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Mr Nick Ramsay AM
Chair of the Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff CF99 1NA

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Dear Nick

Programme of value-for-money studies

You will want to be aware that WAO will shortly be launching a public consultation to invite views on topics that we might consider for inclusion in our future work programmes. At this stage, we will not be setting out a long list of options. This exercise will simply invite respondents to highlight areas of interest/concern from their perspective to inform our on-going planning work. Later in the year – when my successor is in post – there will be more formal engagement with the PAC, and key stakeholder organisations.

In the meantime, I wish to draw to your attention some other issues that Wales Audit Office staff have been considering on my behalf, which I feel merit reporting on publicly. Specifically:

- I copied to you recently my response to the Economy, Infrastructure and Skills Committee consultation on the ‘State of Roads in Wales’. That response noted that we have completed some preliminary audit enquiries to understand better the history of the **A465 Section 2** project and the issues that have affected the costs and timetable. I have decided that there is merit in some further audit work leading to the preparation of a report/memorandum on the history of the project. That work will take account of the Welsh Government’s own review of the project and the outcome of its work with the contractor (Costain) to resolve the issues in dispute. However, I do not expect this work to be reported before I finish my term as Auditor General.
- In late 2017, I received correspondence raising concerns about the value-for-money of expenditure on the **MyTravel** scheme in 2015-16 and 2016-17. MyTravel offers discounts on Welsh bus travel for 16-18 year olds. Wales Audit Office staff have completed some preliminary enquiries with the Welsh Government and I believe that the issues identified merit consideration by the PAC. I intend to summarise these issues in a short report/memorandum,

which I hope to be able to produce before the summer recess. Though this is subject to being able to access promptly some additional information from the Welsh Government and also dependent on the timescale for agreeing the factual accuracy of our commentary.

In addition, you will recall that the Committee's own work programme documents referred recently to some new work that I was undertaking on **NHS agency staffing**. We have decided to extend slightly our scope and timetable for this work, with a view to its completion in autumn 2018. We intend exploring options for other outputs here in addition to a traditional report. The work will focus on the data NHS Wales holds on the number and costs of agency staff, and knowledge of the factors driving the demand for agency staff. It will highlight trends over time and the variations between health bodies in Wales in the extent of their use of agency staff. We will also compare, where possible, spending patterns and trends in Wales with those in England, Scotland and Northern Ireland.

I hope that this update is helpful ahead of further consultation on our work programmes later in the year. I would be happy to receive any views the Committee might have at this stage.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Huw Vaughan Thomas'.

HUW VAUGHAN THOMAS
AUDITOR GENERAL FOR WALES