

Cynulliad Cenedlaethol Cymru
Pwyllgor Addysg a Dysgu Gydol Oes

The National Assembly for Wales
Education and Lifelong Learning Committee

Y Cyngor Cenedlaethol—ELWa
The National Council—ELWa

Cwestiynau 1-65
Questions 1-65

Dydd Mercher 1 Hydref 2003
Wednesday 1 October 2003

Aelodau o'r Cynulliad yn bresennol: Peter Black (Cadeirydd), Leighton Andrews, Jeff Cuthbert, Jane Davidson (y Gweinidog dros Addysg a Dysgu Gydol Oes), David Davies, Jocelyn Davies, Mark Isherwood, Irene James, Denise Idris Jones, Owen John Thomas.

Swyddogion yn bresennol: Richard Davies, Cyfarwyddwr Adran Hyfforddiant ac Addysg Cynulliad Cenedlaethol Cymru.

Tystion: Sheila Drury, Darpar Gadeirydd y Cyngor Cenedlaethol—ELWa; Richard Hart, Cyfarwyddwr Dysgu Dros Dro y Cyngor Cenedlaethol—ELWa; Peter Higson, Prif Weithredwr Dros Dro y Cyngor Cenedlaethol—ELWa; Grenville Jackson, Cyfarwyddwr Strategaeth a Chyfathrebu y Cyngor Cenedlaethol—ELWa; Rob Rogers, Cyfarwyddwr Cyllid a Risg Dros Dro y Cyngor Cenedlaethol—ELWa.

Assembly Members present: Peter Black (Chair), Leighton Andrews, Jeff Cuthbert, Jane Davidson (the Minister for Education and Lifelong Learning), David Davies, Jocelyn Davies, Mark Isherwood, Irene James, Denise Idris Jones, Owen John Thomas.

Officials present: Richard Davies, Director, Training and Education Department, National Assembly for Wales.

Witnesses: Sheila Drury, Chair Designate, National Council—ELWa; Richard Hart, Interim Director of Learning, National Council—ELWa; Peter Higson, Interim Chief Executive, National Council—ELWa; Grenville Jackson, Director of Strategy and Communications, National Council—ELWa; Rob Rogers, Interim Director of Finance and Risk, National Council—ELWa.

*Dechreuodd y sesiwn cymryd tystiolaeth am 11 a.m.
The evidence-taking session began at 11 a.m.*

[1] **Peter Black:** Good afternoon everyone, or good morning rather—I need to get my head together. Welcome back after the break; I assumed that it was lunchtime. I welcome everyone to the Committee, particularly the representatives of Education and Learning Wales.

I want to mention a few things before we get started. I remind Members that Record of Proceedings staff are here as there will be a verbatim record of this item. It will be helpful if Members do not speak unless their microphone light is on. The purpose of this session is to provide an overview of the National Council—ELWa's performance review and development agenda and to provide an opportunity for general scrutiny, including of the recovery action plan. Everyone will know that ELWa representatives appeared before the Audit Committee last week to answer questions on the recent report by the Auditor General for Wales on the financial management of partnership and innovation and development projects. We are now taking that forward in terms of the action plan to tackle those issues.

[1] **Peter Black:** Prynhawn da bawb, neu bore da yn hytrach—yr wyf yn dechrau drysu. Croeso yn ôl ar ôl yr egwyl; tybiais ei bod yn amser cinio. Croesawaf bawb i'r Pwyllgor, yn arbennig felly gynrychiolwyr Dysgu ac Addysgu Cymru.

Hoffwn grybwyll ychydig bethau cyn inni ddechrau. Hoffwn atgoffa Aelodau bod staff Cofnod y Trafodion yma gan y bydd cofnod gair am air o'r eitem hon. Byddai'n ddefnyddiol pe gallai Aelodau beidio â siarad oni fydd golau eu meicroffon wedi'i gynnu. Diben y sesiwn hon yw darparu trosolwg o agenda adolygu a datblygu perfformiad y Cyngor Cenedlaethol—ELWa a rhoi cyfle ar gyfer craffu cyffredinol, gan gynnwys craffu ar y cynllun gweithredu ar gyfer adfer. Bydd pawb yn ymwybodol i gynrychiolwyr ELWa ymddangos ger bron y Pwyllgor Archwilio yr wythnos diwethaf i ateb cwestiynau ar yr adroddiad diweddar gan Archwilydd Cyffredinol Cymru ar reolaeth ariannol prosiectau partneriaeth ac arloesi a datblygu. Yr ydym ninnau'n awr yn mynd ar drywydd hynny yn nhermau'r cynllun gweithredu i fynd i'r afael â'r materion hynny.

How we proceed is up to Members, but it would seem sensible for Education and Lifelong Learning Committee members to concentrate on issues of Assembly policy relating to ELWa's activities and also the discharge of ELWa's public functions in future, rather than to rake over past financial irregularity. But, of course, that is for Members to decide. Obviously, we do not want to tread too much on the Audit Committee's toes.

Standing Order No. 8.17 does allow me to direct that a specific question is out of order, and we have had some discussion with Peter Jones, the Committees' legal adviser, on that. However, we will try to be as liberal as possible.

I welcome the three representatives from ELWa. We have Sheila Drury OBE, who is the chair designate. Welcome, Sheila. We also have Peter Higson, the interim chief executive, and Richard Hart, who is the interim director of learning. I understand that Enid Rowlands was due to attend but is indisposed. I start by inviting Sheila to make a 15-minute presentation, after which we will move on to questions.

Ms Drury: Thank you very much. I am delighted to be here this morning with my colleagues, Peter Higson and Richard Hart. We are supported by other colleagues who are sitting behind us, so if there are questions of detail, I hope that we have the panel here to be able to satisfy the questions that you want to ask. I would also like to emphasise that Enid Rowlands is very sorry not to be able to appear before you this morning.

Cyfrifoldeb yr Aelodau fydd penderfynu ar ein ffordd ymlaen, ond ymddengys y byddai'n ddoeth i aelodau'r Pwyllgor Addysg a Dysgu Gydol Oes ganolbwyntio ar faterion sy'n ymwneud â pholisi'r Cynulliad mewn perthynas â gweithgareddau ELWa a hefyd sut y dylai ELWa gyflawni ei swyddogaethau cyhoeddus yn y dyfodol, yn hytrach na chodi hen grachod o ran afreoleidd-dra ariannol yn y gorffennol. Ond, wrth gwrs, penderfyniad yr Aelodau fydd hynny. Yn amlwg, nid ydym am sathru ar draed y Pwyllgor Archwilio yn ormodol.

Mae Rheol Sefydlog Rhif 8.17 yn caniatáu imi ddatgan bod cwestiwn penodol allan o drefn, a bu cryn drafod rhyngom ni a Peter Jones, cynghorydd cyfreithiol y Pwyllgorau, yn hynny o beth. Fodd bynnag, ceisiwn fod mor rhyddfrydig â phosibl.

