

**National Assembly for Wales**  
**Public Accounts Committee**

**Fourth Assembly**  
**Legacy Report**

March 2016

Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



## Committee remit

The Committee was established on 22 June 2011. The role of the Public Accounts Committee is to ensure that proper and thorough scrutiny is given to Welsh Government expenditure. The specific functions of the Committee are set out in Standing Order 18. The Committee considered reports prepared by the Auditor General for Wales on the accounts of the Welsh Government and other public bodies, and on the economy, efficiency and effectiveness with which resources were employed in the discharge of public functions.

## Committee membership

<b>Committee member</b>	<b>Party</b>	<b>Constituency or Region</b>
Darren Millar (Chair)	Welsh Conservatives	Clwyd West
Mohammad Asghar	Welsh Conservatives	South Wales East
Jocelyn Davies	Plaid Cymru	South Wales East
Mike Hedges	Welsh Labour	Swansea East
Sandy Mewies	Welsh Labour	Delyn
Julie Morgan	Welsh Labour	Cardiff North
Jenny Rathbone	Welsh Labour	Cardiff Central
Aled Roberts	Welsh Liberal Democrats	North Wales

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# Recommendations

**Recommendation 1.** We would like to request that the successor Committee has equivalent, regular meeting time status alongside the other main committees scheduled into the organisation of business in the fifth Assembly.

**Recommendation 2.** We recommend that the successor Committee discusses with the Auditor General for Wales matters arising from the value for money study reports published during the fourth Assembly that we have not reported on ourselves, to consider any opportunities for follow up during the fifth Assembly.

**Recommendation 3.** We recommend that the successor Committee continues to publish annual reports and debate them in Plenary.

**Recommendation 4.** We recommend that the successor Committee continues with the scrutiny of accounts work that we started in the fourth Assembly, taking evidence from the Welsh Government and Assembly Commission on an annual basis and from other bodies on a cyclical basis (covering Welsh Government sponsored bodies, commissioners and the Public Services Ombudsman) and reflecting back on the response to recommendations from our previous work.

**Recommendation 5.** We recommend that the successor Committee includes Natural Resources Wales in any scrutiny of accounts work in autumn 2016-17 to provide an opportunity to follow up on the Auditor General's February 2016 report on 'The Development of Natural Resources Wales'.

**Recommendation 6.** We recommend that the successor Committee considers including the BBC's audited accounts as part of its annual account scrutiny work following agreement of the revised Memorandum of Understanding – BBC Charter Review/Welsh Government.

**Recommendation 7.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on the Intra-Wales – Cardiff to Anglesey – Air Service, including: trends in passenger numbers and the impact of the anticipated temporary closure of Anglesey Airport during 2016; any outcomes from the work to explore the potential opportunities for expanding operations at Anglesey Airport; and the outcome of the procurement of a new long-term operator.

**Recommendation 8.** We recommend that the successor Committee seeks an update from the Welsh Government on the implementation of our recommendations on senior management pay at the end of 2016 and considers any issues arising from the publication by the Welsh Government of updated information on senior management pay rates across the Welsh public sector.

**Recommendation 9.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on the implementation of our recommendations and discusses with the successor to the Enterprise and Business Committee any plans for further scrutiny of this topic.

**Recommendation 10.** We recommend our Successor Committee continues to adopt this practice during the Fifth Assembly.

**Recommendation 11.** We recommend that the successor Committee receives a briefing from the Auditor General on his third Picture of Public Services report to provide a platform for the Committee's scrutiny work across a range of issues in the fifth Assembly.

**Recommendation 12.** We recommend that, when considering the Auditor General's planned report on the public procurement landscape in Wales, the successor Committee takes the opportunity to revisit the response to recommendations from our September 2013 report on 'The Procurement and Management of Consultancy Services'.

**Recommendation 13.** We recommend that the successor Committee continues to scrutinise the Welsh Government's progress in improving grants management, drawing on the Welsh Government's annual reporting and reflecting on any new evidence on grants management arising from the Auditor General's work or other concerns that are brought to the Committee's attention.

**Recommendation 14.** We recommend that the successor Committee considers progress in the level of compliance with the Welsh Housing Quality Standard in advance of the revised 2020 deadline for compliance across all social housing.

**Recommendation 15.** Taking account of work that Estyn will be taking forward, and any plans for further work by the Auditor General, we recommend that the successor Committee engages with the successor to the Children, Young People and Education Committee in the fifth Assembly to determine how best to undertake any further scrutiny of issues relating to cover for teacher absence and the use of supply teachers.

**Recommendation 16.** Drawing on the Auditor General's planned report on the financial resilience of local government in Wales and the evidence presented in the Auditor General's December 2015 Picture of Public Services report, we recommend that the successor Committee consults with other relevant National Assembly committees in the fifth Assembly to agree an approach to on-going scrutiny of the financial resilience of local government that aligns with plans for scrutiny of local government reform.

**Recommendation 17.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on action taken in response to our recommendations on responding to welfare reform.

**Recommendation 18.** We recommend that the successor Committee reflects on the findings and recommendations from our inquiry on the Regeneration Investment Fund for Wales in the event that future inquiries identify similar weaknesses in Welsh Government governance and administration, disposal of public assets or in the oversight of arms-length bodies. We also recommend that the successor Committee scrutinises the effectiveness of the Welsh Government's actions in response to our report, in order to satisfy itself and also seek assurance on behalf of the Welsh public that the issues which arose with RIFW will not be repeated.

**Recommendation 19.** We recommend that the successor Committee reflects on the findings and recommendations from our inquiry on the River Lodge Hotel, Llangollen in the event that future inquiries identify similar weaknesses in Welsh Government governance and administration.

**Recommendation 20.** We recommend that the successor Committee receives a further update from the Auditor General on the changes that have been made to the audit approach for small bodies, particularly in the context of the audit of town and community councils, following the completion of the 2015-16 audits and any summary reporting on that work.

**Recommendation 21.** We recommend that in addition to the update the Welsh Government has promised on the findings of the Glastir monitoring and evaluation programme, the successor Committee requests that the Welsh Government provide a further update on its response to our previous recommendations. We also recommend that the successor Committee discusses with the successor to the Environment and Sustainability Committee any plans for further scrutiny of this topic.

**Recommendation 22.** We recommend that the successor Committee considers taking further evidence from the Welsh Government and BT in autumn 2016 on the basis of its promised update on the rollout of the Superfast Cymru contract, and after discussing with the Auditor General his plans for any further follow up work.

**Recommendation 23.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on the implementation of our recommendations.

**Recommendation 24.** We took evidence on 8 March 2016 from the Welsh Government and Finance Wales and have written to the Welsh Government outlining our initial findings. We recommend that the successor Committee undertakes a more detailed inquiry into the Wales Life Sciences Investment Fund early on in the fifth Assembly.

**Recommendation 25.** We recommend that the successor Committee considers the Auditor General's planned update on hospital catering and patient nutrition early in the fifth Assembly.

**Recommendation 26.** Taking account of any work planned by the Auditor General and/or Healthcare Inspectorate Wales, we recommend that the successor Committee engages with the successor to the Health and Social Care Committee in the fifth Assembly to determine how best to undertake any further scrutiny of maternity services.

**Recommendation 27.** We recommend that the successor Committee receives an update from the Auditor General on the findings from his recent local audit work on the NHS consultant contract, in the context of our previous recommendations on this topic.

**Recommendation 28.** We recommend that the successor Committee receives a briefing from the Auditor General on his 'Review of the Impact of Private Practice on NHS Provision' to inform a decision by the successor Committee on the merits of any further scrutiny.

**Recommendation 29.** We recommend that our successor Committee consider any lessons arising from the Auditor General's report on the impact of the NHS Finance (Wales) Act 2014 and draws on that report to revisit more generally issues arising from our previous health finances work.

**Recommendation 30.** We recommend that our successor Committee considers revisiting the issues of waiting times and orthopaedic services and holds an evidence session with the Welsh Government.

**Recommendation 31.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on action to discharge our previous recommendations on continuing NHS healthcare and on the overall progress that has been made in clearing retrospective claims.

**Recommendation 32.** Taking account of the work that is being undertaken by the Auditor General as part of his programme of local audit work across NHS Wales, we recommend that the successor Committee discusses with the Auditor General, and with the successor to the Health and Social Care Committee in the fifth Assembly, how best to undertake any further scrutiny of unscheduled care services.

**Recommendation 33.** We recommend that our successor Committee monitors the progress Betsi Cadwaladr University Health Board makes during the period of special measures including GP Out of Hours services, and considers taking further oral evidence from the Health Board in Spring 2017.

**Recommendation 34.** We recommend that the successor Committee considers the Welsh Government's response to the recommendations in our February 2016 report on 'Wider issues emanating from the governance review of Betsi Cadwaladr University Health Board' and follows up on the implementation of related actions at regular intervals.



# Introduction

1. We are a cross-party committee of the National Assembly for Wales, made up of eight members representing all four political parties at the Assembly. The Committee is not part of the Welsh Government.
2. Our role is to ensure that proper and thorough scrutiny is given to devolved expenditure. The specific functions of the Committee are set out in Standing Order 18 of the National Assembly for Wales. We largely considered studies prepared by the Auditor General for Wales (AGW) on the economy, efficiency and effectiveness with which resources were employed in the discharge of public functions. It is prohibited under Standing Orders from considering the merits of policy objectives of the Welsh Government or of any public body it scrutinises.
3. We are advised by, and receive briefings from, the Auditor General and Wales Audit Office staff. We are independent from that office, and also have our own team of officials to support us in our work.
4. Since 2014, we have also undertaken inquiries on our own initiative where we believed there would be merit and public interest in doing so. These inquiries initiated by the Committee have been supported by the Auditor General and Wales Audit Office staff and the staff of the National Assembly Commission. The Auditor General has provided a number of factual memoranda to support these Member-led inquiries.
5. In undertaking inquiries, we considered value for money, probity and governance arrangements. It is the aim of the Committee to ensure that public money is being spent effectively and efficiently. We also aim to bring important issues into focus, stimulate change and drive improvement in service delivery and the use of public money.
6. Annexe A lists all the reports we have published following inquiries in the fourth Assembly together with the formal Welsh Government, and where appropriate other bodies, responses to the recommendations contained in our reports.
7. Annexe B provides greater detail about each Committee Report, including the number of recommendations and whether they were accepted or not.

