



Llywodraeth Cymru
Welsh Government

Mr Huw Vaughan Thomas
Auditor General for Wales
Wales Audit Office
24 Cathedral Road
CARDIFF
CF11 9LJ

Date: 20 March 2017

Dear Huw

**Response to the report 'Welsh Government oversight of FE colleges' finances and delivery'
(28 February 2017)**

I would like to thank you for this report. Whilst reductions in funding to the FE sector over recent years are acknowledged in the report, I am pleased that it highlights the good relationships forged between the sector and officials in Welsh Government which has minimised the impact on learners wherever possible.

The report recognises that the Welsh Government's funding allocation and oversight arrangements are sound, but would benefit from a more integrated and long-term approach. Many of the 7 recommendations in the report were already in progress and will be considered in further detail in line with the additional evidence highlighted in the report.

We accept the recommendations, but due to the Welsh Government wide implications of some of them, I am not in a position to be able to respond fully to each recommendation. I intend to send you our full response to each recommendation shortly.

The contents of the report will also be shared with lead officials responsible for considering the outcomes of the Hazelkorn review and the development of a single, overarching strategy for post-16 education.

Finally I would like to note that the engagement between WAO and Welsh Government officials from the initial interview stage through to the drafting of the final report has been active and constructive.

Yours Sincerely



Huw Morris
Group Director SHELL

c.c Cabinet and Plenary Mailbox
 The PAC Chair
 WG CGU Mailbox