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Mrs Firth

From: M E Lally

Date: 17 June 1991

Copy: P Garland

## NAO REPORT ON AIDS

1. I enclose your copy of my comments on the latest version (dated 12 June 1991) of the NAO Report on AIDS. There are 2 internal issues which we need to consider:

1.1 Submission to the Chief Executive: Although you were saying that you had recommended that the Permanent Secretary should take the lead at the PAC hearings, you will wish to consider whether you need to inform Mr Nichol at this stage. Is Ms Masters aware of the study? She has not been copied to date.

1.2 Submission to Treasury: To the best of my knowledge Treasury have not been informed about the study. Clearly we must tell them before publication (planned to be "before the Summer Recess" {probably to begin in last full week of July although not confirmed}) but I would prefer not to give them ammunition for briefing the Chief Secretary for the meeting of the Health and Social Affairs Committee on 26th June. A paper is to be presented by the Secretary of State on HIV and AIDS which I am letting Treasury have now. But I have persuaded the AIDS Unit to remove the intended reference to the NAO Report from it; this is not the right medium to alert Treasury and we do not want any criticism in discussion; moreover it is not in its final form (although almost so). Some of the report will be useful for PES bidding and I suggest we let Treasury have whatever copy is available at the end of June (we've just got to watch the WP data printed on the drafts). Incidentally Miss Wears had commented to FAID in August last year in response to our questioning as to the timing of informing Treasury that "there is no hard and fast rule about when to involve Treasury in a NAO study or its aftermath. The usual time to consult them is in the course of the PAC briefing process, but it may be sensible to do so much sooner. It is a matter of judgement by those involved".

GRO-C

M E LALLY