Croesawaf y tri chynrychiolydd o ELWa. Mae Sheila Drury OBE, y darpar gadeirydd, yma. Croeso, Sheila. Hefyd mae Peter Higson, y prif weithredwr dros dro, a Richard Hart, sef y cyfarwyddwr dysgu dros dro. Yr wyf ar ddeall bod disgwyl y byddai Enid Rowlands yn mynychu ond ei bod wedi methu â gwneud hynny. Dechreuaf drwy wahodd Sheila i wneud cyflwyniad 15 munud, ac yna symudwn at y cwestiynau.

Ms Drury: Diolch yn fawr iawn. Mae'n ffrainnt gennyf fod yn bresennol y bore yma gyda fy nghydweithwyr, Peter Higson a Richard Hart. Mae cydweithwyr eraill, sy'n eistedd y tu ôl inni, yma i'n cefnogi felly os bydd cwestiynau manwl, gobeithiaf y bydd gennym y panel yma i allu darparu atebion digonol i'r cwestiynau yr hoffech eu gofyn. Hoffwn hefyd bwysleisio ei bod yn ddrwg iawn gan Enid Rowlands na all ymddangos ger eich bron y bore yma.

My theme is 'moving forward together: making learning work better for Wales'. I realise your concerns about the organisational issues of ELWa itself, but what I want to focus on is our performance in 2002-03, and I also want to focus on the future. The action plan, which the Minister has reported on already this morning, is a major stepping stone. We have now put in place a more detailed management plan for the next six months. This carries through the second round of organisational development that is being implemented now. There is a new directorate structure; there is substantial staff reduction. By 2005, our running costs will be just 4p in every £1 invested in post-16 learning, compared with 7p in the £1 when we started. Staff numbers are down by almost a third. This is all in line with the Assembly's requirements, and it illustrates that we are spending less on administration and that more is going through to the learner. We have achieved this by working closely with staff, trade unions and the Assembly Government. Having made these changes, we must continue to embed the new framework of control and the new business systems.

Turning now to performance, over 300,000 post-16 learners benefited in 2002-03. As you will have read in our written submission, the vast majority of targets that we were set were met or exceeded, and continue to be so. Performance has been better than business-as-usual. I would like to highlight: modern apprenticeship recruitment, 122 per cent of target; an 11 per cent increase in FE learners; a 22 per cent increase in the number of learners studying through the medium of Welsh; learners from the poorest Welsh wards, 106 per cent of target; learners from disadvantaged groups, 213 per cent of target; Investor in People accreditation—this is where we are really looking to connect with employers—122 per cent of target; the learning

Fy thema yw 'symud ymlaen gyda'n gilydd: gwneud i ddysgu weithio'n well i Gymru'. Sylweddolaf fod gennych bryderon ynghylch materion sefydliadol ELWa ei hun, ond yr hyn yr hoffwn ganolbwyntio arno yw ein perfformiad yn 2002-03, a hoffwn ganolbwyntio hefyd ar y dyfodol. Mae'r cynllun gweithredu, y soniodd y Gweinidog amdano eisoes y bore yma, yn gam pwysig ar hyd y ffordd. Yr ydym bellach wedi sefydlu cynllun rheoli manylach ar gyfer y chwe mis nesaf. Mae'r cynllun hwn yn cwmpasu'r ail gylch o ddatblygu sefydliadol sydd ar waith ar hyn o bryd. Ceir strwythur cyfarwyddiaeth newydd; ceir gostyngiad sylweddol yn nifer y staff. Erbyn 2005, dim ond 4c o bob £1 a fuddsoddir mewn dysgu ôl-16 fydd ein costau rhedeg, o gymharu â 7c o bob £1 pan ddechreuasom. Mae nifer y staff wedi gostwng bron draean. Mae hyn oll yn unol â gofynion y Cynulliad, a dengys ein bod yn gwario llai ar weinyddu a bod y dysgwyr yn elwa mwy. Cyflawnwyd hyn drwy gydweithio'n agos â staff, undebau llafur a Llywodraeth y Cynulliad. Ar ôl gwneud y newidiadau hyn, rhaid inni barhau i sefydlu'r fframwaith rheolaeth newydd a'r systemau busnes newydd.

Gan droi yn awr at berfformiad, bu i dros 300,000 o ddysgwyr ôl-16 elwa yn 2002-03. Fel y byddwch wedi darllen yn ein cyflwyniad ysgrifenedig, cyflawnwyd mwyafrif helaeth y targedau a bennwyd ar ein cyfer neu rhagorwyd arnynt, ac mae hynny'n parhau. Bu perfformiad yn well na'r cyffredin. Hoffwn amlygu: recriwtio i brentisiaethau modern, 122 y cant o'r targed; cynnydd o 11 y cant mewn dysgwyr addysg bellach; cynnydd o 22 y cant yn nifer y dysgwyr sy'n astudio drwy gyfrwng y Gymraeg; dysgwyr o'r wardiau tlotaf yng Nghymru, 106 y cant o'r targed; dysgwyr o grwpiau difreintiedig, 213 y cant o'r targed; achrediad Buddsoddwyr mewn Pobl—dyma lle yr ydym yn anelu o ddifrif at greu cysylltiadau â chyflogwyr—122 y cant o'r

worker pilot project in Llanelli has passed the 1,000 target for individuals wanting to upskill. These figures show a clear picture of learning on the move. The trend continues right now with the new individual learning accounts, where 2,500 applications have been approved in the two months since the scheme was launched.

Next, the topic of funding learning—our budget. ELWa's cash grant-in-aid for programmes for 2003-05 shows an 11 per cent increase over that three-year period. The cash programme grant for this year, however, is just a 1.3 per cent increase over the previous year. Next year's indicative budget increase is 2 per cent. Following that, the indicative budget increase is 7 per cent. These are challenging budget settlements. ELWa's focus has been to meet its statutory duties, particularly for 16 to 19-year-old learners. We have trimmed back on other activities, such as development of e-learning, the learning challenge fund and other projects, in order to live within our means. Within this 1.3 per cent increase, what we have done, through stripping out from other budget lines, is to pass over to FE institutions an 8.6 per cent increase this year; to work-based learning a 6.5 per cent increase; and to school sixth forms this year, out of our 1.3 per cent settlement, an 11.9 per cent increase. That actually compares as an average with less than 10 per cent passed over to pre-16. I just want to say another couple of things about the way in which we are dealing with our sixth form funding. Our funding levels were calculated for each authority on the basis of pupil numbers. The money from ELWa goes straight to the local authority. We have no statutory right to direct funds to particular schools.

targed; mae'r prosiect peilot gweithwyr sy'n dysgu yn Llanelli wedi rhagori ar y targed o 1,000 ar gyfer unigolion sydd am uwchraddio eu sgiliau. Dengys y ffigurau hyn ddarlun clir o ddysgu sy'n datblygu. Mae'r duedd yn parhau ar hyn o bryd gyda'r cyfrifon dysgu unigol newydd, lle y cymeradwywyd 2,500 o geisiadau yn y deufis ers lansio'r cynllun.

