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Dear Malcolm

ACHCEW BUDGET

Thank you for your letters of 24 February and 17 March about ACHCEW finances.

Firstly, I am pleased to be able to confirm that payments for the short fall of redundancy costs, cost of audit report and £100k have now been authorised and will be sent to ACHCEW shortly. The remainder of the agreed budget for the period up to 1 September (£40,090) will be sent after the 1 April. This will ensure that ACHCEW receive the full amount outlined in your proposals for the functions of ACHCEW staff from 1 April – 31 August 2003.

There are some outstanding issues from your letter of 21 February that I would like to address:

1. Separation of Welsh CHCs from ACHCEW (point 7)

I understand that you have met with Dave Boyland at the Welsh Assembly and that this matter has now been addressed. We understand that the passage of the Welsh Health Bill may be completed by end of May. This will set up a statutory body to take on the function of ACHCEW in Wales. Please let me know if there are any issues that you wish us to raise with our colleagues in Wales.

2. Communications Post

We have discussed this over the phone. ACHCEW have agreement for full funding of the proposed business plan as outlined in the annex to your letter of 24 February and we have already made the bulk of that funding available to you. As the Communications Officer post was not included in the proposed functions I am reluctant to agree to further funding to cover this. I also understand you have asked CHCs themselves for additional funding.

3. Responsibility for payment of outstanding invoices and financial accounts.

We are currently looking at this issue across the whole of the CHCs and will issue guidance in due course. In the meantime ACHCEW will have special needs in this area and may need to set up special arrangements with your accountants. We would welcome your views on how this would be best achieved.

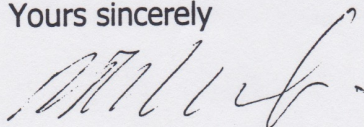
4. ACHCEW Assets

We are currently working on guidance on the disposal of assets and lines of accountability for this. We will keep you informed when this is ready for circulation.

I also understand that Eileen Exeter has spoken to you about ACHCEW staff entering the Clearing Houses set up by Surrey and Sussex StHA. There are no problems with this. Any ACHCEW staff wishing to use the clearing house facilities should contact Ray Lott at the StHA. Eileen has spoken to Phil Green at Unison to confirm these arrangements.

Do contact me if you wish to discuss any of the issues raised.

Yours sincerely



David Mowat
Programme Manager
Patient Public Involvement