## COMMITTEE ACHIEVEMENTS DURING THE FOURTH ASSEMBLY

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 **31**

INQUIRY  
REPORTS

**29** FORMAL WELSH  
GOVERNMENT REPOSSES

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 **146**  
MEETINGS

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 SCRUTINY OF PUBLIC  
AUDIT (WALES) BILL

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**3** COMMITTEE INITIATED  
INQUIRES

 **2**

ANNUAL REPORTS

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## COMMITTEE RECOMMENDATIONS

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**425** RECOMMENDATIONS MADE

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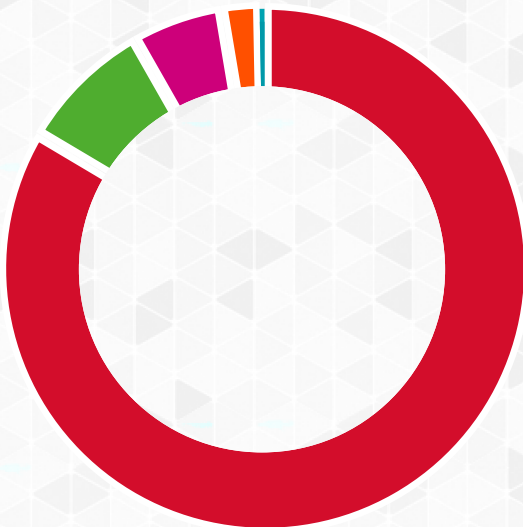
**284** ACCEPTED

**28** PARTIALLY ACCEPTED

**19** ACCEPTED ON PRINCIPLE

**8** FOR OTHER BODIES

**1** REJECTED



## Ways of Working

8. In December 2013, we agreed to review our ways of working in order to strengthen our ability to scrutinise and hold relevant accounting officers to account. We sought to improve the timeliness of our reporting, including facilitating enhanced support from the Wales Audit Office as part of that process, improve our approach to engaging the public in our work, the adoption of a unique approach of undertaking our own inquiries, rather than solely examining issues emanating from reports of the Auditor General for Wales. The latter enabling us to investigate other areas of committee and public interest, an approach that generated significant interest from our counterpart committees in other jurisdictions due to this being an innovative and unique approach. These and other changes to our ways of working are explored in more detail below.

### Committee scheduling

9. At the start of this Assembly, we were scheduled to meet on a fortnightly basis which we considered limited our capacity to carry forward the Committee's responsibilities. We raised these concerns with the Business Committee who agreed that we could meet weekly to fulfil its responsibilities and also agreed that we could meet for longer outside of its scheduled time should it be required to do so.
10. We have needed, on several occasions, to operate outside of usual committee business windows to deal with our work programme and early on in the life of the Assembly, it established a task and finish group to deal with the issues of governance and accountability in relation to the Auditor General for Wales.
11. The Committee is eager to undertake inquiries drawing in wider evidence than just the Welsh Government but this has not always been practical due to time constraints balanced with the requirement to keep pace with the reports published by the Auditor General, our own led inquiries and our role in monitoring the implementation of recommendations contained in our reports.

**Recommendation 1.** We would like to request that the successor Committee has equivalent, regular meeting time status alongside the other main committees scheduled into the organisation of business in the fifth Assembly.

### Committee led inquiries

12. While the primary focus for our work has been the value for money studies and other audit reports prepared by the Auditor General, we agreed to undertake inquiries specifically to pick up on issues of concern to Members provided these are balanced with our other work. Those inquiries have been supported by factual memoranda prepared by the Auditor General and additional analysis by the Auditor General and/or Research Service for the Committee. The prime examples are the Intra-Wales – Cardiff to Anglesey – Air Service, Senior Management Pay and Value for Money of Motorway and Trunk Road Investment. The latter inquiry, although Committee led, was also prompted by a report by the Auditor General for Wales on Major Transport Projects. These specific inquiries together with Scrutiny of Accounts are discussed in the following chapter.

## Referral onto other Committees

13. Reflecting on the constraints on our work programme, we have been selective in our approach to dealing with AGW reports. Consideration has been given to gathering information from alternative sources rather than by solely holding oral evidence sessions. For example, we have written to stakeholders seeking responses to inform the formation of our conclusions. We have routinely requested a written response from the Welsh Government to AGW reports, referring both the report and response to other relevant Committees where we have not had time to take forward an inquiry ourselves.
14. Following our report on Covering Teachers' Absence and the subsequent monitoring of the implementation of the recommendations by the Welsh Government, the Children, Young People and Education Committee used our findings to assist with their inquiry on supply teachers.
15. The table below lists examples of reports by the Auditor General for Wales that we have not considered in detail but which have informed scrutiny work by other National Assembly Committees.

<b>Examples of Auditor General reports that have not led to Public Accounts Committee inquiries</b>	<b>Relevance to other National Assembly committee inquiries</b>
<b>Public participation in waste recycling (February 2012)</b>	Informed an Environment and Sustainability Committee inquiry on Recycling in Wales.
<b>The educational attainment of looked after children and young people (August 2012)</b>	Referred on to the [then] Children and Young People Committee to inform scrutiny of relevant legislation.
<b>Higher education finances (November 2013)</b>	Informed a Finance Committee inquiry on Higher Education Funding.
<b>Children and Adolescent Mental Health Services: follow up review of safety issues (December 2013 – joint report with Healthcare Inspectorate Wales)</b>	Referred on to inform a Children, Young People and Education Committee inquiry on Child and Adolescent Mental Health Services.
<b>The management of chronic conditions in Wales – an update (March 2014)</b>	Referred on to the Health and Social Care Committee and informed scrutiny of the Minister.
<b>Young people not in education, employment or training (July 2014)</b>	Informed an Enterprise and Business Committee inquiry on Assisting Young People into Work.
<b>Achieving improvement in support to schools through regional education consortia – an early view (June 2015)</b>	Informed scrutiny by the Children, Young People and Education Committee of the consortia arrangements in autumn 2015.

**Recommendation 2.** We recommend that the successor Committee discusses with the Auditor General for Wales matters arising from the value for money study reports published during the fourth Assembly that we have not reported on ourselves, to consider any opportunities for follow up during the fifth Assembly.

### Scrutiny of accounts

16. As part of our revised ways of working we agreed to undertake annual scrutiny of the accounts of several tax-payer funded organisations. In doing so we considered their use of public money and their accountability in terms of how that expenditure is overseen, cash management and reserves, format of accounts. This work has supported the Assembly’s budget scrutiny process through us reporting on our observations and highlighting value for money issues arising from our work during the preceding year. The Assembly’s Finance Committee found this contribution to their work valuable.

17. The bodies whose accounts we considered are listed in the table below.

Annual Accounts 2013-14	Annual Accounts 2014-15
Arts Council for Wales	Assembly Commission
Assembly Commission	National Library of Wales
Children's Commissioner for Wales	National Museum Wales
Older People's Commissioner for Wales	Sport Wales
Public Services Ombudsman for Wales	Welsh Government
Welsh Government	
Welsh Language Commissioner	

18. We have received feedback from a number of the above organisations advising that they have welcomed the scrutiny and as a result of our recommendations have looked to improve, or pledged to do so, the presentation of following year’s accounts.

## Annual Committee Report

19. We agreed that an Annual Public Accounts Committee report should be prepared and tabled for debate by the whole Assembly. Annual reports were published for 2013-14 and 2014-15 and plenary debates held with the Minister for Finance and Government Business responding. The Minister reflected that the publication of an annual report is an important step forward in demonstrating accountability to the people of Wales in an informed and proportionate way and added that there is a genuine willingness on behalf of the Welsh Government to accept constructive criticism, to act on it, and to continually improve the way in which they undertake their business on behalf of the people of Wales.<sup>1</sup>

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*The annual report plays an important part in demonstrating accountability to the public.*

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**Recommendation 3.** We recommend that the successor Committee continues to publish annual reports and debate them in Plenary.

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<sup>1</sup> National Assembly for Wales, Record of Proceedings, Plenary, 1 July 2015

## Committee Led Inquiries

20. While the primary focus for our work has been the value for money studies and other audit reports prepared by the Auditor General, we agreed to undertake inquiries specifically to pick up on issues of concern to Members provided these are balanced with our other work.

## Scrutiny of Accounts

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21. In autumn 2014-15, we decided to embark on a series of evidence sessions based on the content of public bodies' annual reports and accounts. The first cycle for this work covered the Welsh Government, National Assembly Commission, Arts Council of Wales, Public Services Ombudsman, Children's Commissioner, Older People's Commissioner and Welsh Language Commissioner. In autumn 2015-16, we repeated this exercise for the Welsh Government and National Assembly Commission, alongside evidence from three Welsh Government sponsored bodies: Sport Wales, National Museum Wales and the National Library of Wales.
22. One of the issues we have explored through this work is the overall accessibility and transparency of accounting documentation, particularly with regard to the Welsh Government's consolidated resource accounts. We are expecting the Welsh Government, and other bodies, to reflect on the latest HM Treasury guidance on streamlining reports in the presentation of their 2016-17 accounts and annual reporting. In doing so, we hope that consideration will be given to the relevant recommendations in our reports on accounts scrutiny. In his evidence to us on 23 February 2016, the Permanent Secretary welcomed the introduction of an annual evidence session with the Committee on the Welsh Government's accounts.<sup>2</sup>
23. Our scrutiny of the accounts has received positive feedback from some of the organisations who contributed to the process. In 2014-15 the Arts Council of Wales responded to our report welcoming the opportunity to comment on our findings. The Arts Council commented that as a result of our work, they accepted our encouragement in making their future accounts more accessible to the public.<sup>3</sup>

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*The Committee was, of course, robust and forensic in its scrutiny. But it was also insightful. Committee members' questioning brought a fresh perspective to topics which to us seem straightforward and familiar.*

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24. Our work in autumn 2015-16 also received positive feedback from different organisations. In response to the recommendations made to the National Library of Wales, we were told that they welcomed the opportunity to review and discuss their important work.<sup>4</sup> Similarly the Welsh Government thanked us for the careful and considered way the inquiry was undertaken.<sup>5</sup>
25. The feedback received illustrates to us the importance and value of this work which leads us to the conclusion that this work should be continued by our successor Committee.

