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Mr William Powell AM
Chair, Petitions Committee
National Assembly for Wales
Cardiff Bay
Cardiff CF99 1NA

Dear Mr Powell

ARTS COUNCIL OF WALES INVESTMENT REVIEW

Thank you for your letter of 9 November asking me to include an examination of the Arts Council's Investment Review in my forward work programme.

I need to be clear that it is not within my remit to comment or pass judgement on the relative merits of decisions made by the Arts Council.

In response to correspondence received earlier this year about the Review and the Council's openness and accountability in reaching its final conclusions, my staff undertook some work to determine whether a more in-depth investigation was warranted.

I was already aware from my audit of its financial statements that the Council commissioned RSM Tenon to undertake a series of internal audit reviews to provide assurance in respect of the Investment Review process. Four reviews were completed at different stages and the internal auditors concluded favourably on each stage of the process reporting that 'the Council can take substantial assurance that the controls upon which the organisation relies to manage this area, as currently laid down and operated, are effective'.

My staff also reviewed the Council's arrangements for dealing with appeals against its decisions. I was satisfied that, on the strength of these enquiries and the evidence of the Council's internal auditors, no further investigation was warranted. I remain of that view but if your Committee or its individual petitioners have any direct evidence that might lead me to reconsider this decision I would be happy to review it.

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I have noted in particular your reference to discussions about the overarching direction of the arts agenda and its delivery of a value for money strategic approach. I see that the Government has committed to a review of the support for arts in schools including theatre experiences for young people. A value for money study ahead of the outcome of that review would, I think, be premature. However, I review my plans for value for money examinations annually to ensure its continuing relevance. I will bear your Committee's work in mind when I next consider the options for my forward work programme.

Yours sincerely

HUW VAUGHAN THOMAS AUDITOR GENERAL FOR WALES