Claire Bennett

Clerk to the Audit Committee

National Assembly for Wales

Cardiff Bay

CARDIFF CF99 1NA

AUDIT COMMITTEE REPORT ON 'THE RENEWAL AND DISPOSAL OF PROPERTY HELD BY THE NATIONAL HEALTH SERVICE IN WALES'

Thank you for your letter dated 29 January 2003 requesting advice on the Welsh Assembly Government's response to the recommendations made by the Audit Committee in its report *the renewal and disposal of property held by the NHS in Wales*.

In its report, the Committee made nine recommendations, which have all been accepted. The Welsh Assembly Government has responded positively to each of the recommendations and outlined a number of actions that the NHS Wales and the NHS Wales Department are taking or plan to take. Overall the responses to the Committee's recommendations are sufficiently constructive to meet the Committee's concerns and the progress reported as having been made in implementing them is encouraging.

Subject to the views of the Committee, there is therefore no need for the Committee to take any further action at this stage. Mrs Lloyd, the Director of the NHS Wales Department has undertaken to provide the Committee with a note in November 2003 advising on progress with the disposal of the remaining residual estate; and also a note on progress towards realising additional proceeds from disposing of under-used and unsuitable properties, estimated at a potential £30 million. In the meantime, the National Audit Office Wales will continue to monitor the actions taken by the NHS Wales in response to the Committee's report. We will draw to the Committee's attention any areas where we consider that further examination by the Committee is merited.

I hope that you find this response helpful.

Helen Kirkby Personal Secretary to the Auditor General for Wales