**Recommendation 4.** We recommend that the successor Committee continues with the scrutiny of accounts work that we started in the fourth Assembly, taking evidence

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<sup>2</sup> National Assembly for Wales, Record of Proceedings, paragraph 223, 23 February 2016

<sup>3</sup> PAC(4)-15-15 PTN1, 2 June 2015

<sup>4</sup> PAC(4)-08-16 P1, 1 March 2016

<sup>5</sup> PAC(4)-08-16 P5, 1 March 2016

from the Welsh Government and Assembly Commission on an annual basis and from other bodies on a cyclical basis (covering Welsh Government sponsored bodies, commissioners and the Public Services Ombudsman) and reflecting back on the response to recommendations from our previous work.

**Recommendation 5.** We recommend that the successor Committee includes Natural Resources Wales in any scrutiny of accounts work in autumn 2016-17 to provide an opportunity to follow up on the Auditor General's February 2016 report on 'The Development of Natural Resources Wales'.

**Recommendation 6.** We recommend that the successor Committee considers including the BBC's audited accounts as part of its annual account scrutiny work following agreement of the revised Memorandum of Understanding – BBC Charter Review/Welsh Government.

### **Intra-Wales – Cardiff to Anglesey – air service**

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- 26.** We looked into the public subsidy of the Cardiff to Anglesey air service after concerns were raised with the Chair. The Auditor General prepared a short memorandum for us, which outlined some key facts in respect of the history of the service, procurement and contract management arrangements, and the overall costs and performance of the service. We published an interim report on this topic in July 2014 and a final report in July 2015.
- 27.** The inquiry leading to our interim report came at a time when the Welsh Government was still to decide on the future of the air service contract beyond December 2014. We took further oral evidence from the Welsh Government in January 2015, by which point the Welsh Government had let a new four-year contract. We recognised that the Welsh Government had commissioned an independent review to inform the continued operation of the service, although we had concerns about the timescale for the procurement of the new contract.
- 28.** We have recognised through our work that the air service can act as a platform for greater connectivity between North and South Wales, and we heard further evidence in that regard from the Chairman of Cardiff International Airport Ltd. during our recent inquiry on Cardiff Airport. However, we are aware that problems arose in late 2015 with the operator of the service having its safety licence revoked. The Welsh Government provided us with an update on these issues in January 2016, confirming that it had put in place interim arrangements, but that the operator had, on 22 January 2016, decided to unilaterally withdraw from its obligations to provide the service, without notice. The Welsh Government undertook an emergency procurement for a short-term seven-month contract in advance of plans to procure a long-term operator beyond that period.
- 29.** The Welsh Government has indicated that these issues are likely to have impacted on progress in response to some of our previous recommendations about the marketing of the service. Other actions in response to our recommendations are also on-going. For example, the Welsh Government has commissioned a review of potential opportunities for expanding operations at Anglesey Airport, including extending operating hours, with a draft report expected by the end of March 2016. The Welsh Government has also given us a commitment that it will publish passenger numbers annually (including a public subsidy cost per passenger calculation).



**Recommendation 7.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on the Intra-Wales – Cardiff to Anglesey – Air Service, including: trends in passenger numbers and the impact of the anticipated temporary closure of Anglesey Airport during 2016; any outcomes from the work to explore the potential opportunities for expanding operations at Anglesey Airport; and the outcome of the procurement of a new long-term operator.

### Senior management pay

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- 30.** In late 2013, we decided to progress with an inquiry into senior management pay. We took a wide range of evidence covering central government, local government, the NHS, higher and further education and registered social landlords. The Auditor General prepared a memorandum comparing senior management pay rates across the organisations he audits. Wales Audit Office staff and the Assembly Research Service provided additional analysis in respect of higher and further education and registered social landlords. The purpose of our work was not to pass judgment on the salaries of individuals but to explore the rationale behind some of the senior management pay rates that were highlighted by our report and some of the differences between and within individual sectors. We were concerned about the inconsistency of arrangements across the public sector as a whole for the disclosure of information on senior management pay.
- 31.** We received an update from the Welsh Government in January 2016 on progress with the implementation of our recommendations. The original Welsh Government response to our report had suggested that the actions in response to our recommendations would largely have been discharged by late autumn 2015. This was not the case and some key actions remain outstanding, including publication by the Welsh Government on an annual basis of information on senior management pay rates across the Welsh public sector. In evidence to us on 23 February 2016, the Welsh Government confirmed that it was now aiming to discharge that particular action by the end of 2016.<sup>6</sup>
- 32.** In their response to our recommendations, the Welsh Government was appreciative of the inquiry we had undertaken whilst identifying that they would take time to fully implement them.<sup>7</sup>

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*The recommendations are timely given work already in progress in this area, but are also challenging, in view of the resource constraints we face*

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- 33.** The Welsh Government has provided some clarity on the action it is taking in response to our recommendations to extend coverage of the further education, higher education and registered social landlord sectors. We have been informed that the Minister for Education and Skills' remit letter to HEFCW for 2015-16 included a requirement for the Council to monitor senior pay levels and awards in the HE sector and submit a report to the Welsh Government on an annual basis, outlining the position for HEIs in Wales.<sup>8</sup> The Permanent Secretary recognised that the Welsh Government had 'over-promised and under-performed' in terms of how long

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<sup>6</sup> National Assembly for Wales, Record of Proceedings, paragraph 217, 23 February 2016

<sup>7</sup> PAC(4)-01-15 P1, 13 January 2015

<sup>8</sup> PAC(4)-10-16 P1, 15 March 2016

the implementation of our recommendations would take, but that this was a 'difficult and complicated piece of work'.<sup>9</sup>

**Recommendation 8.** We recommend that the successor Committee seeks an update from the Welsh Government on the implementation of our recommendations on senior management pay at the end of 2016 and considers any issues arising from the publication by the Welsh Government of updated information on senior management pay rates across the Welsh public sector.

### **Value for money of motorway and trunk road investment**

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- 34.** In December 2014, we decided to initiate an inquiry into the maintenance of and investment into the Welsh trunk road network. The inquiry was not prompted by a report from the Auditor General. However, our work was informed in part by the findings and recommendations of a report by the Auditor General on 'Major Transport Projects' from January 2011 and the Auditor General provided additional advice and input to support our inquiry.
- 35.** The evidence we heard suggested that timescales for major projects were not specific enough and there was a lack of consistency and transparency around decision-making and budgets. We believed that better value for money and accountability could be achieved by the Welsh Government through the implementation of the recommendations in our report. We were also concerned by evidence that suggested a reduction in the monitoring of the condition of the trunk road network and its assets. We emphasised the importance of striking the right balance between investing in new road projects and maintaining the existing road infrastructure. We recommended that options for longer-term funding periods to allow better planning of maintenance works should be considered as part of the review of Trunk Road Agents, taking account of any learning from the introduction of a new five-year budget cycle in England.
- 36.** We are aware that many of the actions outlined by the Welsh Government as part of its response to our recommendations remain on-going. For example, publication of new Welsh Transport Appraisal Guidance during 2016 and a new road and street works strategy; the approach to the planning of and funding cycle for maintenance works; a review of the trunk road agent delivery model; information management and public communication about roadworks and incidents. We note that a Memorandum on the Economy, Science and Transport (EST) Draft Budget Proposals for 2016/17<sup>10</sup> provided an update on our report stating that, "Progress is ongoing to meet the target dates. In particular, findings on the consideration of a single agent model has been reported, delivery of a finance system within the IRIS information management system is being trialled and the 'Streetwork Strategy for Wales' which went to public consultation on 7 December 2015." However, we are not aware of any report on the single agent model being published.

**Recommendation 9.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on the implementation of our recommendations and discusses with the successor to the Enterprise and Business Committee any plans for further scrutiny of this topic.

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<sup>9</sup> National Assembly for Wales, Record of Proceedings, paragraph 206, 23 February 2016

<sup>10</sup> Enterprise and Business Committee, EBC(4)-16-01 P2, 14 January 2016

## Conclusion

37. Committee led inquiries have proved to be highly valuable and have incurred vast interest from both Members and the public. These type of inquiries have enabled us to investigate other areas of committee and public interest, an approach that generated interest from Public Accounts Committees, in different jurisdictions. This demonstrates that this approach is both innovative and is influencing others and feedback from parties involved has been largely positive especially when undertaking scrutiny of accounts.

**Recommendation 10.** We recommend our Successor Committee continues to adopt this practice during the Fifth Assembly.

## WITNESSES



**256**

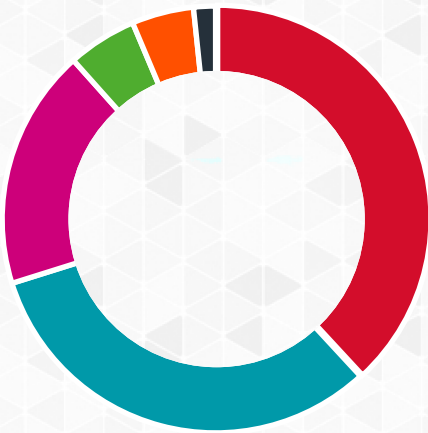
WITNESSES APPEARED  
BEFORE THE COMMITTEE



**362**

PIECES OF ORAL  
EVIDENCE

## BREAKDOWN OF ORAL EVIDENCE



**138** WELSH GOVERNMENT

**116** OTHER ORGANISATIONS

**66** HEALTH ORGANISATIONS

**19** INDIVIDUALS

**17** LOCAL AUTHORITIES

**6** WELSH LOCAL GOVERNMENT ASSOCIATION

## ENGAGEMENT



**425** FOLLOWERS OF @SENEDDPAC

**221** FOLLOWERS OF @SENEDDARCHWILIO

**1,312** TWEETS OVER THE  
TWO TWITTER ACCOUNTS



VISITS

FORMAL MEETING DURING

**SENEDD@SWANSEA**

## Inquiries undertaken

38. We have focused in this section of our report on setting out matters arising from our substantive inquiries and recommendations for action for the Public Accounts Committee in the fifth Assembly to consider in light of our previous work. In line with our working practice, we have considered a range of reports by the Auditor General but have not necessarily undertaken detailed inquiries of our own. We have however sought responses from the Welsh Government to all Auditor General reports.
39. There are also several examples of reports by the Auditor General that we have not considered in detail but which have informed scrutiny work by other National Assembly committees. We have set out those examples in an earlier chapter of this report.
40. We have grouped our commentary on our inquiries to reflect the structure of the three main organisational groupings, together with some that fall into cross-cutting themes, within the Welsh Government at the time of this legacy report. The groups are Education and Public Services, Economy, Skills and Natural Resources and Health and Social Services.

