



# **Cynulliad Cenedlaethol Cymru The National Assembly for Wales**

## **Y Pwyllgor Cyfrifon Cyhoeddus The Public Accounts Committee**

**Dydd Mawrth, 12 Mawrth 2013  
Tuesday, 12 March 2013**

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Motion under Standing Order No. 17.42 to Resolve to Exclude the Public from the Meeting

Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are recorded in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included.

**Aelodau'r pwyllgor yn bresennol  
Committee members in attendance**

Mohammad Asghar	Ceidwadwyr Cymreig Welsh Conservatives
Jocelyn Davies	Plaid Cymru The Party of Wales
Mike Hedges	Llafur Labour
Darren Millar	Ceidwadwyr Cymreig (Cadeirydd y Pwyllgor) Welsh Conservatives (Committee Chair)
Julie Morgan	Llafur Labour
Gwyn R. Price	Llafur Labour
Jenny Rathbone	Llafur Labour
Aled Roberts	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats

**Eraill yn bresennol**  
**Others in attendance**

Gillian Body	Archwilydd Cyffredinol Cynorthwyol, Swyddfa Archwilio Cymru Assistant Auditor General, Wales Audit Office
Paul Dimblebee	Cyfarwyddwr Grŵp, Swyddfa Archwilio Cymru Group Director, Wales Audit Office
Huw Vaughan Thomas	Archwilydd Cyffredinol Cymru, Swyddfa Archwilio Cymru Auditor General for Wales, Wales Audit Office

**Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol**  
**National Assembly for Wales officials in attendance**

Dan Collier	Dirprwy Glerc Deputy Clerk
Tom Jackson	Clerc Clerk

*Dechreuodd y cyfarfod am 9.00 a.m.*  
*The meeting began at 9.00 a.m.*

**Cyflwyniad, Ymddiheuriadau a Dirprwyon**  
**Introduction, Apologies and Substitutions**

[1] **Darren Millar:** Good morning to you all and welcome to today's meeting of the Public Accounts Committee. In the event of a fire, we should follow the instructions of the ushers, who will lead us to the safest exit. I remind everybody that the National Assembly for Wales is a bilingual institution, and we should feel free to contribute in either Welsh or English as we see fit. Of course, headsets are available for translation and these can also be used for sound amplification. I encourage everybody to switch off their mobile phones, BlackBerrys and pagers, because they can interfere with the broadcasting equipment.

9.01 a.m.

**Ystyried Rhaglen Astudiaethau Gwerth am Arian Swyddfa Archwilio Cymru**  
**Consideration of the Wales Audit Office's Programme of Value for Money**  
**Studies**

[2] **Darren Millar:** I am delighted to be able to welcome Huw Vaughan Thomas, the Auditor General for Wales, and Gillian Body and Paul Dimblebee from the Wales Audit Office. Huw, it is over to you—you have provided us with a paper, which is very useful, but if you could just give us some pointers in terms of your priorities for the year, then we will go into some questions from Members.

[3] **Mr Thomas:** I hope, Chair, that we are entering a dialogue and not a question session, because this is the one opportunity in the year when I am here to hear your views on the areas that you feel I should be looking at, taking account of the work that we have on hand, and some of the ideas that we have. We are in the middle of a consultation exercise, and in a sense I need your views as well in forming the final programme, which we will bring back to you later in the year.

[4] In terms of opening remarks, it would be remiss of me not to reflect on the recent Plenary debate and the passage of the Public Audit (Wales) Bill. It is in better shape than when it was introduced. It would be fair to say that there are still some issues that I would have liked covered, but we certainly have a better piece of legislation for ensuring effective independent audit as a result of its passage. The office, as a result, will turn its attention to the orderly implementation of the Bill's provisions, which include drafting a new code of audit practice; a code of practice for the relationship between the WAO and the auditor general; procedural rules for the new organisation; and then the first joint annual plan and work programme. There is a lot going on. Also, you will have seen, because I copied it to you, the draft of the Wales Audit Office strategy for 2013-16, into which this paper fits.

[5] Since our audit work provides the basis for the committee's work, and looking ahead to a later agenda item, we give you support in a number of forms in which we work with you. In particular, we have provided about 12 reports over the last year, and I hope that we will be able to provide a similar range of studies over the next year. It is in that context that I outline what we have in hand in terms of coming to you, what we have in terms of the forward programme, and some ideas in terms of other work. I would very much appreciate either your views on some of the current work areas you feel should be looked at by the time it comes to you, or other items that we have not listed or identified on which you feel we ought to turn the spotlight.