Nesaf, cyllido dysgu—ein cyllideb. Dengys cymorth grant arian parod ELWa ar gyfer rhaglenni yn ystod 2003-05 gynnydd o 11 y cant yn ystod y cyfnod hwnnw o dair blynedd. Fodd bynnag, dim ond cynnydd o 1.3 y cant a welwyd yn y grant arian parod ar gyfer rhaglenni eleni o'i gymharu â'r llynedd. Dau y cant yw'r cynnydd yng nghyllideb ddangosol y flwyddyn nesaf. Ar ôl hynny, 7 y cant yw'r cynnydd yn y gyllideb ddangosol. Mae'r rhain yn setliadau cyllidebol heriol. Ffocws ELWa fu cyflawni ei ddyletswyddau statudol, yn arbennig ar gyfer dysgwyr 16 i 19 oed. Yr ydym wedi cwtdogi ar ein gwariant ar weithgareddau eraill, megis datblygu e-ddysgu, y gronfa her dysgu a phrosiectau eraill, er mwyn byw o fewn ffiniau'r arian a dderbyniwn. O fewn y cynnydd hwn o 1.3 y cant, yr hyn yr ydym wedi'i wneud, drwy dynnu arian o linellau cyllideb eraill, yw trosglwyddo cynnydd o 8.6 y cant i sefydliadau addysg bellach eleni; cynnydd o 6.5 y cant i ddysgu seiliedig ar waith; a chynnydd o 11.9 y cant eleni i unedau chweched dosbarth mewn ysgolion, allan o'n setliad o 1.3 y cant. Ar gyfartaledd, mae hynny'n cymharu â llai na 10 y cant a drosglwyddwyd i addysg cyn-16. Hoffwn nodi un neu ddau o bethau eraill am y ffordd yr ydym yn ymdrin â'r broses o gyllido unedau chweched dosbarth. Cyfrifwyd ein lefelau cyllido ar gyfer pob awdurdod ar sail nifer y disgyblion. Aiff yr arian gan ELWa yn syth i'r awdurdod lleol. Nid oes gennym unrhyw hawl statudol i gyfeirio arian i ysgolion penodol.

Okay, so, within our indicative budget for next year—and that is the 2 per cent rise—the sort of percentages that I have just been going over are not repeatable. It is arithmetically impossible. We face other major demands, such as investing in the further education estate. We have had an audit report on that, which has pointed out some of the issues and requirements there. So, this is why it is so important that we take considered steps to transform the planning and funding of learning, and achieve changes in the nature of provision at local and national levels. We have to help make learning work better, and seek out best value. The alternative, frankly, is fewer learners, which is not, we believe, what Wales wants or needs. We also want to bring some stability into the funding of learning, and that is why we aim, with the Minister's support, to move to a rolling, three-year funding relationship with our providers—something which the Learning and Skills Council has been able to introduce in England.

So, briefly, what are our development priorities? First, the new national planning and funding system—we want to discuss this with you later this year. We are on track on the technical aspect of developing the new funding system, and we want, with your agreement, to commence dual running, ideally from August 2004. It will, however, mean a substantial change for providers and for us. In the meantime, we are pressing ahead with restructuring the delivery and content of work-based learning. On work-based learning, the new arrangements that we wish to put in place will allow us to increase learning activity by 25 per cent.

Iawn, felly, o fewn ein cyllideb ddangosol ar gyfer y flwyddyn nesaf—sef y cynnydd o 2 y cant—ni fydd yn bosibl ailadrodd y math o ganrannau yr wyf newydd sôn amdanynt. Mae'n fathemategol amhosibl. Yr ydym yn wynebu gofynion sylweddol eraill, megis buddsoddi yn yr ystâd addysg bellach. Yr ydym wedi derbyn adroddiad archwilio ar hynny, a nododd rai o'r materion a'r gofynion perthnasol. Felly, dyna pam ei bod mor bwysig inni gymryd camau gofalus i drawsnewid y broses o gynllunio a chyllido dysgu, a chyflawni newidiadau yn natur y ddarpariaeth ar lefelau lleol a chenedlaethol. Rhaid inni helpu i wneud i ddysgu weithio'n well, a cheisio sicrhau'r gwerth gorau. Y dewis arall, yn anffodus, yw llai o ddysgwyr, ac yn ein barn ni, nid dyna y mae Cymru am ei weld ac nid dyna y mae ei angen. Yr ydym hefyd yn awyddus i gyflwyno rhywfaint o sefydlogrwydd i'r broses o gyllido dysgu, a dyna pam ein bod yn anelu, gyda chefnogaeth y Gweinidog, at gydberthynas gyllido dreigl, tair blynedd, gyda'n darparwyr—rhywbeth y mae'r Cyngor Dysgu a Sgiliau wedi llwyddo i'w gyflwyno yn Lloegr.

Felly, yn gryno, beth yw ein blaenoriaethau o ran datblygu? Yn gyntaf, y system cynllunio a chyllido genedlaethol newydd—yr ydym am drafod hyn gyda chi yn ddiweddarach eleni. Yr ydym ar y trywydd cywir o ran yr agwedd dechnegol ar ddatblygu'r system gyllido newydd, ac yr ydym am ddechrau, os cytunwch, ar weithredu deuol, yn ddelfrydol o Awst 2004. Fodd bynnag, bydd yn golygu newid sylweddol i ddarparwyr ac i ni. Yn y cyfamser, yr ydym yn bwrw ati gyda'r broses o ailstrwythuro cynnwys dysgu seiliedig ar waith a'r ffordd y caiff ei gyflwyno. O ran dysgu seiliedig ar waith, bydd y trefniadau newydd yr ydym am eu gweithredu yn caniatáu inni gynyddu gweithgarwch dysgu 25 y cant.

Equally important is the work that we are doing on the shape of learning for the future: the collaborations, mergers, joint ventures, and partnerships, which will deliver flexible learning, focusing on the needs of the learner. Another big, critical piece of work is the development of the credit and qualification framework. This will affect all of us. We are ahead of the UK in this work, and everything, at the moment, is going to plan.

Expanding bilingual learning is another area of investment, and we are putting an extra £1 million, under the guidance of our bilingualism committee, into this area of work this year. Quality of provision is of top priority to ELWa, and we have been working to move ahead with our quality framework. We want the best education and learning for everyone, and we published our plans on this in September.

So, finally, I would like to sum up the big issues. Our priority is to get our own business and management processes right. We very much need to get better value for money, and we are developing a number of practical approaches to achieve this: the new national planning and funding system, and the development of more flexible networks of learning, which focus on the needs of the learner, rather than specifically on the needs of the institution. Thirdly, we are working on sectoral approaches, as with our land-based review, where we are testing the relevance of an area of vocational education.

Mae'r gwaith a wnawn ar lunio dysgu ar gyfer y dyfodol yr un mor bwysig: y cydweithredu, uno, cyd-fentrau, a phartneriaethau, a fydd yn cyflwyno dysgu hyblyg, gan ganolbwyntio ar anghenion y dysgwr. Darn mawr, hanfodol arall o waith yw'r gwaith i ddatblygu'r fframwaith credydau a chymwysterau. Bydd hyn yn effeithio ar bob un ohonom. Yr ydym yn arwain y ffordd yn y DU yn hyn o beth, ac ar hyn o bryd mae pethau'n mynd rhagddynt yn ôl y disgwyl.