### Cross cutting topics

#### A Picture of Public Services

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41. This inquiry considered issues arising from the second of the Auditor General's three reports on this topic. Our April 2012 report considered a range of matters including the overall financial challenges facing public services at the time and looking ahead over the lifetime of the fourth Assembly, focusing particularly on the impact on local government and health services. More generally, we considered evidence in respect of collaboration, collective leadership and the sharing of good practice as public bodies sought to respond to the financial pressures they were facing. We returned to some of these issues through its subsequent inquiries on health finances and on the financial challenges facing local government. Our 'scrutiny of accounts' work over the past two years has also provided an opportunity to consider the financial challenges facing some central government bodies.
42. The Auditor General published his third Picture of Public Services report in December 2015. We did not have the opportunity to take further evidence on the basis of that report. Commenting in the report on the response to financial pressures, the Auditor General noted that

*"...despite some progress, public services are yet to develop the long-term and radical change that is needed to responds effectively to the pressures they have and will continue to face."<sup>11</sup>*

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**Recommendation 11.** We recommend that the successor Committee receives a briefing from the Auditor General on his third Picture of Public Services report to provide a platform for the Committee's scrutiny work across a range of issues in the fifth Assembly.

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<sup>11</sup> Auditor General for Wales, A Picture of Public Services 2015, 17 December 2015

## The Procurement and Management of Consultancy Services

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43. Our inquiry followed a report by the Auditor General which had identified estimated spend on consultancy services of around £133 million in 2010-11 across the different parts of the Welsh public sector covered by the work. Our report reflected concerns about data quality and about the extent to which public bodies were applying accepted good practice in their approach to contracting with consultants.
44. We took the opportunity through our inquiry to consider the role that the new National Procurement Service (NPS) might play in promoting better value for money and good practice generally in this area. The Welsh Government's response to many of our recommendations pointed to work that the NPS would take forward. The first recommendation in our report encouraged the publication of an annual report on the impact of the NPS in improving procurement practices and generating procurement savings, including in respect of consultancy services. We received a copy of the first such annual report in autumn 2015 and we expect future annual reports to be forwarded to the successor Committee.
45. The Auditor General is undertaking a review that will consider the public sector procurement landscape in Wales, including the development of the NPS. The Auditor General's work will provide a basis for the successor Committee to consider the development of the NPS. It will also help the successor Committee to consider how public bodies are responding to recent developments in procurement including the Welsh Government's recently updated procurement policy statement and the implications of the Well-being of Future Generations (Wales) Act 2015.<sup>12</sup>

**Recommendation 12.** We recommend that, when considering the Auditor General's planned report on the public procurement landscape in Wales, the successor Committee takes the opportunity to revisit the response to recommendations from our September 2013 report on 'The Procurement and Management of Consultancy Services'.

## Grants management in Wales

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46. Issues relating to the management of grant funding by the Welsh Government in particular have featured regularly in our work programme during the fourth Assembly following publication in November 2011 of the Auditor General's report on 'Grants Management in Wales'. We have published two specific reports on this topic, an interim report in August 2012 and a final report in June 2013. Our final report drew on evidence in relation to grant funding for the All Wales Ethnic Minority Association following a report by the Auditor General. The final report also reflected evidence from our June 2013 report on 'The Welsh Government's acquisition and action to dispose of the River Lodge Hotel, Llangollen'.
47. We took further evidence on the Welsh Government's grants management arrangements in a series of evidence sessions between March 2014 and February 2016. Those evidence sessions have drawn on the content of the Welsh Government's annual reports on grants management for 2013, 2014 and 2015. The Welsh Government published these reports as part of its response to the recommendations from our previous work. We also explored through those evidence sessions issues arising from further reports by the Auditor General on 'Public

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<sup>12</sup> The Well-being of Future Generations (Wales) Act 2015

Funding of Penmon Fish Farm’, ‘Public Funding of the Cywain Centre – Bala’ and ‘European Union Structural Funding 2007-2013’.

48. Areas of concern highlighted by our work and reports by the Auditor General included inadequate due diligence arrangements, poor communication between Welsh Government departments and with other funders, opportunities to reduce the overall number of grant schemes, the general inconsistency of grants management practice, administration costs and compliance with the Code of Practice for Funding the Third Sector. During our consideration of the Welsh Government’s 2015 Annual Report on 23 February 2016, the Permanent Secretary noted that when he took up post [in October 2012] he would have characterised grants management as having been ‘demonstrably weak and high risk’.<sup>13</sup> The Permanent Secretary also emphasised that our own scrutiny of these issues had provided a focus for improvement.<sup>14</sup>

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*I’ve talked about grants management, which I think has been a very productive outcome and a constructive intervention by the Committee.*

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49. We have welcomed the evidence we have received over recent years which points to improvements that the Welsh Government has introduced to strengthen its management of grant funding. This is, however, an on-going process of continuous improvement. One further potential development that the Permanent Secretary described to us was that he was considering the risks and benefits of introducing a more centralised shared service style approach to grants management across the Welsh Government.

**Recommendation 13.** We recommend that the successor Committee continues to scrutinise the Welsh Government’s progress in improving grants management, drawing on the Welsh Government’s annual reporting and reflecting on any new evidence on grants management arising from the Auditor General’s work or other concerns that are brought to the Committee’s attention.

## Education and Public Services

### Progress in delivering the Welsh Housing Quality Standard

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50. The Welsh Government introduced the Welsh Housing Quality Standard in 2002. Our September 2012 report acknowledged that the introduction of the Standard had led to improvements in the quality of social housing for a substantial number of tenants. However, the original deadline that all social housing in Wales would comply with the Standard by the end of 2012 was not going to be met. In addition, we heard that around one in five dwellings was not expected to comply by 2017. The main shortfall was for local authority landlords in areas where tenants had voted against stock transfer, or were yet to vote on this issue at the time of our report. Our recommendations covered a range of issues including the way in which compliance with the Standard is measured and verified, realising wider benefits from work to achieve the Standard and engaging with tenants. We were also keen to see progress on reforming the housing revenue account system for local authority landlords, which we note took effect from April 2015.

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<sup>13</sup> National Assembly for Wales, Record of Proceedings, paragraph 11, 23 February 2016

<sup>14</sup> National Assembly for Wales, Record of Proceedings, paragraph 229, 23 February 2016

51. Following the publication of our report, we received a number of updates from the Welsh Government in 2013 and we took further oral evidence from the Welsh Government in June 2013. We are aware that the Welsh Government is now publishing annually statistics on compliance with the Standard. We are also aware that Part 4 of the Housing (Wales) Act 2014 gave a new power for the Welsh Government to intervene if a landlord chooses not to comply with the Standard, whereas previously it would have had to rely on grant conditions to influence compliance. The Welsh Government is now expecting all social housing landlords to comply with the Standard as soon as possible and in any event no later than 2020.

**Recommendation 14.** We recommend that the successor Committee considers progress in the level of compliance with the Welsh Housing Quality Standard in advance of the revised 2020 deadline for compliance across all social housing.

### Civil Emergencies in Wales

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52. Our report focused on the overall governance arrangements for responding to civil emergencies, including the respective roles of the Welsh Government and UK Government, in the context of the Civil Contingencies Act 2004 which came into force in England and Wales in 2005. We took evidence from the UK Government's Cabinet Office as part of our inquiry. We did not examine the detail of the response of public bodies, and other parties, to specific incidents. However, we noted that when called upon civil contingency arrangements had worked satisfactorily in Wales.
53. We understand from discussions between Wales Audit Office staff and the Welsh Government that action has been taken forward to respond to the recommendations in the report. This includes action in areas such as the input of the voluntary sector to emergency planning arrangements, multi-agency regionalisation, training for resilience officers and good practice in the use of social networking during emergency incidents. However, several of our recommendations reflected issues relating to the Welsh Government's stated desire to seek to enhance its statutory duties in the co-ordination and planning for civil emergencies and the recommendations of the Commission on Devolution in Wales. These issues remain relevant in the context of the development of the UK Government's Wales Bill.

### Covering Teachers' Absence

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54. We recognised in our report that planned or unplanned absences mean that it is inevitable that not all lessons will be covered by the assigned teacher. We emphasised that this should not mean an inevitable reduction in the quality of education the children of Wales receive. We were surprised by the lack of monitoring that has taken place for covered lessons, the failure to understand the value for money of the different approaches to providing cover and the lack of evaluation of the impact on the education of pupils. Among other things, we also found that there was a lack of support available for teachers; firstly in the form of continuing professional development for supply teachers and secondly in the support for head teachers in managing teachers absence. We welcomed the acknowledgement from the Welsh Government of these issues.
55. The Welsh Government's original response to our report made clear that some of the recommendations we made would be addressed through the production of new guidance. While that process took longer than expected, we are aware that the Welsh Government published this guidance in July 2015. In the meantime, the Children, Young People and Education Committee (CYPE) commenced its own inquiry on supply teaching. The CYPE



Committee's report, in December 2015, built on issues covered by the recommendations in the Auditor General's report on covering teachers' absence and our own report. The CYPE Committee also recommended that the Welsh Government plan a new model for the employment of supply teachers and commission research into the effects of supply teaching. The Welsh Government's response to the CYPE Committee's report confirms that Estyn will be reviewing issues relating to cover for teacher absence over the next 12 months. As described, Estyn's work will consider some, but not all, of the issues raised by the two Committees.

**Recommendation 15.** Taking account of work that Estyn will be taking forward, and any plans for further work by the Auditor General, we recommend that the successor Committee engages with the successor to the Children, Young People and Education Committee in the fifth Assembly to determine how best to undertake any further scrutiny of issues relating to cover for teacher absence and the use of supply teachers.