[6] **Darren Millar:** Thank you for those opening remarks. You made reference to the Public Audit (Wales) Bill, and I think that, as Chair of this committee, I would like to thank you and your office for the support that you gave to that Bill and the Bill process, and indeed to the committee, in terms of the information that you provided us with when we were scrutinising the Bill. We really did appreciate that, and of course we look forward to working on the implementation of that Bill with you and the National Assembly more widely.

[7] You made reference to the strategy in your paper. You have obviously had internal discussions on your strategy for the next few years; did you consult more widely as well on that strategy? Who were the consultees?

[8] **Mr Thomas:** We went out to all the stakeholders we would normally consult, namely our audit bodies and the WLGA, and you had copies, as did the Welsh Government. So, it is the broad range of consultation that took place over the Christmas and new year period. Now, we have had the comments back and have adapted it, and it goes to my shadow board tomorrow in order to be formally signed off prior to publication.

[9] **Darren Millar:** On the work that has historically gone on between the Wales Audit Office and the National Audit Office and other UK counterparts, there is not much reference to that in the paper that you have provided to us. Can you give us an overview of what you expect to be engaged in on a UK-wide basis?

[10] **Mr Thomas:** Yes. I will ask Gillian to do that in a second. We are actually working closer with our counterparts in the rest of the UK. That extends not just to studies, but to issues about secondments between the organisations and, indeed, to joint training.

[11] **Ms Body:** We regularly engage with the NAO, Audit Scotland and the Northern Ireland Audit Office, sharing our respective programmes of work and looking to see whether there is scope to align and collaborate on particular topics. As Huw says, we are also looking to see whether we can start some sort of short-term secondments and exchange staff. We certainly look to our partners for reference on individual projects, particularly if they have done some work in a similar area, so that we can tap into their experience in other parts of the UK. They also play a part in our quality assurance arrangements, in providing some assurance to Huw about the quality of our products.

[12] **Mr Thomas:** I would just say that I am to chair a meeting of all the auditing offices in Cardiff in May. I would very much welcome any thoughts that you have as a committee on areas where you would like to see a joint study across the UK. The one that was on the table a little while ago, as it were, was the one that looked at education outcomes, and that is something that the NAO is interested in. If there are issues that you feel would benefit from a look across the UK, we would be happy to take them on board.

[13] **Darren Millar:** I have some ideas, but I am going to turn to Julie first.

[14] **Julie Morgan:** I was going to ask whether you ever did joint reports across the whole of the UK. How many of them have you done?

[15] **Mr Thomas:** In fact, you had one last year, on healthcare in the UK. It was published formally by the NAO, because you need somebody to publish it. However, it was done jointly by all the auditing bodies. The other one that is on the stocks, as I said, is to think about looking at the education outcomes.

[16] **Julie Morgan:** I was going to suggest education; so, that seems a good one.

[17] **Ms Body:** I would just say that there have been a number of different models. Sometimes we have done pieces of work—waiting times is one that comes to mind—where each of the auditing offices has done work in parallel and has shared what we have been doing. We have also done collaboration with individual partners. However, the one that Huw referred to, which is on outcomes across the UK, was the first time that all four audit offices collaborated on the same piece of work, and I think that we want to build on that going forward.

[18] **Darren Millar:** There are clearly areas in which the National Assembly for Wales has expressed an interest that impact on Wales in terms of value for money for the taxpayer, but we have no responsibility for them: take broadcasting, for example, and the BBC. A huge amount of public money is spent in Wales as a result of the work of the BBC, yet we have never had a report presented to the National Assembly on it; it is probably only a small fraction of the stuff that people in Westminster might be interested in. It therefore seems to me that broadcasting, and BBC spending more generally, might be something that Members would take an interest in if a report on that was made available.

[19] For me, I also think that transport should be there. I note that you have railways in the forward work programme, but there are aspects of that that are non-devolved but which still might have an interesting angle for us to look at as the Public Accounts Committee. Does anybody else want to come in on this particular bit in terms of work on a cross-border basis?

[20] **Jenny Rathbone:** While we are on transport, there is quite a lot of interest, certainly in my constituency, in bus transport and the way in which we—

[21] **Darren Millar:** Is your question about cross-border issues?

[22] **Jenny Rathbone:** No, sorry, it does not relate to cross-border issues.

[23] **Darren Millar:** If we can just talk about cross-border matters for the moment in terms of national factors.

[24] **Mike Hedges:** I would like to make two points. If you are looking at the BBC, I think that you need to look at public sector broadcasting in the round. That would include S4C, which is a public sector broadcaster in Wales. We would be missing something if we did not include that.