Mae ehangu dysgu dwyieithog yn faes buddsoddi arall, ac yr ydym yn buddsoddi £1 miliwn ychwanegol, o dan arweiniad ein pwyllgor dwyieithrwydd, yn y maes gwaith hwn eleni. Mae ansawdd y ddarpariaeth yn hollbwysig i ELWa, a buom yn gweithio i ddatblygu ein fframwaith ansawdd. Yr ydym am sicrhau'r dysgu a'r addysgu gorau i bawb, a chyhoeddwyd ein cynlluniau ar gyfer gwneud hyn ym mis Medi.

Felly, i gloi, hoffwn grynhai'r materion pwysig. Ein blaenoriaeth yw sicrhau bod ein prosesau busnes a rheoli ni ein hunain yn addas. Mae angen gwirioneddol inni sicrhau gwell gwerth am arian, ac yr ydym wrthi'n datblygu nifer o ymagweddau ymarferol tuag at gyflawni hyn: y system cynllunio a chyllido genedlaethol newydd, a datblygu rhwydweithiau dysgu mwy hyblyg, sy'n canolbwyntio ar anghenion y dysgwr, yn hytrach na chanolbwyntio'n benodol ar anghenion y sefydliad. Yn drydydd, yr ydym yn gweithio ar ymagweddau sectoraidd, fel gyda'n hadolygiad tir, lle yr ydym yn profi perthnasedd maes addysg galwedigaethol.

Overall, we need to make changes. We will work very hard indeed—as we have been doing to date—to take our providers and our partners with us, but we realise that change does upset people. In tackling the change programme, I would like to emphasise how much we rely on the advice and support of the Assembly and this key Committee, as well as on our sponsoring department, and on the Minister. We see ourselves as part of this larger team, and a key message this morning is that we want to develop post-16 education in Wales with your help and input. The job that we do, the job that we passionately wish to do, with ever increasing professionalism, is critical. Public education, we must remember, is over 100 years old; we, as ELWa, are two and a half years old. We are learning fast, and we need to. We recognise that learning takes centre stage in almost every Assembly plan. I know that we must deliver more learning, better learning. I hope that, with your help and support, we can, even with a challenging budget, deliver evermore cost-effective learning for the people of Wales. Thank you.

[2] **Peter Black:** Thank you very much indeed. David, you have some questions?

[3] **David Davies:** I have four questions for you, Ms Drury. However, I appreciate that you have come into ELWa rather recently. You have talked about the importance of reducing costs in ELWa. Could you give us an indication as to how much ELWa has spent in the last financial year on public relations exercises, marketing and advertising? Do you expect to continue taking out half-page advertisements in newspapers across Wales to tell us what a good job ELWa is doing, or do you expect to reduce the amount of money that is spent on this sort of activity and on

Yn gyffredinol, mae angen inni wneud newidiadau. Byddwn yn gweithio'n galed iawn—fel y gwnaethom hyd yma—i gynnwys ein darparwyr a'n partneriaid yn y broses, ond sylweddolwn fod newid yn peri gofid i bobl. Wrth fynd i'r afael â'r rhaglen newid, hoffwn bwysleisio cymaint yr ydym yn dibynnu ar gyngor a chymorth y Cynulliad a'r Pwyllgor allweddol hwn, yn ogystal ag ar ein hadran noddi, ac ar y Gweinidog. Ystyriwn ein bod yn rhan o'r tîm mwy hwn, ac un o'r negeseuon allweddol y bore yma yw ein bod am ddatblygu addysg ôl-16 yng Nghymru gyda'ch cymorth a'ch mewnbwn chi. Mae'r gwaith a wnawn, y gwaith yr ydym yn ysu am ei wneud, a hynny mewn modd cynyddol broffesiynol, yn hanfodol. Rhaid inni gofio i addysg gyhoeddus gael ei sefydlu dros 100 mlynedd yn ôl; sefydlwyd ELWa ddwy flynedd a hanner yn ôl. Yr ydym yn dysgu'n gyflym, ac mae angen inni wneud hynny. Yr ydym yn cydnabod bod dysgu yn greiddiol ymhob un o gynlluniau'r Cynulliad bron. Gwn fod yn rhaid inni gyflwyno mwy o ddydysgu, gwell dysgu. Gobeithiaf, gyda'ch cymorth a'ch cefnogaeth, hyd yn oed gyda chyllideb heriol, y gallwn gyflwyno dysgu mwy cost-ffeithiol byth i bobl Cymru. Diolch.

[2] **Peter Black:** Diolch yn fawr iawn ichi. David, a oes gennyh gwestiynau?

[3] **David Davies:** Mae gennyf bedwar cwestiwn ichi, Ms Drury. Fodd bynnag, gwerthfawrogaf mai dim ond yn ddiweddar y bu ichi ymuno ag ELWa. Soniasoch am bwysigrwydd lleihau costau yn ELWa. A allech roi syniad inni o faint y mae ELWa wedi'i wario yn ystod y flwyddyn ariannol ddiwethaf ar ymarferion cysylltiadau cyhoeddus, marchnata a hysbysebu? A ydych yn disgwyl parhau i roi hysbysebion hanner tudalen mewn papurau newydd ledled Cymru i ddweud wrthym am y gwaith da y mae ELWa yn ei wneud, neu a ydych yn disgwyl lleihau yr arian a

the numerous public relations companies that have worked for you?

The Audit Committee is dealing with the method of payment and the contract that relates to Learn to Live Ltd. However, could you tell us a little bit about, as we are interested in training, when the training is actually going to start in the Pop Factory project? I appreciate that you do not like the term Pop Factory, but whatever it is that we want to call it; I have seen it called the pop project recently. Can you tell us how many people you expect to be trained, what the modules will actually train them in, and what qualifications will be gained?

Can you tell us, if you know, why it is that ELWa is apparently subsidising golf lessons at a comprehensive school in Cardiff? Could you tell us whether Mr Higson's job was openly advertised?

Ms Drury: Right.

[4] **David Davies:** Those are the four areas, really.

Ms Drury: I just want to make sure that I have captured all of those. Let us take the first question first. This is to do with the amount that ELWa has spent in the past on public relations and you want to know why we have been doing that and what our plans are for the future.

gaiff ei wario ar y math hwn o weithgaredd ac ar y cwmnïau cysylltiadau cyhoeddus niferus a fu'n gweithio i chi?

Mae'r Pwyllgor Archwilio yn ymdrin â'r dull talu a'r contract sy'n ymwneud â Learn to Live Cyf. Fodd bynnag, gan fod gennym ddiddordeb mewn hyfforddiant, a allech sôn rhywfaint am pa bryd y bydd hyfforddiant yn dechrau o ddifrif ym mhrosiect y Ffatri Bop? Gwerthfawrogaf nad ydych yn hoffi'r term Ffatri Bop, ond beth bynnag yr ydym am ei alw; fe'i clywais yn cael ei alw'n brosiect pop yn ddiweddar. A allwch ddweud wrthym faint o bobl y disgwyliwch iddynt gael eu hyfforddi, pa fath o hyfforddiant a ddarperir drwy'r modiwlau, a pha gymwysterau y bydd pobl yn eu hennill?

A allwch ddweud wrthym, os gwyddoch, pam mae ELWa, yn ôl y sôn, yn darparu cymorthdaliadau ar gyfer gwersi golff mewn ysgol gyfun yng Nghaerdydd? A allech ddweud wrthym pa un ai a hysbysebwyd swydd Mr Higson yn agored?