### Meeting the financial challenges facing local government in Wales

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56. Building on the issues covered by our Picture of Public Services report early in fourth Assembly, we continued to take oral and/or written evidence throughout 2014 and 2015 from the Welsh Government, the Welsh Local Government Association and some individual local authority representatives on the financial challenges facing local government in Wales. Our work in this area was informed by two reports from the Auditor General, as well as the Auditor General's reports on local government scrutiny arrangements, environmental health services, and the management of early departure arrangements across the public sector.
57. While we have not reported formally on this issue, we exchanged correspondence with the Welsh Government about some of our residual areas of concern. These concerns included the extent to which the Welsh Government understood the financial challenges facing local government, the use of reserves, public engagement about budget priorities, concerns that some discretionary services were at risk of disappearing, and the funding formula on which financial allocations are based. We also shared relevant information with the Communities, Equality and Local Government Committee.
58. We note that the Auditor General's December 2015 Picture of Public Services report provided an updated analysis of the impact of public spending cuts on local government and we understand that the Auditor General is planning to publish a further report on the financial resilience of local government in Wales. We are aware, of course, that decisions on any arrangements for local government reform in the fifth Assembly will also be relevant in this context.

**Recommendation 16.** Drawing on the Auditor General's planned report on the financial resilience of local government in Wales and the evidence presented in the Auditor General's December 2015 Picture of Public Services report, we recommend that the successor Committee consults with other relevant National Assembly committees in the fifth Assembly to agree an approach to on-going scrutiny of the financial resilience of local government that aligns with plans for scrutiny of local government reform.

### Responding to welfare reform in Wales

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59. Unusually for the Committee, this report dealt with the implications of a non-devolved policy and its impact on devolved services. We took evidence from a range of stakeholders to consider how the Welsh Government, local authorities, registered social landlords and advice

providers have adapted to the challenge of a new welfare regime. During the course of our inquiry, the Auditor General provided some updated material on discretionary housing payments.

60. Our recommendations related to a range of different issues, including but not limited to the administration of discretionary housing payments, funding for and access to advice services, addressing the impact of planned changes to housing benefit eligibility for 18-21 year olds, and improving data collection. The Welsh Government fully accepted just six of our 17 recommendations in full, accepting one in principle and the remaining ten recommendations in part. We therefore sought clarification on a range of matters. For example, we had called on the Welsh Government to develop a strategy to manage the impact of welfare reform where it has reduced welfare payments in Wales. The Welsh Government confirmed to us that it will continue to provide leadership in this area but that it does not see the need for a separate strategy document and considers that the response to welfare reform is part of its wider tackling poverty strategy. Nevertheless, the Welsh Government indicated that it would be pleased to share information on action taken and further action planned.<sup>15</sup>

**Recommendation 17.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on action taken in response to our recommendations on responding to welfare reform.

### Regeneration Investment Fund for Wales

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61. We published our report on the Regeneration Investment Fund for Wales (RIFW) in January 2016. The issues that we considered during this inquiry were some of the most concerning and complex that we had come across during the fourth Assembly. It is clear that the sale of land assets transferred to the Fund by the Welsh Government did not represent value for money for the taxpayer. It appears that tens of millions of pounds could and indeed should have been generated for investment in regeneration projects across Wales.
62. Our inquiry was detailed and wide ranging. It exposed significant flaws in Welsh Government processes and procedures; blurred accountability and line management arrangements; and in fundamental weaknesses in both record keeping and data retention. We noted that many of the flaws we identified were consistent with issues that we had considered during previous inquiries, such as on the Welsh Government's acquisition and action to dispose of the former River Lodge Hotel, Llangollen.
63. Our inquiry highlighted that there is still much work to be undertaken to improve the robustness of Welsh Government processes and specifically in relation to the monitoring and oversight of its arm-length bodies. Our recommendations focussed on the important lessons the Welsh Government can learn from the RIFW initiative.
64. In response to the publication of the Committee's report the First Minister made an apology<sup>16</sup> to the National Assembly for Wales during Plenary on 26 January 2016 and said:

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*“It is correct to say that the way that RIFW was managed fell well below the standards we would expect as a Government, and for that we are sorry.”*

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<sup>15</sup> PAC(4) 24-15 P6, 29 September 2015 & PAC(4)-30-15 PTN2, 10 November 2015

<sup>16</sup> National Assembly for Wales, Record of Proceedings, Plenary, 26 January 2016

65. The Welsh Government's response accepted in full all 17 of our recommendations. This acceptance is particularly encouraging given the gravity of the Committee's overall conclusions which reflected events further following publication of the Auditor General's report, including evidence from subsequent onward sales of the assets by the purchaser. Furthermore, we note in response to our work the First Minister's statement and apology to the National Assembly in plenary on 26 January 2016, the Welsh Government's initiation of legal action against the Fund's Investment Manager, Lambert Smith Hampton (in direct response to our recommendation 13) and the Welsh Government's commitment to keep under review whether further legal steps may be necessary.

**Recommendation 18.** We recommend that the successor Committee reflects on the findings and recommendations from our inquiry on the Regeneration Investment Fund for Wales in the event that future inquiries identify similar weaknesses in Welsh Government governance and administration, disposal of public assets or in the oversight of arms-length bodies. We also recommend that the successor Committee scrutinises the effectiveness of the Welsh Government's actions in response to our report, in order to satisfy itself and also seek assurance on behalf of the Welsh public that the issues which arose with RIFW will not be repeated.

## **Economy, Skills and Natural Resources**

### **The Welsh Government's acquisition and action to dispose of the River Lodge Hotel, Llangollen**

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66. This inquiry looked into the circumstances of the Welsh Government's decision in 2007 to buy the former River Lodge Hotel for £1.6 million and in 2009 to enter into a lease agreement with an organisation known as Powys Fadog (which was subsequently unable to fulfil the conditions of its lease agreement). The Auditor General's report on this matter had highlighted that five years on from the acquisition, the property remained vacant and had become derelict. The Welsh Government continued to incur the costs associated with ownership, and had gained nothing in return for its substantial investment in the property.
67. Our report identified significant concerns about the overall governance of the Welsh Government's decision-making in this case. Some of the general issues covered by our recommendations included: the approach to year-end spending; the nature and quality of internal communication (between officials/departments and with Ministers); and the involvement of Welsh Government officials on external boards and the handling of potential conflicts of interest.
68. We recognised and welcomed the fact that the Welsh Government had already sought to overhaul many of its governance arrangements and management processes since the various decisions relating to the River Lodge Hotel project were originally made. However, we were still not convinced that the Welsh Government's revised processes would necessarily produce different results if similar issues arose again. As noted above, we have drawn parallels in our recent report on the Regeneration Investment Fund for Wales with some of the issues arising from our inquiry on the River Lodge Hotel.

**Recommendation 19.** We recommend that the successor Committee reflects on the findings and recommendations from our inquiry on the River Lodge Hotel, Llangollen in the event that future inquiries identify similar weaknesses in Welsh Government governance and administration.

### **Caldicot and Wentlooge Levels Internal Drainage Board**

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69. Our inquiry into matters relating to the Caldicot and Wentlooge Levels Internal Drainage Board followed the publication by the Appointed Auditor for the Drainage Board of a report in the public interest. That public interest report drew attention to a failure in governance arrangements and inadequacies in management and internal control at the Drainage Board. Our October 2013 report raised concerns about the accountability of drainage boards in general, the clarity of their roles and responsibilities and some of the specific governance issues that had been raised in respect of this particular Drainage Board. The findings from our work led us to make some wider recommendations to ensure that scrutiny arrangements for other small public bodies were also fit for purpose.
70. We are aware that our recommendations relating to the accountability and oversight of internal drainage boards operating wholly or partially in Wales have been overtaken by events. We were aware at the time of our report that the Welsh Government was considering a possible transfer of functions to Natural Resources Wales. On 1 April 2015, the Welsh Government transferred the functions of the three Internal Drainage Boards operating wholly or partly in Wales into Natural Resources Wales. The Auditor General's February 2016 report on 'The Development of Natural Resources Wales' noted that stakeholder feedback on the management of the transition was very positive.
71. While we welcomed the report by the Appointed Auditor on the Drainage Board, we noted our concern that some of the issues raised in the audit report had not been addressed by audit work in previous years. We therefore took evidence as part of our inquiry from the Appointed Auditor and other Wales Audit Office staff about the approach to the audit of small bodies. We heard about changes that were being introduced in that regard, and we received an update from Wales Audit Office staff in early 2014. We are also aware that the Auditor General's recent reports on matters arising from the audit of town and community councils have highlighted a change in audit approach for the 2015-16 audit onwards, which will see auditors examine specific thematic governance issues as part of the audit approach.

**Recommendation 20.** We recommend that the successor Committee receives a further update from the Auditor General on the changes that have been made to the audit approach for small bodies, particularly in the context of the audit of town and community councils, following the completion of the 2015-16 audits and any summary reporting on that work.

### **Glastir**

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72. The Glastir agri-environment scheme was designed to improve the Welsh Government's support for environmental improvement in Wales's farms. The Environment and Sustainability Committee published a report on Glastir in October 2012 and we undertook a short inquiry on this topic following a report by the Auditor General in September 2014. Our report covered issues relating to the impact of Glastir in changing practices at participating farms, including in respect of water quality issues, the overall administration of the scheme, including administration costs, and participation rates, target setting and monitoring and evaluation.

73. The Welsh Government accepted our recommendation that it should look to disaggregate the administration costs of Glastir from the costs of administering Common Agricultural Policy schemes more generally. The Welsh Government had originally indicated in response to a recommendation from the Auditor General that this would not be practical. The Welsh Government generally accepted our other recommendations. However, the Welsh Government maintained its position that it is legitimate in some cases to fund through the Glastir Advanced element of the scheme certain activities that support the maintenance of high value habitats where there might otherwise be the risk of them being lost, without necessarily delivering a direct improvement.
74. The Welsh Government provided us with a number of further updates and points of clarification following its initial response to our recommendations in May 2015. The Welsh Government has also confirmed that it will provide an update on the findings of the Glastir monitoring and evaluation programme in autumn 2016.

**Recommendation 21.** We recommend that in addition to the update the Welsh Government has promised on the findings of the Glastir monitoring and evaluation programme, the successor Committee requests that the Welsh Government provide a further update on its response to our previous recommendations. We also recommend that the successor Committee discusses with the successor to the Environment and Sustainability Committee any plans for further scrutiny of this topic.