[25] Somewhere in the paper, and I cannot remember where, I read about the difficulty of looking at senior salary levels in the public sector in Wales on its own. Would it be possible to look at senior salary levels across the public sector in England, Wales, Scotland and Northern Ireland?

[26] **Darren Millar:** Do you have any comments on that, auditor general?

[27] **Ms Body:** We will explore it. I will look into that.

[28] **Darren Millar:** Are there any further questions on this particular issue?

[29] **Jenny Rathbone:** I would be interested to know how effective we are in trying to narrow the gap with regard to education performance and deprivation. That is a priority for us in Wales, so how well are we achieving our aims in comparison with anything that they might be doing in other countries?

[30] **Mr Thomas:** One of the major first tests is to try to find what the comparative data are. The difficulty that we found in relation to health was that there were slightly different ways of recording information. I am sure that we will find the same to be true with regard to education. However, I would be happy to circulate a report produced by Northern Ireland recently, which looked at its outcomes under the Programme for International Student Assessment, in which it compares itself with the rest of the United Kingdom. We can do a similar study and we can build on the work that Northern Ireland has done.

[31] **Darren Millar:** Does anybody else have a question on this point?

[32] **Jocelyn Davies:** The Supporting People programme was a UK-wide programme, but it has been devolved and every administration deals with it in a different fashion. It would be interesting to see what the outcomes of that are for the most vulnerable among us.

[33] **Darren Millar:** Okay; that is a good point.

[34] **Mr Dimblebee:** I would like to make the point that there is a proposal in the paper on managing the impact of welfare reform in Wales. We understand that it is also on the horizon of other audit bodies to look at the impact of those reforms in Scotland and Northern Ireland.

So, that will provide an opportunity for collaborative working in future.

[35] **Darren Millar:** Excellent. That has been a very useful discussion. Jocelyn, over to you.

[36] **Jocelyn Davies:** You have previously said that it is sometimes necessary to divert resources because things come up that are not in the planned programme. So, sometimes, you need to divert resources. A number of your planned publications also featured on last year's work programme. So, have the timescales for all of the publications slipped just because of the diverting of resources or have there, perhaps, been other factors that we ought to be aware of?

[37] **Mr Thomas:** I do not think that there has been slippage on all of the programmes. We highlight in this particular paper that there was work that I wanted to do on the voluntary sector, which we have put to one side because we needed to divert resources to the work on the All Wales Ethnic Minority Association. It is better to take out or delay one study rather than see the whole lot shift. That also reflects, in a sense, the expertise that I need to bring to the particular study. So, I have no across-the-board slippage. I have the impact when I try to take out one study and then shift resources.

[38] **Ms Body:** May I add to that? We do have an issue with new things coming to the programme. Last year, we had AWEMA, which was a very substantive piece of work, we had River Lodge and we also did an additional piece of work for this committee on health finances—to update this committee at the month 6 position to inform your inquiry. These things are competing priorities, which is the reason why the auditor general has come to you for an additional sum of money to provide a bit of contingency to help us to manage that.

9.15 a.m.

[39] There are some other things that have now come into the programme. These things frequently arise because of correspondence from Assembly Members, and the Chair has forwarded a number of things that are issues of public concern and they are time-critical, so we need to prioritise those. So, there is an issue about competing priorities. We have to make decisions about where we take the hit, as it were. As Huw says, we put one complete study on halt. We might make other decisions; so, for example, on the report that we did on health finances, we decided that our planned timing was not sensible and that we should defer its publication until after the end of the financial year so that we would have the outturn for the year. So, there are decisions about how we have historically tried to factor in the additional work arising from these ad hoc issues of public concern.

[40] **Jocelyn Davies:** It was not a criticism—[*Inaudible.*] Okay, so timescales are bound to slip because you divert resources into things that become time-critical. Apart from the change to the timescale, has there been change to any investigations in terms of scope? Have they broadened or narrowed at all?

[41] **Ms Body:** I cannot think of any significant changes to the scope of investigations. They certainly might broaden if there are new developments. For example, if a report comes out of one of the Assembly committees or evaluations that are undertaken by the public sector, we would seek to take account of those new developments. Paul, can you recall areas where we have sought to change the scope?

[42] **Mr Thomas:** We are taking a look at EU funding following work that has been done by the Finance Committee and the Guilford review. There is no point in our continuing to conclude something that has been overtaken by those events, so we have had to revise and, in that case, we broadened the scope of our review.