Ms Drury: Iawn.

[4] **David Davies:** Dyna, mewn gwirionedd, yw'r pedwar maes.

Ms Drury: Yr wyf am sicrhau fy mod wedi cofnodi pob un ohonynt. Gadewch inni drafod y cwestiwn cyntaf yn gyntaf. Mae hwn yn ymwneud â'r swm y mae ELWa wedi'i wario yn y gorffennol ar gysylltiadau cyhoeddus ac yr ydych am wybod pam y buom yn gwneud hynny a beth yw ein cynlluniau ar gyfer y dyfodol.

Dr Higson: The budget this year is just over half what it was last year. I think that we are reviewing our communications and, if you like, marketing strategy during this year, the outcome of which will be much more focused. I think the key for us is that we are not here to promote ELWa, we are here to promote learning. What we are now doing is looking at a communications and marketing plan that will actually achieve the best possible results in that respect, with a move away from a focus on promoting ELWa in its own right.

[5] **David Davies:** I do not know whether this is for the Audit Committee or us. However, you had £596,000 going to MD Media Ltd, and £430,000 was going to another PR company—I think that that was actually for something else; that was for suggestions on how to reduce running costs. There seem to be quite a few public relations companies involved in your operation. There is also great concern about these advertisements that do not actually appear to be doing anything other than trumpeting ELWa itself, and which have no connection to learners.

Dr Higson: Again, I would go back to what I just said. We are reviewing the programme. Clearly, it is a tight financial year this year and it will also be next year. In that context, I think that we want a smaller, more focused expenditure with a clearer sense of what outcomes we are trying to achieve.

Ms Drury: Right. With your agreement, let us move on to the next question, which was about when training was going to start and what we were doing with the pop—I have difficulty with it too—MP3 cafe, with that project. Again, Peter, could I ask you to answer that?

Dr Higson: Mae'r gyllideb eleni ychydig dros hanner cyllideb y llynedd. Credaf ein bod yn adolygu ein strategaeth gyfathrebu ac, os hoffech, ein strategaeth farchnata eleni, ac o ganlyniad bydd gan y strategaethau hynny ffocws llawer gwell. Credaf nad hyrwyddo ELWa yw ein nod, ond hyrwyddo dysgu, ac mae hynny yn allweddol inni. Yr ydym wrthi ar hyn o bryd yn ystyried cynllun cyfathrebu a marchnata a fydd yn cyflawni'r canlyniadau gorau yn hynny o beth, gan symud oddi wrth ffocws ar hyrwyddo ELWa ynddo'i hun.

[5] **David Davies:** Ni wn ai mater i'r Pwyllgor Archwilio neu i ni yw hwn. Fodd bynnag, talwyd £596,000 gennych i MD Media Cyf, a rhoddwyd £430,000 i gwmni cysylltiadau cyhoeddus arall—i dalu am rywbeth arall fe gredaf; yr oedd ar gyfer awgrymiadau ar sut i leihau costau rhedeg. Ymddengys fod sawl cwmni cysylltiadau cyhoeddus yn gysylltiedig â chi. Mae pryder mawr hefyd o ran yr hysbysebion hyn nad ydynt i weld fel petaent yn gwneud unrhyw beth ond canu clodydd ELWa ei hun, ac nad oes ganddynt unrhyw gysylltiad â dysgwyr.

Dr Higson: Eto, hoffwn ailadrodd yr hyn yr wyf newydd ei ddweud. Yr ydym yn adolygu'r rhaglen. Yn amlwg, mae eleni yn flwyddyn ariannol dynn, felly hefyd y flwyddyn nesaf. Yn y cyd-destun hwnnw, credaf ein bod am anelu at wariant llai, ag iddo fwy o ffocws gydag ymdeimlad cliriach o ba ganlyniadau yr ydym yn ceisio eu cyflawni.

Ms Drury: Iawn. Os cytunwch, hoffem symud ymlaen i'r cwestiwn nesaf, sef pa bryd y bydd yr hyfforddiant yn dechrau a beth yr ydym yn ei wneud gyda'r caffi pop—caf innau anhawster gydag ef hefyd—MP3, gyda'r prosiect hwnnw. Eto, Peter, a allwn ofyn ichi ateb y cwestiwn hwnnw?

Dr Higson: Just to summarise where we have got to so far, the project has developed the first module, the television and video learning module, which I will come back to in a minute. However, there has been no new work on the project in the context of the review that we have carried out, and the work that we have in progress at the moment around the state aids issue that has been raised, which we need to resolve. Also, on looking at the outcome of the evaluation carried out on the first module, the outcome of all that work will be to test the value for money of the project, to rework it into our new project appraisal system, and to take all that back to council in November. So, at the moment, the project has paused following the development of the first module. There is a decision that we have to make in November, and we would submit that then to the Assembly Government, before we can be clear if the project proceeds or not.

[6] **David Davies:** That sounds to me as though—the original plan, as I understand it, was to develop five and then four modules. It sounds to me from what you are saying that you have had a look at the first module and that you have not really decided whether or not you want to even go ahead on the basis of it. Yet, I believe that a sum of up to £4 million has actually been paid out for this. That sounds, in plain English, as though £4 million has been paid out for some sort of a training course, which has not been properly approved—

[7] **Peter Black:** David, I do not want to step on the Audit Committee's toes on this—

[8] **David Davies:** I was just—

Dr Higson: I grynhoi y gwaith a wnaed hyd yma, mae'r prosiect wedi datblygu'r modiwl cyntaf, y modiwl dysgu teledu a fideo, a dychwelaf at hynny yn y man. Fodd bynnag, ni wnaed unrhyw waith newydd ar y prosiect yng nghyd-destun yr adolygiad a gynhaliwyd gennym, a'r gwaith sy'n mynd rhagddo ar hyn o bryd mewn perthynas â'r mater a godwyd ynghylch cymorth y wladwriaeth, y mae angen inni ei ddatrys. Hefyd, o ran edrych ar ganlyniad gwerthusiad y modiwl cyntaf, canlyniad yr holl waith hwnnw fydd profi gwerth am arian y prosiect, ei ailgynnwys yn ein system arfarnu prosiectau newydd, ac adrodd yn ôl i'r cyngor ym mis Tachwedd. Felly, ar hyn o bryd, mae'r prosiect wedi aros yn ei unfan yn dilyn datblygu'r modiwl cyntaf. Bydd yn rhaid inni wneud penderfyniad ym mis Tachwedd a chyflwyno'r penderfyniad hwnnw i Lywodraeth y Cynulliad, cyn y gallwn wybod yn bendant pa un ai a fydd y prosiect yn parhau ai peidio.

[6] **David Davies:** I mi, mae hynny'n swnio fel pe bai'r cynllun gwreiddiol, yn ôl a ddeallaf, oedd datblygu pum modiwl ac yna bedwar modiwl. O'r hyn a ddywedwch, ymddengys i mi eich bod wedi bwrw golwg dros y modiwl cyntaf ac nad ydych mewn gwirionedd wedi penderfynu pa un ai a ydych am barhau ar y sail honno hyd yn oed. Serch hynny, creadaf i swm o hyd at £4 miliwn gael ei dalu eisoes am hyn. Ymddengys felly, mewn iaith syml, fod £4 miliwn wedi'i dalu am ryw fath o gwrs hyfforddi, nas cymeradwywyd yn llawn—

[7] **Peter Black:** David, nid wyf am sathru ar draed y Pwyllgor Archwilio ar hyn—

[8] **David Davies:** Yr oeddwn yn—

[9] **Peter Black:** I understand. A large part of that covers what the Audit Committee is looking at, but, obviously, Peter can reply as best he can.