#### **Welsh Government investment in next generation broadband infrastructure**

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75. Our inquiry focused on the development and rollout of the 'Superfast Cymru' contract between the Welsh Government and BT. This contract is the key component of the Welsh Government's efforts to provide access to 'next generation' or 'superfast' broadband services across all homes and businesses in Wales.
76. Our report noted the Auditor General's conclusion that reasonable progress was being made with the Superfast Cymru rollout, although many of the more 'difficult-to-connect' premises were still to be given access. We also recognised that there were some positive lessons to learn from the planning and management of the Superfast Cymru contract and we recommended that these lessons be captured and shared across the Welsh Government. However, we reflected concerns about communication with householders and business owners on the timescales for the rollout. We also encouraged further work to promote take-up and benefits realisation (which is the responsibility of the Welsh Government and sits outside the contract with BT).
77. We were concerned about the impact that a recent contract extension to cover additional premises would have on the timescale for rollout to premises that were part of the original contract but are not yet able to access next generation broadband services. The Welsh Government has emphasised to us that the timescales for deploying to some premises will inevitably change, because of decisions on the most efficient deployment method taking into account the new premises covered by the contract extension.

**Recommendation 22.** We recommend that the successor Committee considers taking further evidence from the Welsh Government and BT in autumn 2016 on the basis of its promised update on the rollout of the Superfast Cymru contract, and after discussing with the Auditor General his plans for any further follow up work.

## Cardiff Airport

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78. The Committee agreed to undertake an inquiry into the findings of the Auditor General's report on the Welsh Government's Acquisition and Ownership of Cardiff Airport and specifically examined the Welsh Government's role in the acquisition process governance arrangements post-acquisition, commercial progress and wider development and benefits realisation that the acquisition can bring to the Welsh economy.
79. Our report concluded that the Welsh Government had a clear rationale for purchasing the airport and there was a clear case for intervention to help secure a change in ownership to meet wider policy objectives that recognised the strategic importance of the airport to the wider economy. We also concluded that the Welsh Government negotiated a purchase price that was informed by the estimated value of the airport as a public asset and a range of commercial valuations.

**Recommendation 23.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on the implementation of our recommendations.

## Wales Life Sciences Investment Fund

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80. The Auditor General's report considered the establishment, governance, oversight and early operation of the Fund and examined whether the Welsh Government and Finance Wales established the Fund and oversaw its initial operations (including its first three investments) effectively.

**Recommendation 24.** We took evidence on 8 March 2016 from the Welsh Government and Finance Wales and have written to the Welsh Government outlining our initial findings. We recommend that the successor Committee undertakes a more detailed inquiry into the Wales Life Sciences Investment Fund early on in the fifth Assembly.

## Health and Social Services

### Hospital catering and patient nutrition.

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81. The report on Hospital Catering and Patient Nutrition was our first in the fourth Assembly. We noted that there was some evidence of an improvement in hospital catering over the previous ten years. However, we were disappointed to find that there remained a wide variation in the costs, planning and delivery of catering services across NHS organisations in Wales, especially given the importance of good nutrition in supporting patients' recovery. Among other things, we emphasised that 'protected mealtimes' policies should not be used to exclude relatives and carers from providing assistance with eating.
82. We also scrutinised progress with the implementation of the Auditor General's recommendations on this topic, receiving written updates and taking further oral evidence from the Welsh Government on several occasions throughout the fourth Assembly. Residual areas of concern included the progress being made with the rollout of e-learning on the All Wales Nutrition Care Pathway and All Wales Food Record Chart, development of a national catering IT solution and arrangements for food waste disposal. Drawing on local audit work to follow up previous recommendations, the Auditor General is preparing a memorandum that will summarise the progress that has been made.

**Recommendation 25.** We recommend that the successor Committee considers the Auditor General's planned update on hospital catering and patient nutrition early in the fifth Assembly.

### Maternity services in Wales

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- 83.** This inquiry picked up from work by our predecessor Committee in the third Assembly. The Auditor General provided an update on progress in addressing previous recommendations, following the completion of some further local audit work. We undertook our inquiry shortly after the [then] Children and Young People Committee had reported on its 'Inquiry into Neonatal Care', which we referenced in our report. We acknowledged the action that had been taken to address some of the previous recommendations. However, we were concerned about the pace of improvement and a lack of urgency in making the necessary changes to service provision, particularly in respect of staffing issues, performance monitoring and management, and the collection of data. We heard about the Welsh Government's plans to strengthen performance monitoring and about the on-going development of delivery plans by individual health boards. We also took evidence about the work of an 'All Wales Maternity Services Implementation Group' which had been set up in late 2011 in order to take forward the Welsh Government's strategic vision for maternity services. The Implementation Group completed its work in spring 2013, with a new maternity services 'National Delivery Board' being established to support progress.
- 84.** In late 2013, we received an update from the Welsh Government on issues arising from its 'Maternity Performance Board' meetings with each health board in autumn 2013. We shared this update with the Health and Social Care Committee. We have not returned to this issue since that time, but we have considered concerns about the quality, safety and sustainability of maternity services as part of our work on governance issues at Betsi Cadwaladr University Health Board.

**Recommendation 26.** Taking account of any work planned by the Auditor General and/or Healthcare Inspectorate Wales, we recommend that the successor Committee engages with the successor to the Health and Social Care Committee in the fifth Assembly to determine how best to undertake any further scrutiny of maternity services.

### The [NHS] consultant contract in Wales: Progress with securing the intended benefits

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- 85.** Our inquiry recognised that the NHS consultant contract in Wales, introduced in 2003, had helped to improve recruitment and retention. However, other intended benefits had not been fully realised, for example in respect of the contract supporting broader service modernisation. Our inquiry highlighted weaknesses in the application of job planning processes which we considered limited health boards' ability to marshal and plan their resources effectively. We also found that a significant proportion of consultants were working hours each week beyond the European Working Time Directive and we were concerned about the sustainability of that situation.
- 86.** Our report called on the Welsh Government to provide more dynamic, strategic leadership on this issue. In support of its response to several of our recommendations, the Welsh Government pointed to a Task and Finish Group that had been established to oversee the development of updated all-Wales job planning guidance by early 2014. The Welsh Government has not, however, provided us with the annual updates it promised previously on

its work with health boards and the deanery to develop and implement specific strategies for recruiting specialist consultants to address workforce and expertise shortages. We have recently written to the Welsh Government seeking an update on the implementation of the recommendation. The Auditor General has been undertaking further local audit work on issues relating to the implementation of the NHS consultant contract in Wales, focusing specifically on the robustness of consultant job planning, and indicated previously that he would provide an update on the findings from that work.

**Recommendation 27.** We recommend that the successor Committee receives an update from the Auditor General on the findings from his recent local audit work on the NHS consultant contract, in the context of our previous recommendations on this topic.

87. As part of our work on the NHS consultant contract, we also took evidence about the impact of private practice on NHS consultants' working hours and explored the impact of private practice on waiting times. We recommended that the Auditor General should examine health boards' processes and procedures for patients moving between private and NHS practices. The Auditor General published his 'Review of the Impact of Private Practice on NHS Provision' in February 2016. The report considered evidence relating to the impact of private practice on waiting times as well as the wider impact of private practice on NHS resources. We did not have the opportunity to consider or take further evidence on the Auditor General's report.

**Recommendation 28.** We recommend that the successor Committee receives a briefing from the Auditor General on his 'Review of the Impact of Private Practice on NHS Provision' to inform a decision by the successor Committee on the merits of any further scrutiny.

## Health Finances (and service performance)

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88. We have published two stand-alone reports on health finances, in February 2013 and March 2014, building on the commentary and recommendations on health finances in our April 2012 'A Picture of Public Services' report and drawing on related reports by the Auditor General. Our reports have covered a range of issues, including the relationship between the financial situation and matters relating to service performance. One key development during the course of our work has been the introduction through the NHS Finance (Wales) Act 2014 of a new three-year integrated planning framework for NHS bodies. The Act put into practice the greater year-end financial flexibility that we had been calling for. Nevertheless, our March 2014 report noted that the funding of NHS Wales remained a huge challenge.
89. We took further evidence from the Welsh Government in November 2014 following publication by the Auditor General of a further report on 'NHS Wales: An Overview of Financial and Service Performance 2013-14'. In our February 2016 report on 'Wider issues emanating from the governance review of Betsi Cadwaladr University Health Board', we recognised that the first full three year cycle of the new planning framework will not be completed until 31 March 2017. But we expressed concern that some health boards were likely to go into the 2016-17 financial year (year 3) carrying accumulated deficits and remain to be convinced that implementation of three year financial planning is achieving its desired intention. We therefore reiterated Recommendation 8 from our March 2014 report which sought to address some of the risks of financial planning over three years. We note also that in his December 2015 'Picture of Public Services' report, the Auditor General highlighted that three NHS bodies still did not have an approved three year plan at that point in time.



90. Our February 2016 report acknowledged that the Auditor General intends to undertake a review of the impact of the NHS Finance (Wales) Act 2014<sup>17</sup> during the fifth Assembly. We recommended that our successor Committee should consider any lessons arising from the Auditor General’s report. We have repeated and extended that recommendation below.

**Recommendation 29.** We recommend that our successor Committee consider any lessons arising from the Auditor General’s report on the impact of the NHS Finance (Wales) Act 2014 and draws on that report to revisit more generally issues arising from our previous health finances work.

91. Our March 2014 report on health finances noted a concerning deterioration in performance against targets for unscheduled care and elective care. Although it was difficult to establish a direct link from the evidence available to us, we believed that correlation between deterioration in service performance and the period of funding pressure was not a coincidence. During our on-going consideration of health finances related issues, the Auditor General published in January 2015 his report ‘NHS Waiting Times for Elective Care in Wales’. The report showed further deterioration in performance and that funding pressures were limiting the NHS’ capacity to provide timely access to elective treatment. In February and November 2015, the Welsh Government provided us with written updates on progress against the Auditor General’s recommendations.
92. In June 2015, the Auditor General published ‘A Review of Orthopaedic Services’. The report found that orthopaedic services have become more efficient in the past decade. But it also concluded that NHS Wales is not well placed to meet future demand because whilst there has been a focus on securing immediate reductions in waiting times, less attention has been paid to developing more sustainable, long-term solutions to meet demand. We did not undertake an inquiry into this report, although we received a written response from the Welsh Government to the Auditor General’s recommendations. The Welsh Government’s response noted that some of the action it was already taking in response to the Auditor General’s report on elective waiting times was relevant in addressing some of the issues raised in the report on orthopaedic services.

**Recommendation 30.** We recommend that our successor Committee considers revisiting the issues of waiting times and orthopaedic services and holds an evidence session with the Welsh Government.

