

## **Audit Committee**

**Date:** 21 November 2002

**Time:** 13:30

**Venue:** Committee Room 1, National Assembly for Wales

Claire Bennett

Clerk to the Audit Committee

National Assembly for Wales

Cardiff Bay

CARDIFF CF99 1NA

23 October 2002

### **Audit Committee Report on Securing the Future of Cardiff Bay – Welsh Assembly Government Response**

The Chair of the Committee wrote to the Auditor General on 25 June asking for his advice on the response of the Welsh Assembly Government to the Committee's report *Securing the Future of Cardiff Bay*. It has been necessary to delay responding to the Chair's request until the issue of the Auditor General's access to Cardiff Harbour Authority had been resolved. I return to this below.

Subject to two observations which I set out in the rest of this letter, the Welsh Assembly Government has responded constructively and positively to the Committee's report.

The first observation relates to the issue of the Auditor General's access to Cardiff Harbour Authority. In its report the Committee emphasised the importance which it attached to the Auditor General having an unfettered right of access to the Harbour Authority, a recommendation which the Assembly Government endorsed in its response. However, as the Committee knows, the Auditor General experienced difficulty in securing access to the Harbour Authority. The Committee subsequently discussed this issue at its meetings in May and July. This issue has now been resolved and the Auditor General has secured access to the Harbour Authority. He has written to the Chair of the Committee setting out the steps he has taken to build on this, his plans for further work with the Harbour Authority and his proposals for keeping the Committee informed of the outcome of this work.

The second observation relates to the Committee's recommendation (Recommendation (xiv)) that the Assembly Government should consider whether the Assembly collectively needs to look again at the adequacy of its guidance on handling potential clashes of interests or a duality of interest. In its response the Assembly Government comments that, whilst endorsing the principle that underlay the Committee's recommendation, it considers the existing guidance

on conflict of interest to be effective and robust. When they come to discuss the Assembly Government's response, Committee Members may wish to consider further this aspect of the response.

Committee Members will recall that they returned to issues associated with the future of Cardiff Bay when they considered the Auditor General's report *Continuing the Regeneration of Cardiff Bay* at their May meeting earlier this year. When they come to consider the Committee's draft report on this subject, Members will have the opportunity to consider subsequent developments. In the meantime the National Audit Office will continue to monitor the actions taken by the Assembly Government in response to the Committee's report *Securing the Future of Cardiff Bay*. We will draw to the Committee's attention any areas where we feel further examination by the Committee is merited.

I hope that this is helpful.

**Helen Kirkby**  
**Private Secretary to the Auditor General for Wales**