[43] **Gwyn R. Price:** Good morning, everyone. Appendix 1 of your report refers to summarising the findings of your investigation of the Informing Healthcare programme in a short briefing paper. When do you anticipate that we will receive that paper?

[44] **Ms Body:** It is in draft at the moment. Our publications team is rather occupied at the moment in churning out 28 improvement reports over the next month or so, so I would imagine that it will probably come to this committee in late April or early May, so it is not too far away.

[45] **Jenny Rathbone:** I have just seen the list of issues that you are thinking of looking at in relation to health and social services. One of them is 'value for money from primary care contracts'. I have a particular interest in primary care premises, who owns them and how much we pay for them, partly because some GPs do not think that it is any part of their responsibility to have appropriate premises that are disabled-accessible and have sufficient space for nurses to run clinics, et cetera. I think that it is an area where a bit of spotlight would be useful, because a lot of public money goes into the renting of primary care premises, and a lot of money has to be allocated for upgrading. It is really a question of what the relationship is with the private contractor known as the GP.

[46] **Mr Dimblebee:** That is a proposal for a future study. We have not even started scoping it, so we are happy to take those comments on board.

[47] **Jenny Rathbone:** Well, it obviously needs—

[48] **Ms Body:** I would just say, on the list of topics in the area of health and social services, we do not have the capacity to do all of them, so it is absolutely a question of which are the top priorities. If that is an issue for the committee, it is certainly one we will consider alongside these other options.

[49] **Darren Millar:** Okay, thank you. Back to you, Gwyn.

[50] **Gwyn R. Price:** Following the creation of the NHS Wales informatics service, when might a report of such an examination be available to us to look at?

[51] **Ms Body:** It is on the list as a potential topic.

[52] **Gwyn R. Price:** On the list?

[53] **Ms Body:** It is on the list. As you will have seen from the appendix, we have a lot of work that is under way and in train and that is going to be coming to this committee over the coming months. I suppose the question is whether that is an issue of high priority for you and one that you would like to see brought forward, in which case, we would have to look to see how we could manage that within our programme.

[54] **Darren Millar:** Julie is next.

[55] **Julie Morgan:** Thank you, Chair. Your report outlines the support that you give to committees, but does not mention support to individual Members. I know that you have done this traditionally and have had an open-door policy with individual Members being able to contact offices, so do you plan to continue with that?

[56] **Mr Thomas:** Most certainly. It is the approaches that we get from individual Members that frequently give rise to the extra studies that are commissioned because the issues that you raise are part of the information flow that I can access. So, most definitely, we

will continue with that service.

[57] **Julie Morgan:** So, you just happened not to mention it.

[58] **Mr Thomas:** What I am mentioning here is not the totality of our services, because, after all, I do not mention the full range of work that we do in relation to local government or in terms of the accounts of individual bodies. Frequently, most of the queries that we get relate to the accounts of bodies rather than broader issues.

[59] **Mohammad Asghar:** Your job is to get us audit information and true and fair views and so on of all the public and Government bodies. However, with audits, how do you learn from past audits? We always investigate these problems when whistleblowers come on to the scene in various organisations, which you have audited later on, after the whistleblower has mentioned things. Why do we never learn? You continuously audit various organisations, but why is that learning process not there?

[60] **Mr Thomas:** A number of reports, in a sense, draw on whistleblowing, because, under the legislation, I am one of the people to whom public-interest disclosures can be made. If you think about this in terms of the Communities First programme, some of the issues there arose out of whistleblowing, and we were not directly the auditors of those bodies at the time. So, through whistleblowing, it is a much wider range of activities that we encounter.

[61] **Aled Roberts:** Hoffwn fynd yn ôl at y gwasanaeth iechyd o ran eich rhaglen waith. Rwyf yn dechrau amau faint o fanylion sydd ar gael o ran y trefniadau ad-drefnu yn y GIG. Yn y Pwyllgor Plant a Phobl Ifanc yr wythnos diwethaf, roedd yn amlwg bod penderfyniadau yn cael eu gwneud o fewn rhai o'r byrddau iechyd a phan wnaethom ofyn a oedd achos busnes wedi'i gyflwyno neu a oedd trefniadau mewn llaw—rwyf yn meddwl yn benodol am wasanaethau i'r newydd-anedig yng ngogledd Cymru—nid oedd manylion o gwbl. A yw eich swyddfa yn cymryd trosolwg o fethiannau rheolwyr yn y gwasanaeth iechyd i drefnu achosion busnes cyflawn ar gyfer yr ad-drefnu hwn, oherwydd bod nifer o gwestiynau yn codi ynghylch a fydd y gwaith hwn yn cael ei gwblhau gan gynghorau iechyd cymunedol?