Dr Higson: We have recovered £2 million of the £4 million in round figures, as you may know. The pause in the project is not to do with the evaluation of the module. A decision was made prior to April this year to combine two of the five into one so that the PC-based and the equipment-based interactive learning experience, and so on, was more complementary.

On that basis, having paused the project, it is a pause for, I think, regularity issues more than anything else because the initial evaluation—and it is only an initial one on the module—was positive. However, I think that, before we can proceed with this project, we owe a public duty, I think, to scrutinise what we have so far very thoroughly and to resolve the state aids issue. Until we resolve the state aids issue, we cannot proceed. We are working with the company on that in a very co-operative way, but we cannot proceed until we have resolved these issues.

[10] **Peter Black:** Could we have an answer to the third question?

[9] **Peter Black:** Deallaf. Mae rhan fawr o hynny yn cwmpasu'r hyn y mae'r Pwyllgor Archwilio yn ymchwilio iddo, ond, yn amlwg, gall Peter ymateb hyd eithaf ei allu.

Dr Higson: Yn fras, yr ydym wedi adennill £2 filiwn o'r £4 miliwn, fel y gwyddoch o bosibl. Nid y broses o werthuso'r modiwl sy'n gyfrifol am y seibiant yn y prosiect. Gwnaed penderfyniad cyn mis Ebrill eleni i gyfuno dau o'r pump yn un er mwyn i'r profiad dysgu rhyngweithiol yn seiliedig ar gyfrifiaduron personol ac offer, ac ati, ategu ei gilydd yn well.

Ar y sail honno, gyda seibiant yn y prosiect, mae'n seibiant, fe gredaf, ar gyfer materion rheoleidd-dra yn fwy nag unrhyw beth arall gan fod y gwerthusiad cychwynnol—a dim ond gwerthusiad cychwynnol ydyw ar gyfer y modiwl—yn gadarnhaol. Fodd bynnag, cyn y gallwn barhau â'r prosiect hwn, credaf fod dyletswydd gyhoeddus arnom i graffu ar yr hyn sydd gennym eisoes yn drylwyr iawn ac i ddatrys y mater sy'n ymwneud â chymorth y wladwriaeth. Hyd nes y gallwn ddatrys y mater sy'n ymwneud â chymorth y wladwriaeth, ni allwn barhau â'r prosiect. Yr ydym yn gweithio gyda'r cwmni ar hynny mewn ffordd gydweithredol iawn, ond ni allwn barhau hyd nes y byddwn wedi datrys y materion hyn.

[10] **Peter Black:** A allem gael ateb i'r trydydd cwestiwn?

Ms Drury: The third question was about the subsidising of the golf lesson in a Cardiff comprehensive school. Unless my colleagues have any specific knowledge of this, what I would like to do, with your agreement, is to get the details of that, to look into it and to come back to you with a reply. The fourth question was about the chief executive position and whether it was openly advertised. Again, my understanding is that it was openly advertised in the newspapers, but I could—

[11] **David Davies:** Is that when Mr Higson was the acting chief executive? That position of acting chief executive was openly advertised, was it?

Ms Drury: I am sorry, I thought that your question related to the role of chief executive.

[12] **Peter Black:** I think that the question related to the acting chief executive.

Ms Drury: Okay.

Dr Higson: Last summer I was approached, as were some other people, and asked whether I was interested in a secondment to work for the national council. I am a national health service employee; that is my background. I was interviewed for the secondment—I gather other people were as well, I do not know who—and I was offered it and I accepted it, initially for six months. Towards the end of March, I was asked whether I would be prepared to extend the secondment into this financial year and become the interim chief executive until such time as the post was filled permanently. I agreed to do that with the agreement of my NHS employers. This is effectively a secondment that I am on, on a month-by-month notice basis from either side. My appointment was made by the national

Ms Drury: Yr oedd y trydydd cwestiwn yn ymwneud â darparu cymorthdaliadau ar gyfer gwersi golff mewn ysgol gyfun yng Nghaerdydd. Oni bai fod gan fy nghydweithwyr unrhyw wybodaeth benodol am hyn, os cytunwch, hoffwn gael y manylion am hynny, ymchwilio iddo a dychwelyd atoch gydag ymateb. Yr oedd y pedwerydd cwestiwn yn ymwneud â swydd y prif weithredwr a pha un ai a gafodd ei hysbysebu'n agored. Eto, yr wyf ar ddeall iddi gael ei hysbysebu'n agored yn y papurau newydd, ond gallwn—

[11] **David Davies:** Ai pan oedd Mr Higson yn gweithredu fel prif weithredwr dros dro oedd hynny? A yw'n wir i'r swydd honno, sef prif weithredwr dros dro, gael ei hysbysebu'n agored?

Ms Drury: Mae'n ddrwg gennyf, yr oeddwn yn meddwl mai cwestiwn am rôl y prif weithredwr ydoedd.

[12] **Peter Black:** Credaf fod y cwestiwn yn ymwneud â'r prif weithredwr dros dro.

Ms Drury: Iawn.

Dr Higson: Yr haf diwethaf gofynnwyd i mi, yn ogystal â phobl eraill, a fyddai diddordeb gennyf gael secondiad i weithio i'r cyngor cenedlaethol. Yr wyf yn un o gyflogeion y gwasanaeth iechyd gwladol; dyna yw fy nghefndir. Cefais gyfweiliad am y secondiad—deallaf i bobl eraill gael cyfweiliad hefyd, ni wn pwy—ac fe'i cynigiwyd imi ac fe'i derbyniais, am gyfnod o chwe mis i ddechrau. Tua diwedd mis Mawrth, gofynnwyd imi a fyddwn yn barod i ymestyn y secondiad i'r flwyddyn ariannol hon gan weithredu fel prif weithredwr interim hyd nes y llenwyd y swydd yn barhaol. Cytunais i wneud hynny gyda chytundeb fy nghyflogwyr yn y GIG. Mewn gwirionedd, mae hwn yn secondiad, ar sail rhybudd misol gan y naill ochr neu'r llall. Fe'm penodwyd gan y cyngor cenedlaethol ac fe'm

council and I was confirmed as appointed accounting officer by the Permanent Secretary.

[13] **Peter Black:** Right. We will move on now. Sheila, may I ask that, if you agree to write to us on any issue, you write to me as Chair, and I will then circulate that letter to every Member so that they can see it?

Ms Drury: Certainly.

[14] **Peter Black:** Jeff, you have some questions.

[15] **Jeff Cuthbert:** Thank you, Chair. I am pleased to hear what you have said and I have read the reports. I hope that my comments and questions will be more in line with what I think is the business of this Committee, which is how we take things forward for the benefit of learners in Wales. First of all, I have a specific question in terms of your 2002-03 operational plan target. The second bullet point notes a target of 275,000 learners in further education and work-based learning, and the fourth bullet point notes a target of 31,000 people to start work-based learning—and then you split it down to those who will achieve full national vocational qualifications. Is that part of the 275,000, or is it an additional figure?

