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Ein Cyfeirnod/Our Reference

Eich Cyfeirnod/Your Reference

Dyddiad/Date

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AUDIT COMMITTEE REPORT: 'GENERAL REPORT OF THE AUDITOR GENERAL FOR WALES 2004'

Thank you for your letter of 6 December 2004 in which you asked for the Auditor General's advice on the Welsh Assembly Government's response to the recommendations made by the Audit Committee in the above report.

The Assembly Government has accepted all fifteen of the Committee's recommendations and has indicated that it is taking a range of actions in response to the Report:


- The Assembly Government is introducing improvements to its financial and risk management procedures, with greater delegation and additional training being provided to Senior Managers and Business Units involved in financial management (recommendation (i));
- The Assembly Government has committed itself to developing its usage of the additional capabilities available within its new computerised financial accounting system (recommendation (ii));
- All Assembly Sponsored Public Bodies have been reminded by the Permanent Secretary of the need to ensure that audit recommendations are implemented promptly (recommendations (iii) and (iv));
- Procedures have been introduced within the Assembly Government to strengthen the accounts preparation process within the context of the Treasury's "faster closing" initiative and to ensure publication of the 2003-04 Whole of Government of Wales Accounts at the earliest opportunity (recommendations (v)-(vii));
- There are now arrangements in place to monitor the payment performance of Assembly sponsored bodies and to agree and monitor remedial plans where necessary (recommendation (viii));
- Additional resources are being devoted to securing procurement savings through Value Wales and progressing the work of the Welsh Procurement Initiative Team, and good progress is being made with the programme of procurement fitness checks across all Assembly sponsored bodies (recommendations (ix)-(xiii)).

- The Assembly Government is committed to ensuring a smooth closure process for the current European Structural Funds Programmes, and is placing greater emphasis on supporting grant recipient bodies in their roles as project sponsors (recommendations (xiv) and (xv)).

The Auditor General will be reviewing the actions being taken by the Assembly Government on all of these issues as part of his work in compiling his 2005 General Report. Where there remains further progress to be made (for example, on the timely submission of information to the Treasury for the UK Central Government Accounts, where further delays have occurred in the current financial year), the Auditor General's forthcoming report will provide the Committee with an opportunity to return to these issues later this year.

I hope that you find this helpful.

Yours sincerely,



Martin Peters
Private Secretary to the Auditor General for Wales