



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Darren Millar AM
Chair, Public Accounts Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

14 March 2011

Dear Mr Millar,

I am writing in response to your letter dated 14 February 2011, expressing the Public Accounts Committee's concern over the time it took for the Accounting Officer to sign off the Report on Major Transport Projects as being factually correct.

Having seen the Report I am sure you will agree that it is comprehensive and relies on a large volume of detailed information obtained by the Auditor General's office over a considerable timescale.

The Accounting Officer was understandably keen to ensure that the detail was correct so that the right conclusions and recommendations could be drawn, thus ensuring the process provides maximum value to this complex area of delivery.

The Accounting Officer was contacted by the Auditor General on 25 November 2008 about the intention to produce the Report. At that time the Auditor General's intention was to publish the Report in late 2009. The draft Report (dated 14 June 2010) was received on 17 June 2010. There were several exchanges and meetings between the Department for Economy and Transport and the Auditor General's office involving the submission of three further drafts of the Report up to 10 December 2010 (draft dated 9 Dec 2010).

The Accounting Officer still had reservations about one aspect of the draft Report and communicated those concerns by letter to the Auditor General on 23 December 2010. The Auditor General acknowledged these concerns and issued an amended Final Draft Report on 4 January 2011. The Report was agreed as factually correct on 17 January 2011.

Throughout this process the Auditor General has been consulting third party contributors such as local authorities and utility companies, who have, I understand, made comments which have informed the drafts. With the iterative



nature of this activity and the inherent complexities involved, this has taken some time.

Whilst I recognise your frustration over the length of time it has taken, the outcome is a robust and accurate Report. I am pleased that during Committee on 2nd February you noted the excellence of this report.

On the wider issue of the Welsh Assembly Government's relationship with the Wales Audit Office, there are two aspects on which I would like to comment. Firstly, on regularity and propriety, we now have well-developed and effective relationships that bring appropriate challenge to our systems and processes, and support our corporate governance structure. These work very well. Secondly, on external reports, we are working closely with the Wales Audit Office on this matter, as there have been concerns in the past on both sides.

I personally meet regularly with the Auditor General and have discussed this issue with him. I am content with the nature of those conversations and the way that our thinking is developing. I have raised the matter with my senior team of Director Generals and emphasised the need to ensure that we respond to reports in a timely manner, and Director Generals are taking a personal interest in this matter. The Auditor General also attends our Business Group, the meeting of our Director tier, twice a year.

Yours sincerely



GILL MORGAN



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