

AUDIT COMMITTEE

Date: 29 March 2001
Time: 2pm
Location: Committee Room 1, National Assembly Building

Title: CORRESPONDENCE FROM THE AUDITOR GENERAL FOR WALES RE ADMINISTRATION, PROFESSIONAL AND TECHNICAL SERVICES

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JBB/1215/01

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13 February 2001

At the Audit Committee meeting on 19 October 2000 to consider my draft estimate and Value for Money programme for 2001/02, Members of the Committee asked questions about the "administration, professional and technical services" element of my estimate. I explained that a large part of this estimate (some £79,000) related to the cost of replying to correspondence and enquiries received from members of the public and others, and offered to provide the Committee with an indication of the volume of such correspondence and a summary of the main issues it contained.

In the period 1 September 1999 to 31 December 2000, I received forty letters requiring a substantive response. Together with my colleagues in the National Audit Office Wales, I also received a number of other enquiries from members of the Public, Assembly Members and Officials. Seventeen of the forty letters I received were from members of the National Assembly for Wales or from Members of Parliament for Wales constituencies. The remaining twenty three letters were from members of the public, a few of whom had associations with Assembly Sponsored Public Bodies and were raising matters outside normal day to day business. Issues raised by members of the public included concerns about ;

- The regularity and propriety of expenditure by the National Assembly and its sponsored Public Bodies.
- Inadequate procurement procedures which failed to secure Value for Money for the public sector in Wales.
- Financial waste by the National Assembly and its sponsored Public Bodies.
- The alleged misuse of financial assistance from the European Structural Funds.
- Failure to secure Value for Money in the disposal of public assets

I have also received a number of requests from the public for information about my work and the work of the National Audit Office in Wales.

Most of the letters I have received so far have required detailed investigation by staff in the National Audit Office. In many cases, because of difficulties in obtaining files and interviewing officials, these investigations have spanned several weeks and involved considerable staff resources. In some cases National Audit Office staff based in Cardiff have had to incur costs travelling to other parts of Wales in order to interview relevant officials and review files. For example, in the case of an enquiry about the sale of a cottage hospital by a North Wales Health Authority, staff of the National Audit Office travelled to North Wales to meet with the correspondent and to discuss details of the case with the appointed auditor of the Health Authority. They also visited the Health Authority where they reviewed files on the sale of the hospital and interviewed key staff involved in the sale.

The estimate of £79,000 for the cost of replying to correspondence in 2001/02 makes the reasonable assumption that the volume of correspondence will increase next year. This is consistent with our experience this year where we noted an increase of over 180% for letters received in the period October to December 2000 when compared with the same period in the previous year. It also reflects increased interest in Assembly business, and in my work and the work of the Audit Committee. Expenditure against the estimate for administration, professional and technical services will be included in my annual accounts, which are subject to independent audit.

I hope that this information is helpful to the Committee.

JOHN BOURN