**Aled Roberts:** I would like to go back to the health service in terms of your work programme. I am starting to doubt how much detail is available on the reconfiguration arrangements within the NHS. In the Children and Young People Committee last week, it was clear that decisions were being made in some of the health boards and when we asked about whether a business case had been put forward or whether arrangements were in hand—I am thinking particularly about neonatal services in north Wales—there was no detail at all. Does your office take an overview of the failures of managers in the health service to arrange full business cases for this reconfiguration, because a number of questions arise in relation to whether this work will be completed by community health councils?

[62] **Mr Thomas:** Mae'r cwestiwn wedi cael ei godi. Ni allaf gofio pa bryd y gwnaethom roi'r adroddiad diwethaf i chi ar wariant yn y sector iechyd, ond gwnaethom ofyn y cwestiwn: a oes digon yn cael ei wneud gan y Llywodraeth i sicrhau bod y wybodaeth angenrheidiol yn cael ei dwyn ymlaen fel rhan o'r ad-drefnu? Rydym wedi gweld y cynigion ar gyfer rhai mannau o ogledd Cymru ac ar gyfer y de-orllewin, ond mae angen i ni weld beth fydd diwedd y gân o ran hyn o beth: beth sydd wedi digwydd, y

**Mr Thomas:** The question has been raised. I cannot recall when we gave you the last report on spending in the health sector, but we asked the question: is enough being done by the Government to ensure that the necessary information is brought forward as part of the reconfiguration? We have seen the proposals for some areas of north Wales and for the south-west, but we need to see what the end result will be in this regard: what has happened, what roles the different boards and the community health councils have played,



rolau y mae'r gwahanol fyrddau a chynghorau iechyd cymunedol wedi eu chwarae yn ogystal â'r rôl y mae'r Llywodraeth ei hun wedi ei chwarae yn yr ad-drefnu. Efallai bryd hynny bydd cyfle i ni edrych yn ôl a chodi cwestiynau. Fodd bynnag, ar hyn o bryd, rydym yng nghanol yr holl drafodaethau, ac nid ydym fel arfer yn edrych ar bethau pan maent yn digwydd.

[63] **Aled Roberts:** Erbyn hynny, wrth gwrs, bydd yr holl wasanaethau hyn wedi diflannu.

[64] **Mr Thomas:** Dyna'r tensiwn yn fy rôl i, sef i edrych ar yr hyn sy'n digwydd yn y sector cyhoeddus a gadael y Llywodraeth i wneud y penderfyniad sy'n iawn iddi ei wneud—mae tensiwn yno, ond yr unig beth y gallaf ei wneud, wrth adrodd ar y cyfrifon, yw codi cwestiynau. Yr hyn yr ydym yn ei wneud, er enghraifft, ynglŷn ag adroddiad Francis, yw ein bod yn awr yn bwriadu dod allan ag adroddiad yn edrych ar y drefn lywodraethol yn y gwahanol fyrddau i weld a oes gwersi i Gymru o adroddiad Francis. Mae'r adroddiad hwnnw yn weddol agos at gael ei gyhoeddi.

[65] **Mike Hedges:** When the Finance Committee discussed how the whole of the budgeting system should be, one thing that we talked about was that the Public Accounts Committee and the Finance Committee should form a circle—that was one of the pieces of advice that we were given; I see that Jocelyn is nodding in agreement. I am not sure whether or not that is happening. On what the auditor general does, tell me if I am wrong, but what appears to happen is that the auditor general does some work, he reports to this committee, we write a report, the Government responds to it and then it seems to stop, unless I am missing something. I am sure that the auditor general might answer this, and perhaps others on the committee might want to answer it or might want to deal with it, but should we be in a situation where what we do here starts informing the Finance Committee when it looks at the budget, and starts informing other committees as they look at the budget, based on our reports on your audit reports, auditor general, and then the Government's response? Should that be filtering back down to the committees when they are looking at these issues and to the Finance Committee when it is looking at budgets?

[66] **Darren Millar:** I am not sure whether that is a question for the auditor general; it is more of a question for the committee. Of course, our reports, when they are published, are shared with all Members of the Assembly and they ought to be absorbed, if you like, into the work of other committees. However, you do help to inform other committees, auditor general, do you not?