## Continuing NHS Healthcare

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93. Drawing on reports by the Auditor General, we have published two reports of our own on continuing NHS healthcare. When assessed as having a primary health need, people are eligible for Continuing NHS Healthcare (CHC), which is a package of care and support that is provided to meet all of the assessed needs of an individual, including if applicable care home fees.
94. Our first report, in December 2013, acknowledged the action that the Welsh Government was taking through a new National Framework to improve the approach to this issue across NHS Wales. However, we still had significant concerns that the system was letting people down. We remained of the view that more could, and should, be done to ensure patients and their loved

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<sup>17</sup> NHS Finance (Wales) Act 2014

ones are treated consistently and fairly when they engage with the continuing NHS healthcare process. We considered that the delayed decisions and financial hardship faced by many individuals and their families while they awaited decisions on claims was unacceptable. Our recommendations called on the Welsh Government to do more in a range of areas, including in making swift progress to address a backlog of retrospective claims.

95. We continued to track progress in this area and issued a follow up report in March 2015. While we recognised that some further progress had been made, we were still concerned about delays, potential inconsistencies in health boards' decision-making, and the overall rate of progress in clearing retrospective claims. We also highlighted our concerns about access to information about the continuing NHS healthcare system and about the awareness, quality and level of provision of advocacy services.

**Recommendation 31.** We recommend that the successor Committee seeks an update from the Welsh Government in autumn 2016 on action to discharge our previous recommendations on continuing NHS healthcare and on the overall progress that has been made in clearing retrospective claims.

### Unscheduled Care

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96. Our report on unscheduled care looked at a wide range of issues including: the overall performance of unscheduled care services; emergency department pressures; the role of and urgent access to primary care – including out-of-hours services – and the scope for greater co-location of GP services alongside emergency departments; GP recruitment and retention; managing demand including the development of the NHS 111 service (which is taking longer than envisaged at the time of our report); and issues specific to meeting the needs of older and frail people. This topic was also of interest to the Health and Social Care committee in the fourth Assembly, particularly in the context of winter pressures.
97. We recognised that the pressures facing the delivery of unscheduled care services in Wales are complex and the efforts that had been made to drive forward improvement. However, we considered that the pace of change had been unable to deliver the required transformation in service provision. We highlighted the need for better performance data to inform decision-making and emphasised the importance of resolving issues about service reconfiguration and addressing anticipated future problems in the GP workforce. We also noted that work to promote the choices available to patients to maximise their access to primary care services and reduce pressures on emergency departments was equally important.
98. We continued to track progress with the implementation of our recommendations through a series of written updates from the Welsh Government in 2014 and 2015. We have also considered some related issues during the evidence we have taken on governance at Betsi Cadwaladr University Health Board, notably in respect of out-of-hours services. We understand that the Auditor General is taking forward some further local audit work during 2016-17 across NHS Wales that will be considering issues relating to emergency ambulance commissioning, out-of-hours primary care and discharge planning. That work will also provide an opportunity to reflect on the response locally by health boards' to previous audit recommendations on unscheduled care.

**Recommendation 32.** Taking account of the work that is being undertaken by the Auditor General as part of his programme of local audit work across NHS Wales, we recommend that the successor Committee discusses with the Auditor General, and

with the successor to the Health and Social Care Committee in the fifth Assembly, how best to undertake any further scrutiny of unscheduled care services.

### **Governance arrangements at Betsi Cadwaladr University Health Board (and wider issues emanating from our inquiry)**

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- 99.** We first started looking into issues relating to the governance of Betsi Cadwaladr University Health Board in July 2013 following a joint report by the Auditor General and Healthcare Inspectorate Wales. We were particularly concerned to learn from that joint report that an apparent breakdown in working relationships between some of the Health Board's senior leaders had compromised its governance arrangements making it more difficult to properly identify issues concerning the quality and safety of patient care. We published our first report on this topic in December 2013 and made a wide range of recommendations, both specific to the situation at Betsi Cadwaladr University Health Board and on wider issues relating to governance arrangements across NHS Wales.
- 100.** We closely monitored the implementation of the recommendations contained within our December 2013 report by receiving regular written and oral updates from the Health Board and the Welsh Government and taking account of further reporting by the Auditor General and Healthcare Inspectorate Wales. This monitoring gave us an opportunity to consider how the Health Board has responded to being placed in special measures by the Minister for Health and Social Services in June 2015. The Welsh Government has since indicated that the period of special measures is likely to last until at least October 2017.
- 101.** During our work, we decided to look more generally at governance arrangements across NHS Wales and followed up issues arising from the independent review of Princess of Wales and Neath Port Talbot hospitals, "Trusted to Care", published in May 2014. As part of this work we also considered a memorandum provided by the Auditor General on NHS governance arrangements and we took evidence from Healthcare Inspectorate Wales on its role in health board governance and relationships with health boards and Community Health Councils.
- 102.** In February 2016 we published a further report on 'Wider issues emanating from the governance review of Betsi Cadwaladr University Health Board' which brought together evidence from our on-going scrutiny during 2014 and 2015. We made a wide range of further recommendations, some of which we have referenced in the earlier commentary in this report on health finances. At the time of writing this legacy report, we were still to receive a response from the Welsh Government to our recommendations. We recommended that our successor Committee should monitor the Health Board's progress in the fifth Assembly. We have repeated and extended that recommendation below.

**Recommendation 33.** We recommend that our successor Committee monitors the progress Betsi Cadwaladr University Health Board makes during the period of special measures including GP Out of Hours services, and considers taking further oral evidence from the Health Board in Spring 2017.

**Recommendation 34.** We recommend that the successor Committee considers the Welsh Government's response to the recommendations in our February 2016 report on 'Wider issues emanating from the governance review of Betsi Cadwaladr University Health Board' and follows up on the implementation of related actions at regular intervals.

## Legislation considered by the Committee

- 103.** The Public Audit (Wales) Bill was introduced by the Welsh Government in summer 2012 and remitted to the Public Accounts Committee for scrutiny. The Bill progressed through the various stages and Royal Assent was given on 29 April 2013 to the Public Audit (Wales) Act 2013.<sup>18</sup>
- 104.** The aim of the Public Audit (Wales) Act 2013 is to strengthen and improve the accountability and governance arrangements relating to the Auditor General for Wales (AGW) and the Wales Audit Office (WAO) whilst protecting the AGW's independence and objectivity. These new arrangements have been in force since 1 April 2014.
- 105.** To achieve the policy objectives, the Act makes the following provisions across three Parts:
- **Part 1** of the Act relates to the office of the AGW and his or her general functions. It provides for the continuation of the office of AGW as a corporation sole and provides for the AGW to be appointed by the Queen on the nomination of the Assembly. The Act also includes provision that will establish arrangements for the appointment, tenure, termination of and disqualification from that office. In particular, the Act states that an AGW may hold the office for a maximum of eight years and that a person may only hold the office once.
- 106.** This part also expressly safeguards the AGW's independence from the Welsh Government and the Assembly by providing the AGW with complete discretion in the manner of the exercise of his/her functions. It also makes provision for the AGW to become the statutory auditor of local government bodies in Wales, as opposed to the previous legislation which required the AGW to appoint the statutory auditors and oversee their work.
- **Part 2** provides for the establishment of the WAO as a body corporate consisting of nine members, with responsibility for providing resources for the exercise of the Auditor General's functions. The Act formally separated the WAO's responsibilities from those of the AGW. Five of the WAO's members are non-executives appointed by the Assembly on merit through open and fair competition whilst the remaining board members are the AGW (who is also be the WAO's Chief Executive) and three WAO employees, one of whom is recommended by the AGW for appointment by the non-executive members and the other two appointed following election by staff ballot. The WAO is responsible for employer, financial and other administrative functions previously vested in the AGW, with the intention to ensure that such powers would no longer rest solely in the hands of one individual.
- 107.** The Act also requires both the AGW and WAO jointly to prepare an annual income and expenditure estimate for consideration by the Assembly and inclusion in the Assembly's Annual Budget Motion. In addition, the WAO, together with the AGW, are required to produce an annual plan which both parties must have regard to in the exercise of their functions, that sets out the intended programmes of work for the WAO and the AGW, the resources available and how they will be used. The WAO and AGW are then required to report annually to the Assembly and at least once in every financial year to prepare an interim report on the progress made against the plan. Responsibility for scrutiny of the estimates and plans currently rests with the National Assembly for Wales' Finance Committee.

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<sup>18</sup> Public Audit (Wales) Act 2013

- **Part 3** includes general and consequential provisions relating to the functions of the Assembly which allows it, by standing orders, to make provisions regarding the functions conferred on it in relation to the AGW and WAO by the Act. This Part also outlines the Act's commencement provisions and procedures for making subordinate legislation.

The Committee notes that the appointment of a new Auditor General for Wales will need to be undertaken in 2017/18 and our successor Committee will be involved in this appointment.

We also note that the Wales Audit Office Board appointments will be scheduled to take place in 2017/18 which the successor to the Finance Committee will be involved with.

# Looking forward to the Fifth Assembly

**108.** In looking back at our work over the last five years we have identified the following issues our successor Committee may wish to consider.

## Committee Scheduling

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**109.** We have highlighted our concerns regarding the scheduling of meetings of the Public Accounts Committee and the constraints this has placed on effective scrutiny and the conduct of committee business. We emphasise that as the only committee required by statute, the Public Accounts Committee should be given the same status as principal committees in the committee timetable.

## Arrangements for Welsh Government response to Auditor General Recommendations

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**110.** During this Assembly we have found that drawing upon advice from the Auditor General, we need to follow up issues with the Welsh Government seeking clarity on various matters relating to their response to recommendations contained in the Auditor General's reports. Such issues have included timescales for actions, interpretation by the Welsh Government of the recommendations, clarification of whether the recommendations have been truly accepted, or to challenge their rejection/partial acceptance in some cases.

**111.** Our successor Committee may wish to consider these arrangements and through discussions with the Welsh Government establish a set timescale for responding following publication of an Auditor General's value for money report rather than waiting to be prompted by the Committee. Given such reports are subject to a formal clearance process, the Welsh Government should be in a position to respond promptly, which could speed up our successor Committees' decision making regarding its own course of action.

