

WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Wales Audit Office / Swyddfa Archwilio Cymru

24 Cathedral Road / Heol y Gadeiriau
 Cardiff / Caerdydd
 CF11 9LJ
 Tel / Ffôn: 029 20 320500
 Fax / Ffacs: 029 20 320600
 Email / Ebost: wales@wao.gov.uk
www.wao.gov.uk

Date: 25 April 2013
 Our ref: HVT/1870/fgb
 Page: 1 of 2

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

Dear Darren

PAC CONSIDERATION OF THE AGW'S REPORT ON THE PROCUREMENT AND MANAGEMENT OF CONSULTANCY SERVICES

At the conclusion of the Committee's 18 April evidence session on the *Procurement and Management of Consultancy Services*, you requested additional information on both the number of business cases and the number of single of tender actions for consultancy service projects that we identified from our examination of a sample of 93 contracts.

The following table summarises our findings in respect of the Welsh Government and the health and local government sectors:

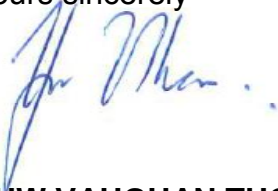
	Percentage of contracts supported by a business case	Percentage of contracts let by single tender
Welsh Government	30%	22%
Health	17%	75%
Local Government	12%	8%

All the projects we examined had been approved at an appropriate level. However, we judged that the majority were not supported by a business case that set out a clear justification for the project and met most of the good practice requirements set out in paragraph 3.12 of my report.

Date: 25 April 2013
Our ref: HVT/1870/fgb
Page: 2 of 2

All of the projects we examined that were let by single tender were below European Union procurement thresholds and, therefore, were not unlawful. All of the Welsh Government's single tender procurements were signed off at an appropriate level and complied with its 'departures policy', which sets out the circumstances where standard procurement processes can be varied. However, most health and local government single tender procurements contravened internal regulations and/or standing orders, and included a number of projects that were approved retrospectively.

Yours sincerely



HUW VAUGHAN THOMAS
AUDITOR GENERAL FOR WALES