[67] **Mr Thomas:** Yes, we do and I am anxious to do more work in that regard. We did some work to help the Finance Committee with regard to procurement, a year back, and we are looking at working with the Environment and Sustainability Committee at present. I draw your attention to one of the areas of future studies in which I am particularly interested, which picks up on what Mike was talking about, which is that I want to look at how the Welsh

as well as the role that the Government itself has played in the reconfiguration. Perhaps then there will be an opportunity for us to look back and raise questions. However, at present, we are in the middle of all of these discussions, and we do not usually look at things when they are happening.

**Aled Roberts:** By then, of course, all of these services will have disappeared.

**Mr Thomas:** That is the tension in my role, which is looking at what is happening in the public sector, and allowing the Government to take the decision that it is right for it to take—there is a tension there, but all that I can do is, in reporting on the accounts, to raise questions. What we are doing, for example, in relation to the Francis report, is that we now intend to publish a report that looks at the governance arrangements of the different boards to see whether there are lessons for Wales from the Francis report. That report is fairly close to being published.

Government responds to audit recommendations. By that, I do not mean the immediate response that you get, but what happens to it in terms of it getting into the system. It is important that we chase the Government to see that it absorbs the recommendations, and that is the nature of that particular study.

[68] **Mohammad Asghar:** Auditor general, have any committees of the National Assembly for Wales or other parliamentary bodies suggested that you should undertake any new investigations in 2013 and 2014?

[69] **Ms Body:** Not as yet; they have not proactively approached us. However, following this meeting, we plan to write to all of the committees to share our programmes and actively seek their views on the current suggestions, and ask whether there are any other suggestions that they want to throw into the pot.

[70] **Mohammad Asghar:** Have you asked any committees or parliamentary bodies for suggestions on where you should undertake an audit, or on what investigations you are going to undertake?

[71] **Ms Body:** We have not done that yet. We are sighted of the planned inquiries that committees have in train, and we intend to approach them and consult them on our proposals as well; we will be asking for their views.

[72] **Mr Thomas:** I have already mentioned the Environment and Sustainability Committee. We will be providing direct support to that committee with regard to its particular inquiry.

[73] **Darren Millar:** With regard to the Environment and Sustainability Committee, that is the committee to which we referred the report that has triggered this working relationship. You make a very important point, Gill, with regard to interaction with committees. Traditionally, you will have been informed by what is on a committee's timetable going forward or its rough timetable. However, there has, perhaps, been less engagement from the Wales Audit Office with regard to your timetable coming forward and how that might be able to help inform committee work. You clearly hope to overcome that and improve that communication, which is a positive thing. Do you want to say anything else, Oscar?

9.30 a.m.

[74] **Mohammad Asghar:** That was enough, thank you.

[75] **Aled Roberts:** Mae eich papur yn cadarnhau eich bod wedi penderfynu gwneud rhagor o waith ar gyllid iechyd. O achos hynny, nid oeddech yn teimlo ei bod yn bosibl, ar hyn o bryd, i wneud gwaith ar y trefniadau rhwng Llywodraeth Cymru a'r sector gwirfoddol. A allwch chi ehangu ar y rhesymau pam yr ydych wedi dod i'r casgliad hwnnw?

**Aled Roberts:** Your paper confirms that you have decided to do more work on health finances. As a result, you do not feel that it would be possible, at present, to do work on the arrangements between the Welsh Government and the voluntary sector. Can you expand on the reasons for coming to that conclusion?

[76] **Mr Thomas:** Fel mae'n dweud yn yr adroddiad, o ran ystyried comisiynu gwaith, roedd angen edrych ar sut mae'r sector gwirfoddol yn gweithio gyda'r Llywodraeth a sut mae'r Llywodraeth yn defnyddio adnoddau'r sector gwirfoddol. Ers hynny,

**Mr Thomas:** As it says in the report, with regard to commissioning the work, we had to look at how the voluntary sector works with the Government and how the Government uses the resources of the voluntary sector. Since then, we have published a report on

rydym wedi cyhoeddi adroddiad ar AWEMA ac wedi edrych ar y berthynas rhwng gwahanol rannau o'r sector gwirfoddol a'r Llywodraeth. Rydym hefyd wedi gwneud gwaith ar system grantiau'r Llywodraeth. Oherwydd hynny, o ran y cwestiwn a oes gwerth gwneud y gwaith hwn ar hyn o bryd, penderfynwyd y dylid gadael i'r pethau y mae'r Llywodraeth yn eu gwneud i wella'r drefn grantiau ddatblygu. Rydym hefyd yn pigo lan ar y gwahanol drefniadau sy'n newid yn y sector iechyd ac mewn sectorau eraill sy'n effeithio ar y sector gwirfoddol. O achos hynny i gyd, nid yw'n werth gwneud astudiaeth benodol ar hyn o bryd.

