



Treasury Committee Work and Pensions Committee

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From the Chairs

28 January 2019

Sir Amyas Morse KCB
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
London SW1W 9SP

Dear Amyas

Tax reliefs benefiting the Motability scheme

You may be aware that, following our evidence session on Wednesday 9 January, we wrote to the Financial Secretary to the Treasury requesting he confirm the NAO's estimate of the maximum annual value of tax reliefs that benefited the Motability scheme in 2017, £888m.¹ We attach correspondence we have subsequently received from Lord Sterling of Plaistow in which he describes this figure as "essentially meaningless".

Might I ask you please to comment on the objections Lord Sterling makes to the NAO's use of this valuation in its report on the Motability scheme? Could you also please confirm that the NAO's findings were agreed by Motability before the report's publication, in the usual way?

We will be placing this letter in the public domain.

Rt Hon Frank Field
Chair, Work and Pensions Committee

Rt Hon Nicky Morgan MP
Chair, Treasury Committee

¹ National Audit Office, *The Motability scheme* (HC 1681), para 1.11