

AUDIT COMMITTEE AC-02-02 (min)

MINUTES

Date: 14 March 2002
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
Janice Gregory	Ogmore
Alison Halford	Delyn
Ann Jones	Vale of Clwyd
Val Lloyd	Swansea East
Dafydd Wigley	Caernarfon

Witnesses

Keith Thomson	Chief Executive, North West Wales NHS Trust
John Potts	Director of Estates and Facilities, North West Wales NHS Trust
Martin Turner	Chief Executive, Gwent Healthcare NHS Trust
Glyn Griffiths	Director of Planning, Gwent Healthcare NHS Trust

Officials

Sir John Bourn	Auditor General for Wales
----------------	---------------------------

Gillian Body	National Audit Office
Ceri Thomas	Assistant Assembly Compliance Officer
Howell Rees	Committee Clerk
James Owen	Deputy Committee Clerk

Item 1

Evidence-taking Session - Managing the Estate of the NHS in Wales

Paper: AC-02-02(p.1) and AC-02-02(p.2)

1. The Chair welcomed everyone to the meeting and in particular Eleanor Burnham as a new member of the committee. The Chair thanked Kirsty Williams for all of her work on the committee.
2. Janet Davies informed the committee that this would be her last meeting as Chair. The committee thanked Janet Davies for her exemplary work in chairing this challenging committee from the outset.
3. The Committee took evidence from Keith Thomson, Martin Turner, John Potts and Glyn Griffiths in connection with the report by the National Audit Office on behalf of the Auditor General for Wales on Managing The Estate of the National Health Service in Wales.
4. A verbatim transcript of this item will be attached as an annex to these minutes.

Item 2

Papers to note

Title	Paper reference
Further information from the NHS Directorate following the Audit Committee's first evidence session on Managing the Estate of the NHS in Wales, 24 January 2002.	AC-02-02(p.3)
Themes in Procurement: note from the Auditor General for Wales	AC-02-02(p.4)
Correspondence from the Minister for Finance, Local Government and Communities on the New Assembly Building.	AC-02-02(p.5)

1. The committee noted papers 3 and 5.
2. The Auditor General for Wales introduced the paper on Themes in Procurement (AC-02-02(p.4)). The paper had been produced in response to the committee's concerns on the procurement of professional advice and services from the private sector. The Auditor General addressed three key issues in the

paper:

1. The advantages and disadvantages of repeatedly using the same consultants for professional advice. Whilst consultants could be particularly useful on technical matters, Assembly officials were often fully capable of carrying out the work required.
 2. The scope for legal redress in cases of poor advice from consultants. The committee had recommended twice that organisations should consider taking legal action in cases where poor professional advice had been received. Contracts should be taut and robust enough to maximise the prospects of good results. A thorough project management process which elicited evidence, should supplement the contract in case there was need for legal redress.
 3. The capping of project costs was useful and advantageous but not always possible in projects with uncertain spending requirements. Incentives for projects to be carried forward should be built into contracts which require the discipline that fixed budgets provide.
-
1. The committee endorsed the paper and agreed to commend it to the Assembly for guidance, requesting a response from the Welsh Assembly Government.

Item 3

Minutes of Previous Meeting

Paper: AC-01-02(min)

3.1 The minutes of the previous meeting were agreed.

Item 4

Draft Audit Committee Report - *Securing the Future of Cardiff Bay*

Paper: AC-02-02(p.6)

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.

2. The committee considered the draft report and agreed its contents with some technical amendments.

Item 5

Draft Audit Committee Report - *Procurement in the Further Education Sector in Wales*

Paper: AC-02-02(p.7)

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.

2. The committee agreed the draft report.

The meeting closed at 4.38pm.