

AUDIT COMMITTEE**MINUTES****Date:** 22 November 2001**Time:** 2.00pm**Venue:** Committee Room 1, National Assembly Building**Attendance** **Members**

Janet Davies (Chair) South Wales West

Eleanor Burnham North Wales

Alun Cairns South Wales West

Jocelyn Davies South Wales East

Alison Halford Delyn

Dai Lloyd South Wales West

Val Lloyd Swansea East

Lynne Neagle Torfaen

Officials

Sir John Bourn Auditor General for Wales

Gillian Body National Audit Office

Dave Powell Assembly Compliance Officer

Russell Keith Committee Clerk

James Owen Deputy Committee Clerk

Item 1: Evidence-taking Session - The Arts Council of Wales: Centre for Visual Arts

1. The Chair welcomed everyone to the meeting. Dai Lloyd substituted for Dafydd Wigley, Val Lloyd for Peter Law and Eleanor Burnham for Kirsty Williams. Apologies were received from Ann Jones.
2. Val Lloyd declared that she is friends with the Chair of the Arts Council and has been previously employed in work relating to health education.
3. The Chair said that a request had been made for the Committee to hear from other witnesses on the Centre for Visual Arts than those attending the meeting. She noted that the Committee was to hear from the Accounting Officer, as required by Standing Order 12.8 and that he was the person responsible for giving an account for the Arts Council of Wales and who had access to the necessary records and support from that body. Members discussed whether additional witnesses would be required and agreed to defer any decision until after the hearing.
4. The Committee took evidence in connection with the report of the National Audit Office on behalf of the Auditor General for Wales on 'The Arts Council of Wales: Centre for Visual Arts', which was published on 15 November 2001.
5. A verbatim transcript of this item will be attached as an annex to these minutes.

Witnesses

Peter Tyndall Chief Executive, Arts Council of Wales

Frances Medley Deputy Chief Executive, Arts Council of Wales

Rhys Parry Director, Finance and Resources, Arts Council of Wales

6. The Committee considered calling other witnesses to a future evidence session on the Auditor General's report into The Centre for Visual Arts. The following points were raised in discussion:
 - The current Accounting Officer of the Arts Council, Peter Tyndall, took up his post on 1 October this year. The Auditor General's report raises issues regarding decisions taken as far back as 1994.
 - It would be beneficial for the Committee to hear from those responsible at the time for the decisions outlined in the Auditor General's report. The Committee should enable those who made the decisions to have the opportunity to put forward their understanding of events.
 - The Auditor General noted that this was not a unique evidence session. Arts and Sports Council projects in England which had received lottery funding have displayed the same characteristics of inexperience in project management and risk assessment as the Centre for Visual Arts. He also informed the Committee that Jon Shortridge had sent a message saying that he would be pleased to come to the Committee and answer outstanding

questions.

- It is important that projects such as the Wales Millennium Centre learn from the experience of the Centre for Visual Arts. There is a need for procedural expertise for projects, which receive lottery funding, to succeed.
 - The Committee agreed that another evidence session was required and to invite Joanna Weston, a former Chief Executive and Lottery Fund Director, Emyr Jenkins, a former Executive Officer, Richard Lloyd-Jones, a former Chair, Robert Edge, a former Lottery Fund Director and Jon Shortridge, the Permanent Secretary of the National Assembly.
 - The Auditor General agreed to provide a summary of which of the chosen witnesses were responsible for the individual issues which arose from the report into the Centre for Visual Arts to ensure that the evidence session would be focused on the questions which could not be answered today.
1. The Committee discussed general themes that have emerged from this and previous evidence sessions. The Committee expressed concern over the spending of public money on external financial advice which has turned out to be incorrect. Should poor assessments be made, the Committee felt that there should be the provision in the contract with the consultants for liability for damages. The Committee also requested information on the Assembly executive's guidelines for cost capping. The Auditor General agreed to produce a memorandum which examined the points raised by the Committee in this regard.

Item 2: Minutes of Previous Meeting

Paper: AC-07-01(min)

2.1 The minutes of the previous meeting were agreed.

Item 3 - Papers to note

Title	Paper reference
Correspondence from Auditor General for Wales regarding the Regulation of Housing Associations by the National Assembly for Wales	AC-08-01(p.2)
ELWa Annual Governance Assurance Statement to the Assembly	AC-08-01(p.3)

1. The clerk noted that transcription errors had occurred in the secretariat's preparation of an electronic version of the ELWa Annual Governance Statement and that a corrected copy would be re-issued.. The Committee noted the papers.

Item 4: Draft Audit Committee Report - NHS Summarised Accounts 1999-2000

1. The Committee resolved to exclude the public from this part of the meeting in accordance with Standing Order 8.21(vi):

A Committee may resolve to exclude the public from a meeting or any part of a meeting where:

(vi) the committee is deliberating on the conclusions or recommendations of a report it proposes to publish; or is preparing itself to take evidence from any person.

2. Members considered the draft report and agreed its contents with some minor amendments.

Item 5 - Draft Audit Committee Report on Educating and Training the Future Health Professional Workforce for Wales

1. The Committee resolved to exclude the public from this part of the meeting in accordance with Standing Order 8.21(vi):

A Committee may resolve to exclude the public from a meeting or any part of a meeting where:

(vi) the committee is deliberating on the conclusions or recommendations of a report it proposes to publish; or is preparing itself to take evidence from any person.

2. Members considered the draft report and agreed its contents.
3. The meeting closed at 4.50pm.