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Audit Committee

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**JEREMY COLMAN, AUDITOR GENERAL FOR WALES / ARCHWILYDD CYFFREDINOL CYMRU**

David Melding AM  
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Da Chai,

**HEALTH, WELL-BEING AND LOCAL GOVERNMENT COMMITTEE RESPONSE  
TO THE AUDIT COMMITTEE REPORT AMBULANCE SERVICES IN WALES**

I write to advise you on the issues raised by the Chair of the Health, Well-Being and Local Government Committee's letter to you of 8 October. This letter set out the main issues arising from that Committee's consideration on 19 September of the Welsh Assembly Government's response to the Audit Committee's recommendations in its report, *Ambulance Services in Wales*.


The Health, Well-Being and Local Government Committee have raised similar points to some of those raised in the letter of advice I sent you on 14 September, as well as some new issues. Consistent with the tenth recommendation in my report which said the Trust should have a minimum of distraction while it seeks to implement its modernization plan, I have not undertaken any formal follow-up work in the Welsh Ambulance Services NHS Trust since I published my report in December 2006. However, I plan to follow-up the inquiry in 2008-09, either as part of a broader unscheduled care project or as a standalone follow-up. I will make sure that the comments of the Health, Well-Being and Local Government Committee inform this work along with any further issues raised by the Audit Committee.

Turning to the specific points raised in Jonathan Morgan's letter, I would like to address each in turn as follows:

1. Recommendation ii (external governance) – in my view the Assembly Government should place a high priority on making the best possible appointment (albeit in a reasonable time) rather than to pursue speed for its own sake. At this level of seniority, it may take several months for a suitable candidate to work their notice period. I should also note that my report commented about failings in the external governance framework (issues of poor communication and co-ordination) rather than questioning the skills of individuals involved in the external governance system. In my letter of advice to the Audit Committee, I commented that the Assembly Government's response does not provide clear detail about how the Assembly Government will comply with the Committee's recommendation to take more decisive action when an organization is clearly failing. I also advised that the Government's response is not clear about the handling if there was a repetition of the WAST situation.
2. Recommendation iii (appointment procedures) – my letter to the Audit Committee commented that the Assembly Government's response was somewhat short on detail about how such appointments would be made in future. I would urge some caution about the role of the Assembly Government as ultimately the Trust is responsible for making appointments. The key issue in the Audit Committee's recommendation was that the appointment of Interim Chief Executive may not have given sufficient consideration to the suitability of individuals to take on such an interim role. This is a matter for the Trust Board, but the recommendation indicates that the Assembly Government should review the lessons to be learned, amend its own procedures and guidance for Trust Boards to avoid a recurrence of the events in the Trust last year.
3. Recommendation v (financial management/DECS) – I am consulting on a possible study of unscheduled care which would enable us both to follow up the ambulance inquiry but also to examine the role of the ambulance service in the wider system of unscheduled care. If that project goes ahead it is likely to consider within its scope the issues of communication raised by the Health, Well-Being and Local Government Committee.

4. Recommendation vi (use of capital) - There has been some sharing of premises between fire and ambulance services but this has not extended to the development of joint control rooms or telephone systems. Any proposed development of joint control centres or telephone systems would be somewhat controversial as the Trust becomes increasingly clinically-driven and develops new approaches to its work through the recent absorption of NHS Direct within its operations. I understand that the Assembly Government has approved the £132m ten year additional capital requirement for the Trust's modernisation plan, including revenue support for the capital charges. In 2007-08, the annual capital programme for NHS Wales is £309m. Consequently, the average annual requirement arising from *Time to Make a Difference*, the Ambulance Trust's Modernisation Plan - approximately £13m - does not appear disproportionate. I am likely to consider how this level of investment in ambulance services fits within the overall NHS capital programme as part of my study on NHS Capital Investment, which is currently being scoped.
5. Recommendation viii (focus on routine patient services) - I was concerned to hear the serious concerns about patient care services raised by members of the Health, Well-Being and Local Government Committee. I am likely to follow up my original inquiry report in the 2008-09 financial year. Given the problems my original inquiry identified, I will focus on progress in Patient Care Services as a key element of my follow-up work and we would be happy to speak to individual members of the Health, Well-Being and Local Government Committee.

I hope that this is helpful in supporting my existing advice, provided in my letter of 14 September, with my further views on the issues raised by the Health, Well-Being and Local Government Committee.

Yours sincerely,  


**JEREMY COLMAN**  
**AUDITOR GENERAL FOR WALES**