AWEMA and looked at the relationship between various parts of the voluntary sector and the Government. We have also done work on the Government's grants regime. As such, on the question of whether it is appropriate to do this work now, it was decided to allow the Government to develop the steps it is taking to improve its grants regime. We have also picked up on the various arrangements that have changed in the health sector and in other sectors that impact on the voluntary sector. For all those reasons, it is not worth our undertaking a specific study now.

[77] **Jenny Rathbone:** I want to ask about enhancing good practice exchange and your proposal to increase the number of these events to at least 12, which feels like quite a lot. I attended a really excellent one in Cardiff stadium, probably a year ago. However, is there that much demand to justify 12? That is one a month and there is a lot of preparation work involved in making them a success.

[78] **Mr Thomas:** I can definitely say that there is demand. In fact, we had to lay on extra seminars recently because we could not cope with the numbers who wanted to come to a particular event. So, we have arranged extra events. They are an essential part of the audit process. We need to get out the lessons of good practice that we have identified and spread good practice that does not come from our reports but which we have identified elsewhere. I believe that that target should be met and, if at all possible, exceeded.

[79] **Jenny Rathbone:** Who pays for that? How much of the cost for running those seminars comes out of the WAO budget and how much comes from individual contributions?

[80] **Mr Thomas:** Currently, we do not charge. They are provided, if you like, as part of the work of the Wales Audit Office.

[81] **Darren Millar:** When you presented your estimates to this committee, we set aside £250,000—

[82] **Mr Thomas:** It was an extra £250,000 to deliver that.

[83] **Darren Millar:** You refer to the use of IT to help develop the use of good practice. You have the portal, but you also want to use social media.

[84] **Mr Thomas:** We are increasingly using social media. It seems to have an impact in terms of more than just the people who attended a particular seminar picking up messages. We have monitored and tracked the number of tweets that have taken place as a result of our seminars. The reach of particular quotes is quite staggering. We want to ensure that we use IT to its best effect as well as social media.

[85] **Jenny Rathbone:** To go back to your work, your list of programmed reports includes managing the impact of welfare reform in Wales, which is good. I wonder how well that will capture a related area—the remarks by Lord Neuberger and the concerns about the lack of access to legal advice and advice services generally for people without a lot of resources to pay for them. I wonder whether you capture that in your impact of welfare reform, because, obviously, people need to have it explained to them. Alternatively, is that something that

should be looked at separately?

[86] **Mr Dimblebee:** It is certainly something that is within the broader scope of what we may cover within that. Again, if this study goes ahead—it is one that we have not even started yet—the scope is potentially anything. So, that would certainly come within the scope of what we are doing.

[87] **Darren Millar:** Are there any other questions?

[88] **Mohammad Asghar:** Auditor general, I am looking at page 12. My concern is equality. You are talking about pan-public-sector good practice. When you do audit work, do you really go through equal pay for men and women and so on, gender balance and other things that relate to equality, and include those issues in reports? I am yet to see that in various reports.

[89] **Ms Body:** We have not done to date. At the moment, we are looking at the requirements of equality legislations and how we mainstream that as part of our annual and ongoing programmes of local work. It is something that we absolutely will be doing.

[90] **Mr Thomas:** When we look at the examples of work, the totality of our products is not limited by the reports that come to you. If you were to look, Oscar, at the work that we do for local government, you will notice that we have looked at these areas of equality and the Welsh language within those. We will increasingly have to do that in accordance with the statutory duties that have been placed on organisations under sustainable development legislation. Those aspects are in local studies, as opposed to issues in a study on value for money, for example.

[91] **Darren Millar:** You have noted in your report that you have A, B, C and D streams to your work. You have a desire to report more comprehensively on sustainable development, equality and the use of the Welsh language, which is great. How do you interface with the commissioners, such as the Welsh Language Commissioner, the Children's Commissioner for Wales and the Equality and Human Rights Commission? How do you interface with them? Do you plan your work jointly with them in respect of those particular parts of your work?

[92] **Mr Thomas:** First, they are people whom we consult. Secondly, they are people whom I meet fairly frequently in the course of the year, as does Estyn, Healthcare Inspectorate Wales and so on. We are looking to make sure that we do not, in a sense, commission studies across each other. When we developed our approach to the Welsh language, it was discussed with the Welsh Language Commissioner. I envisage doing the same when it comes to sustainable development.