Ms Drury: Yes.

[16] **Jeff Cuthbert:** It is part of that figure?

Ms Drury: Yes.

cadarnhawyd fel y swyddog cyfrifo penodedig gan yr Ysgrifennydd Parhaol.

[13] **Peter Black:** Iawn. Symudwn ymlaen yn awr. Sheila, a allaf ofyn, os cytunwch i ysgrifennu ataf ar unrhyw fater, eich bod yn ysgrifennu ataf fi fel Cadeirydd, a byddaf innau wedyn yn dosbarthu'r llythyr hwnnw i bob Aelod er mwyn iddynt ei weld?

Ms Drury: Yn sicr.

[14] **Peter Black:** Jeff, mae gennych gwestiynau.

[15] **Jeff Cuthbert:** Diolch, Gadeirydd. Yr wyf yn falch o glywed yr hyn a ddywedwyd gennych, a darllenais yr adroddiadau. Gobeithiaf y bydd fy sylwadau a'm cwestiynau yn fwy priodol ar gyfer busnes y Pwyllgor hwn, sef sut i symud ymlaen er budd dysgwyr yng Nghymru. Yn gyntaf, mae gennyf gwestiwn penodol yn nhermau eich targed yng nghynllun gweithredol 2002-03. Mae'r ail bwynt bwled yn nodi targed o 275,000 o ddysgwyr mewn addysg bellach a dysgu seiliedig ar waith, ac mae'r pedwerydd pwynt bwled yn nodi targed o 31,000 o bobl yn dechrau dysgu seiliedig ar waith—ac yna fe'i rhennir rhwng y rheini a fydd yn cyflawni cymwysterau galwedigaethol cenedlaethol llawn. A yw hynny'n rhan o'r 275,000, neu a yw'n ffigur ychwanegol?

Ms Drury: Ydy.

[16] **Jeff Cuthbert:** A yw'n rhan o'r ffigur hwnnw?

Ms Drury: Ydy.

[17] **Jeff Cuthbert:** Okay. The main point that I want to make at this stage, which perhaps you could comment on, is to do with work-based learning. I note your comment—which I was aware of anyway—that fewer people in Wales have formal qualifications than the average for the UK as a whole. That is a matter that must concern us greatly because, if our workforce is to compete with that of the rest of the UK and Europe, it has to be at the same level. I think that one of ELWa's key tasks, in collaboration with us and the providers, is to do all that can be done to raise that standard. So, the particular question here concerns the type of relationships that exist now with the sector skills councils to try to ensure that the occupational standards, the NVQs, the modern apprenticeships, or whatever that are used, are the same throughout the UK, and whether the training regimes that are implemented will be of the same standard as the rest of the UK as a means of ensuring that our modern apprentices, young people undergoing training, and older workers, whether it is through the modern schools diploma or whatever, are brought up to the same standard as those in the rest of the UK. That is crucial. Do you have any comment on how that will be achieved, and on the type of relationships that you have with the sector skills councils? I would be very interested in that.

My final point, at this stage at least, is about Investors in People. I am very keen to see companies achieving that status, in particular, small and medium-sized companies, because I have no doubt about the benefits that that has in terms of the commitment to training and developing their own staff. What mechanisms are you putting in place to monitor the ongoing development of IIP, and how well are those that have achieved that status maintaining it, in terms of the criteria?

[17] **Jeff Cuthbert:** Iawn. Mae'r prif bwynt yr hoffwn ei wneud yn awr, ac efallai y gallech ymateb iddo, yn ymwneud â dysgu seiliedig ar waith. Nodaf eich sylw—yr oeddw'n yn ymwybodol ohono beth bynnag—fod gan lai o bobl gymwysterau ffurfiol yng Nghymru na'r cyfartaledd ar gyfer y DU gyfan. Mae hynny'n bryder mawr gan fod yn rhaid i'n gweithlu fod ar yr un lefel â gweithlu gweddill y DU ac Ewrop er mwyn cystadlu â hwy. Credaf mai un o dasgau allweddol ELWa, mewn cydweithrediad â ni a'r darparwyr, yw gwneud popeth posibl i godi'r safon honno. Felly, mae'r cwestiwn penodol yma yn ymwneud â'r math o gydberthnasau sy'n bodoli yn awr gyda'r cynghorau sgiliau sector er mwyn ceisio sicrhau bod y safonau galwedigaethol, yr NVQs, y prentisiaethau modern, neu beth bynnag a ddefnyddir, yn gyson ledled y DU, a pha un ai a fydd y cyfundrefnau hyfforddi a weithredir o'r un safon â gweddill y DU fel ffordd o sicrhau bod ein prentisiaethau modern, pobl ifanc sy'n ymgymryd â hyfforddiant, a gweithwyr hyn, boed drwy'r diploma ysgolion modern neu ba bynnag gyfrwng, yn cyrraedd yr un safon â'r safonau yng ngweddill y DU. Mae hynny'n hanfodol. A oes gennych unrhyw sylwadau o ran sut y caiff hynny ei gyflawni, ac ar y math o gydberthnasau sydd gennych â'r cynghorau sgiliau sector? Byddai gennyf ddiddordeb mawr yn hynny.

Mae fy mhwynt olaf, ar hyn o bryd o leiaf, yn ymwneud â Buddsoddwyr mewn Pobl. Yr wyf yn awyddus iawn i weld cwmnïau yn ennill y statws hwnnw, yn arbennig, cwmnïau bach a chanolig eu maint, gan nad oes gennyf unrhyw amheuan am fuddiannau hynny o ran ymrwymiad i hyfforddi a datblygu eu staff eu hunain. Pa systemau sydd ar waith gennych i fonitro datblygiad parhaus BMP, ac i ba raddau y mae'r rhai sydd wedi ennill y statws hwnnw yn llwyddo i'w gynnal, yng nghyd-destun y meini prawf?

Ms Drury: Thank you very much. So, taking your first question first, which was about the relationship with the sector skills councils and that area, perhaps I could ask Richard to answer that?

Mr Hart: Thank you. We are obviously developing a very positive and close working relationship with the councils. More councils are expected to be affirmed in future years, and we are working with them to identify what their skills needs are, as part of our overall strategy to support business. We are also very keen to support the skills development network generally through a skills development fund, and also through working closely via initiatives such as Future Skills Wales to identify exactly what the needs are. As far as the standards are concerned, I can confirm that our modern apprenticeship scheme and our foundation modern apprenticeship scheme are certainly on a par with those in England and, in fact, I would go further and say that many of the developments that we are trialling here, such as the modern skills diploma for adults, are actually in advance of those elsewhere in the UK. However, it is not just with sector skills councils that we have a good relationship; we also work closely with other organisations, such as the Construction Industry Training Board, to ascertain exactly what their skills needs are, and to ensure that all of the emerging framework, such as the all-age modern apprenticeship framework, actually meets the needs of the employer and the employee. So, we have a range of initiatives. We also have the Sgiliau Cymru conference taking place later this month, which I believe the Minister is launching, which will again put forward our platform for how we want to move forward.

