they “concisely describe the recorded information sought in plain English”, include specific keywords, include a limited date range, and request specific document types. Then comes the line that says more than perhaps was intended: “Concise requests written in your own words are often easier to comply with compared to requests written by AI language models.”

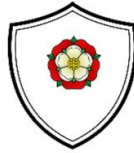
This is not simply a complaint about style. It is an inadvertent explanation of how disclosure is managed. A citizen may ask questions, but only in a form that fits the retrieval logic of the institution. Ask too broadly and the breadth becomes the problem. Ask across institutional seams and the state replies that it does not collate information in that way. Ask in a structured way that attempts to trace the system as a system, and one is told that the architecture of the request is itself an obstacle.

In other words, the design of the archive becomes part of the defensive perimeter.

That is why the conventional reassurance – that there is no conspiracy here, only bureaucracy – is too glib. Of course much of this is bureaucracy. But bureaucracy is not neutral when it determines what can be known, what survives, what may be seen and how far a citizen is allowed to reconstruct the workings of public authority from the state’s own records.

Modern government does not require a single locked drawer marked confidential. It can achieve much the same outcome through a combination of retention schedules, fragmented holdings, audit confidentiality, search thresholds and burden arguments. Each device is recognisable on its own. The significance lies in their cumulative effect.

None of this proves every maximal claim that critics of the system sometimes make. It does something more serious than that; it establishes, from the government’s own letters, that the public record is not a coherent whole available



for inspection. It is partial, perishable and institutionally segmented. One body admits that material exists but says it cannot be released. Another says it likely holds relevant information but refuses to retrieve it. A third category of records has already been discarded in accordance with retention policy. At every turn, the public is left with fragments but denied the whole.

That is not an accident of a single difficult request. It is the operating condition of modern official accountability.

The deeper issue is asymmetry. The state can build a joined-up view of the citizen: tax identifiers, banking arrangements, operational controls, pooled accounts, internal reconciliations. But when the citizen attempts to build a joined-up view of the state, he encounters exemptions, burden arguments, retention limits and institutional boundaries. Government's view of the public is integrated yet the public's view of government is deliberately disaggregated.

This matters all the more because the underlying subject is not peripheral. It concerns public money, audit trails, pooled banking mechanisms, internal controls and the legal and accounting basis on which government systems operate. These are not obscure curiosities. They are the plumbing of state power. If the official answer to questions about that plumbing is that the records are too sensitive, too fragmented, too old or too burdensome to assemble, then the public is entitled to ask whether accountability survives in substance or merely in posture.

The real significance of these letters, then, is not that they reveal a single explosive fact. It is that they reveal the method. The trail exists. Some of it is protected by auditors in the name of effective scrutiny. Some of it is likely held by departments but made inaccessible by the claimed cost of retrieval. Some has been destroyed under routine retention. Some is said to sit elsewhere, outside the current body's remit or beyond the period for which records are kept.

Held somewhere. Disclosable nowhere.



Next week, I will move beyond the architecture of refusal and into the architecture itself: the Debt Management Office, CRND, HMRC, and the Treasury mechanisms that begin to explain why the state can acknowledge fragments of the record while resisting any joined-up account of how the machine actually works.

:grant-andrew© *sui juris*

'Living Stones' is an unincorporated non-profit private ecclesiastical guild and trust. Membership, annually or for life, is at a nominal charge upon proof of IS/EA-entity plus your CV to confirm your skillset(s). All enquiries to the address below:
'Living Stones', Suite 303, 88 Queen Street, Sheffield, Yorkshire, England [S1 2FW]

- With apologies to Doctor Luke - 24.5 - why seek ye the DEAD among the living?!