[93] **Jenny Rathbone:** I would like to go back to buses. I see that you have rail services in Wales on your list. Would you consider broadening that to integrated transport in Wales? Buses are just as important as rail and, obviously, rail only serves certain places. The Minister recently changed the way that buses are subsidised, and there is an excellent suggestion to fund passenger journeys rather than bus journeys. It would be useful to know how well that is now working and what the implications are.

[94] **Mr Thomas:** I would be quite happy to take that suggestion on board. Rail is on our list because, with regard to the original timetable, there were some lessons from the West Coast franchise and we wanted to know whether there were things that we needed to pick up in Wales with regard to franchising for the future. We would look at that together with the investment that the Welsh Government has made in the rail network and whether it is getting a return. I would be quite happy to consider broadening it to issues of public transport in Wales.

[95] **Jenny Rathbone:** I would like to know what other people think about that.

[96] **Darren Millar:** The concessionary fare scheme is something that Members would be interested in as well.

[97] **Aled Roberts:** Rwy'n ymddiheuro os cawsoch drafodaeth ar hyn ar ddechrau'r cyfarfod a fy mod wedi'i methu. Fodd bynnag, roedd trafodaeth ynglŷn â buddion uwch-swyddogion o fewn y sector cyhoeddus, os cofiwch chi; yr oedd yn drafodaeth am y swyddfa archwilio ei hun o ran trafnidiaeth. Hefyd, mae cwestiynau'n codi ynglŷn â rhai o'r buddion sy'n cael eu rhoi i uwch-swyddogion yn y gwasanaeth iechyd wrth i wasanaethau i gleifion gael eu cwtdgi. A oes rhywbeth o fewn eich cylch gorchwyl i ddelio â hynny?

**Aled Roberts:** I apologise if you had a discussion about this at the start of the meeting and I missed it. However, there was a discussion about the benefits for senior officials within the public sector, if you recall; it was a discussion about the audit office itself in the context of transport. There are also questions arising about some of the benefits given to senior officials within the health service when patient services are being cut back. Is there anything within your remit to deal with that?

[98] **Mr Thomas:** Nid oes dim yn ein rhwystro ni rhag edrych ar hyn, os ydych yn meddwl y dylai gael ystyriaeth.

**Mr Thomas:** There is nothing stopping us from looking at that, if you think it should be looked at.

[99] **Aled Roberts:** Yn y gogledd, mae llawer o sylw'n cael ei roi ar hyn o bryd i faint mae'r bwrdd iechyd yn gwario ar geir i'w uwch-swyddogion wrth i wasanaethau i gleifion gael eu cwtdgi.

**Aled Roberts:** In north Wales, a lot of attention is currently being given to how much the health board is spending on cars for its senior officials while cutting back on its patient services.

[100] **Mr Thomas:** Fe ysgrifennais ddoe at y cadeirydd yn gosod allan cynigion i'n harchwilwyr allanol ynglŷn â system geir a thrafnidiaeth y swyddfa archwilio. Felly, mae hyn yn rhywbeth i'w benderfynu maes o law.

**Mr Thomas:** I yesterday wrote to the chair setting out proposals for our external auditors on the car and transport arrangements within the audit office. This is therefore something to be decided upon in time.

[101] **Jocelyn Davies:** I know that a lot of the suggestions that have been made are very high-level, broad inquiries. We looked at the NHS consultants' report last week—I am sure, Gillian, that you will remember me raising this issue a number of years ago—and I am concerned about the transparency of the refund from consultants to the NHS for their use of NHS resources. Sometimes, you go to see a consultant in the local NHS hospital, which means that you pull up into the NHS car park and use the NHS receptionist, but you are paying to see the consultant. I do not know whether there is good transparency around that. If you could find time to fit that into a programme in the future, Members would be very interested in that.

[102] **Darren Millar:** It might also help to support the scope of the inquiry that we are doing on the back of your report, as we take it forward.

[103] Are there any other questions? I see that there are not. Therefore, I thank the auditor general and his staff for their report, and we are very grateful to you for taking us through it.

9.42 a.m.

**Papurau i'w Nodi**  
**Papers to Note**

[104] **Darren Millar:** We have a paper to note, which is the minutes of our meeting on 5 March 2013.

**Cynnig o dan Reol Sefydlog Rhif 17.42 i Benderfynu Gwahardd y Cyhoedd**  
**o'r Cyfarfod**  
**Motion under Standing Order No. 17.42 to Resolve to Exclude the Public**  
**from the Meeting**

[105] **Darren Millar:** I move that

*the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 17.42(vi).*

[106] I see that the committee is in agreement.

*Derbyniwyd y cynnig.*  
*Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 9.42 a.m.*  
*The public part of the meeting ended at 9.42 a.m.*