## Forward Work Programme

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**112.** Our legacy report identifies a number of residual issues that our successor Committee may wish to follow up and return to. We have highlighted in our chapter on inquiries undertaken by the Committee any updates that should be provided to the successor Committee arising from our work. Furthermore, the following reports published by the Auditor General towards the end of this Assembly, have not been considered by the Committee in detail and there may be opportunities for our successor Committee to consider these:

- A Picture of Public Services 2015
- A Review of the Impact of Private Practice on NHS Provisions
- Operating Theatres: A Summary of Local Audit Findings
- Natural Resources Wales<sup>19</sup>
- Any other report published by the Auditor General for Wales between this report being published and the establishment of the successor Committee<sup>20</sup>

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<sup>19</sup> The current Environment and Sustainability Committee agreed, in principle, to undertake an inquiry following publication of this report

<sup>20</sup> March 2016

- 113.** In addition, there may be opportunities for our successor Committee to consider briefing papers prepared by the Auditor General for Wales on items of correspondence that have been referred to him:
- Provision of direct payments for adults by Welsh local authorities (The Auditor General will also prepare a memorandum that will provide an update for our successor Committee on his work programme, the impact of previous work and additional areas that the successor Committee might wish to follow up.
- 114.** Together we anticipate our successor Committee will find this helpful in establishing its own work programme.

## Annexe A

Inquiry	Welsh Government Response
Hospital Catering and Patient Nutrition	<b>Response</b>
A Picture of Public Services	<b>Response</b>
Progress in delivering the Welsh Housing Quality Standard	<b>Response</b>
Health Finances	<b>Response</b>
Maternity Services	<b>Response</b>
River Lodge Hotel, Llangollen	<b>Response</b>
Grants Management in Wales:Interim Report	<b>Response</b>
Grants Management in Wales:Final Report	<b>Response</b>
Civil Emergencies in Wales	<b>Response</b>
Consultant Contract in Wales: Progress with Securing the Intended Benefits	<b>Response</b>
The Procurement and Management of Consultancy Services	<b>Response</b>
Caldicot and Wentlooge Levels Internal Drainage Board	<b>Response</b>
Implementation of the National Framework for Continuing NHS Healthcare	<b>Response</b>
Follow up report	<b>Response</b>
Governance Arrangements at Betsi Cadwaladr University Health Board	<b>Response</b>
Health Finances 2012-13 and Beyond	<b>Response</b>
Unscheduled Care	<b>Response</b>
Covering Teachers' Absence	<b>Response</b>
Intra-Wales - Cardiff to Anglesey - Air Service Interim Report (July 2014)	<b>Response</b>
Intra-Wales – Cardiff to Anglesey – Air Service Final Report (July 2015)	<b>Response</b>



Inquiry	Welsh Government Response
Senior Management Pay	Response
Glastir	Response
Scrutiny of Commissioners' Accounts 2013-14	Response
Health Finances 2013-2014 <sup>21</sup>	
Value for money of Motorway and Trunk Road Investment	Response
Responding to Welfare Reform in Wales	Response
Meeting the Financial Challenges Facing Local Government in Wales <sup>22</sup>	
Welsh Government Investment in Next Generation Broadband Infrastructure	Response
<b>Scrutiny of Accounts</b>	
2013 - 2014	Responses
2014 - 2015	Responses
Regeneration Investment Fund for Wales	Response
Wider issues emanating from the Governance review of Betsi Cadwaladr University Health Board <sup>23</sup>	
Cardiff Airport <sup>24</sup>	

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<sup>21</sup> The Committee's views on from Health Finances 2013-2014 are included in **Wider issues emanating from the Governance review of Betsi Cadwaladr University Health Board**, February 2016

<sup>22</sup> The Committee did not formally report on this, it conveyed its findings via correspondence.

<sup>23</sup> At time of publication the Committee had not received a response from the Welsh Government, this will be published to the inquiry page upon receipt.

<sup>24</sup> At time of publication the Committee had not received a response from the Welsh Government, this will be published to the inquiry page upon receipt.

## Annexe B

Inquiry	Date Report Published	Number of Recommendations	Welsh Government Response	Comments
<b>Hospital Catering and Patient Nutrition</b>	February 2012	7	<b>Response</b>	Closed
			6 Recommendations accepted. R3 partially accepted.	
<b>A Picture of Public Services</b>	April 2012	11	<b>Response</b>	Closed
			All Recommendations accepted.	
<b>Progress in delivering the Welsh Housing Quality Standard</b>	September 2012	11	<b>Response</b>	Closed
			8 Recommendations accepted. R 2,3 & 5 accepted in principle.	
<b>Health Finances</b>	February 2013	12	<b>Response</b>	Closed
			9 Recommendations accepted. R 3,6 & 7 accepted in principle.	
<b>Maternity Services</b>	February 2013	12	<b>Response</b>	Closed
			11 Recommendations accepted.	
			R 11 partially accepted.	
<b>River Lodge Hotel, Llangollen</b>	June 2013	21	<b>Response</b>	Closed
			20 Recommendations accepted.	

Inquiry	Date Report Published	Number of Recommendations	Welsh Government Response	Comments
			R 2 accepted in principle.	
<b>Grants Management in Wales</b>	June 2013	18	<b>Response</b>  All Recommendations accepted.	Closed
<b>Civil Emergencies in Wales</b>	July 2013	14	<b>Response</b>  10 Recommendations accepted.  R 4, 5, 8 & 13 partially accepted.	Closed
<b>Consultant Contract in Wales: Progress with Securing the Intended Benefits</b>	September 2013	9	<b>Response</b>  8 Recommendations accepted. R 6 was directed at the AGW	Closed
<b>The Procurement and Management of Consultancy Services</b>	September 2013	12	<b>Response</b>  All Recommendations accepted.	Closed
<b>Caldicot and Wentlooge Levels Internal Drainage Board</b>	October 2013	16	<b>Response</b>  9 Recommendations accepted. R 1 & 4 accepted in principle. R 8 & 10 partially accepted. R 7 directed at the Internal Drainage Boards, R 9 directed at local authorities and R 14 directed at the AGW.	Closed

Inquiry	Date Report Published	Number of Recommendations	Welsh Government Response	Comments
<b>Implementation of the National Framework for Continuing NHS Healthcare</b>	December 2013	10	<b>Response</b>  7 Recommendations accepted. R 4, 8 & 10 partially accepted.	Closed
<b>Follow up report</b>	March 2015	9	<b>Response</b>  All recommendations accepted.	
<b>Governance Arrangements at Betsi Cadwaladr University Health Board</b>	December 2013	21	<b>Response</b>  All recommendations accepted.	Closed
<b>Health Finances 2012-13 and Beyond</b>	March 2014	12	<b>Response</b>  All recommendations accepted.	Closed
<b>Unscheduled Care</b>	April 2014	19	<b>Response</b>  16 Recommendations accepted.  R 1, 8 & 11 partially accepted.	Closed

Inquiry	Date Report Published	Number of Recommendations	Welsh Government Response	Comments
<b>Covering Teachers' Absence</b>	May 2014	14	<p><b>Response</b></p> <p>6 Recommendations accepted. R 1, 2, 4, 6, 10, 13 &amp; 14 accepted in principle.</p> <p>R 3 rejected.</p>	Closed
Intra-Wales - Cardiff to Anglesey - Air Service – Interim Report	July 2014	9	<p><b>Response</b></p> <p>8 recommendations accepted. R 6 accepted in principle.</p>	Closed
<b>Senior Management Pay</b>	November 2014	23	<p><b>Response</b></p> <p>All recommendations accepted.</p>	<p>Closed</p> <p>Recommendation in Legacy report for Successor Committee to monitor</p>
<b>Glastir</b>	March 2015	8	<p><b>Response</b></p> <p>6 recommendations accepted. R 1 &amp; 8 partially accepted.</p>	Closed

Inquiry	Date Report Published	Number of Recommendations	Welsh Government Response	Comments
<b>Scrutiny of Accounts 2013-14</b>	March 2015	9	<b>Response</b>  6 recommendations accepted.  R 4, 7 & 9 for other bodies.	Closed
<b>Health Finances 2013-2014</b>	May 2015	12	<b>Response</b>  All recommendations accepted.	Closed
<b>Value for Money of Motorway and Trunk Road Investment</b>	June 2015	18	<b>Response</b>  17 recommendations accepted.  R 13 partially accepted.	Closed  Recommendation in Legacy report for Successor Committee to monitor
<b>Responding to Welfare Reform in Wales</b>	July 2015	17	<b>Response</b>  6 recommendations accepted.  R 1, 2, 3, 4, 5, 7, 10, 11, 13 & 15 partially accepted.  R 12 accepted in principle.	Closed  Recommendation in Legacy report for Successor Committee to monitor

Inquiry	Date Report Published	Number of Recommendations	Welsh Government Response	Comments
<b>Intra Wales – Cardiff to Anglesey – Air Service – Final Report</b>	July 2015	9	<b>Response</b>  R1 & 2 accepted in principle.  7 recommendations accepted.	Closed  Recommendation in Legacy report for Successor Committee to monitor
<b>Meeting the Financial Challenges Facing Local Government in Wales</b>	October 2015			Successor Committee may wish to maintain a watching brief
<b>Welsh Government Investment in Next Generation Broadband Infrastructure</b>	November 2015	10	<b>Response</b>  9 recommendations accepted.  R 1 partially accepted.	Recommendation in Legacy report for Successor Committee to monitor
<b>Scrutiny of Accounts 2014-2015</b>	December 2015	25	<b>National Library of Wales Response</b>  <b>National Museum Wales Response</b>  <b>Assembly Commission Response</b>  <b>Sport Wales Response</b>  <b>Welsh Government Response</b>	Recommendation in Legacy report for Successor Committee to monitor responses and continue with annual scrutiny

Inquiry	Date Report Published	Number of Recommendations	Welsh Government Response	Comments
<b>Regeneration Investment Fund for Wales</b>	January 2016	18	<b>Response</b> 17 recommendations accepted R 8 for National Assembly for Wales	Recommendation in Legacy report for Successor Committee to monitor
<b>Wider issues emanating from the governance review of Betsi Cadwaladr University Health Board</b>	February 2016	27	Response not received at time of publication	Successor Committee to consider WG Response and monitor the situation at BCUHB
<b>Cardiff Airport</b>	March 2016	10	Response not received at time of publication	Successor Committee to consider WG Response
<b>Wales Life Sciences Investment Fund</b>	March 2016			Recommendation in Legacy report for Successor Committee to undertake a full inquiry