Ms Drury: Diolch yn fawr iawn. Felly, gan ymdrin â'ch cwestiwn cyntaf yn gyntaf, sef y gydberthynas â cynghorau sgiliau sector a'r maes hwnnw, efallai y gallwn ofyn i Richard ateb hynny?

Mr Hart: Diolch. Yr ydym yn amlwg yn datblygu cydberthynas waith gadarnhaol ac agos iawn gyda'r cynghorau. Disgwylir i fwy o gynghorau gael eu cadarnhau yn y dyfodol, ac yr ydym yn cydweithio â hwy i nodi eu hanghenion o ran sgiliau, fel rhan o'n strategaeth gyffredinol i gynorthwyo busnesau. Yr ydym hefyd yn awyddus iawn i gefnogi'r rhwydwaith datblygu sgiliau yn gyffredinol drwy gronfa datblygu sgiliau, a hefyd drwy weithio'n agos drwy fentrau fel Sgiliau Dyfodol Cymru i nodi'r union anghenion. O ran y safonau, gallaf gadarnhau bod ein cynllun prentisiaeth fodern a'n cynllun prentisiaeth fodern sylfaenol yn sicr o'r un safon â rhai Lloegr ac, yn wir, byddwn yn mynd ymhellach drwy ddweud bod llawer o'r datblygiadau sy'n cael eu treialu yma, megis y diploma sgiliau modern i oedolion, yn well na'r datblygiadau mewn mannau eraill yn y DU. Fodd bynnag, nid dim ond gyda'r cynghorau sgiliau sector y mae gennym gydberthynas dda; yr ydym hefyd yn cydweithio'n agos â sefydliadau eraill, megis Bwrdd Hyfforddi'r Diwydiant Adeiladu, i ganfod eu hunion anghenion o ran sgiliau, ac i sicrhau bod pob elfen o'r fframwaith newydd, megis y fframwaith prentisiaethau modern i bob oedran, yn diwallu anghenion y cyflogwr a'r cyflogai. Felly, mae gennym ystod o fentrau. Byddwn hefyd yn cynnal cynhadledd Sgiliau Cymru yn ddiweddarach y mis hwn, yr wyf ar ddeall y bydd y Gweinidog yn ei lansio, a fydd unwaith eto yn gosod y llwyfan i ddangos sut yr ydym am symud ymlaen.

Ms Drury: On the question of Investors in People, may I say that I share your enthusiasm and support for the IIP standard. I was the director for Wales on the board of IIP UK for three years—I have just finished doing that—so I absolutely support and agree with your analysis of the benefits of this programme. In terms of how we are aiming to handle that in the future, and monitor the benefits and how well each organisation maintains the standard, I think that Richard has a few points to make on that.

Mr Hart: We actually regard our support for IIP as being part of our support for the overall employer pledge towards, for example, basic skills, to try to raise standards for training and skills for employers. We are, in fact, undertaking a review, as I think I mentioned earlier, of our overall approach to supporting business and skills for business, and the way in which we manage IIP to support employers and to get the message across about the benefits of IIP. That is very high on our agenda. The approach that we are adopting is going to be piloted, as to how we manage that using the intermediary experts out in the field. That is going to be piloted over the next 18 months as part of our overall strategy to support business right across the field and, obviously, we will evaluate how well we are doing. As far as the continued analysis of whether people live up to the criteria that enable them to gain the IIP status in the first place is concerned, we take that very seriously, because we do not actually want that precious plaque put on the front door of companies who no longer deserve it. Therefore, there is a process of revisitation and reassessment. Perhaps I will not be thanked for saying this, but that is a process that we ourselves are actually going through at this very moment during our period of restructuring.

Ms Drury: O ran Buddsoddwyr mewn Pobl, hoffwn ddweud fy mod yn rhannu eich brwdfrydedd a'ch cefnogaeth i'r safon BMP. Yr oeddwn yn gyfarwyddwr Cymru ar fwrdd BMP y DU am dair blynedd—yr wyf newydd orffen gwneud hynny—felly cefnogaf a chytunaf yn llwyr â'ch dadansoddiad o fuddiannau'r rhaglen hon. O ran sut y bwriadwn ddelio â hynny yn y dyfodol, a monitro'r buddiannau ac i ba raddau y mae pob sefydliad yn cynnal y safon, credaf fod gan Richard rai pwyntiau i'w gwneud ar hynny.

Mr Hart: Yr ydym yn ystyried ein cefnogaeth i BMP fel rhan o'n cefnogaeth addewid gyffredinol i gyflogwr ynglyn ag, er enghraifft, sgiliau sylfaenol, i geisio codi safonau hyfforddiant a sgiliau i gyflogwyr. Yn wir, yr ydym wrthi yn cynnal adolygiad, y credaf imi sôn amdano yn gynharach, o'n hymagwedd gyffredinol tuag at gefnogi busnesau a sgiliau i fusnesau, a'r ffordd yr ydym yn rheoli BMP i gynorthwyo cyflogwyr ac i ledaenu'r neges am fuddiannau BMP. Mae hynny'n agos at frig ein hagenda. Caiff yr ymagwedd yr ydym yn ei mabwysiadu ei rhoi ar brawf, o ran sut y rheolwn hynny gan ddefnyddio'r arbenigwyr cyfryngol yn y maes. Caiff hynny ei rhoi ar brawf yn ystod y 18 mis nesaf fel rhan o'n strategaeth gyffredinol i gynorthwyo busnesau ymhob maes ac, yn amlwg, byddwn yn gwerthuso ein llwyddiant yn hynny o beth. O ran parhau i ddadansoddi a yw pobl yn diwallu'r meini prawf sy'n caniatáu iddynt ennill statws BMP, mae hynny'n bwysig iawn, gan nad ydym am weld y plac gwerthfawr hwnnw ar ddrysau cwmnïau nad ydynt bellach yn ei haeddu. Felly, cynhelir proses o ailymweld ac ailasesu. Efallai na fydd neb yn diolch imi am ddweud hyn, ond mae hynny'n broses yr ydym ni ein hunain yn rhan ohoni ar hyn o bryd yn ystod ein cyfnod ailstrwythuro.

[18] **Jeff Cuthbert:** Thank you.

[19] **Peter Black:** Leighton, you have some questions.

[20] **Leighton Andrews:** May I start by asking you about the PricewaterhouseCoopers report, which I have read. While I acknowledge that you have completed many of the action points that were due for completion by the end of August, there are a number still to be completed. I read this report, and I was rather concerned about a number of things. I note that PricewaterhouseCoopers says at the end that the fact that the senior management team is unlikely to be in place before Christmas means that the national council is entering a period of further challenge. As I understand, you are also deficient in a number of finance appointments, in that several are currently temporary. Are you certain that you will have a full senior management team in place in January 2004 because, clearly, you have a major programme of organisational development and culture change to implement within the organisation? That relates to issues which we have faced in other Committees.

The second issue relates more specifically to learning and the new funding arrangements for post-16 education. You are, as I understand it, due to be giving indications to LEAs, schools and colleges in January 2004 of the implications of the scheme. Can you confirm that some notional calculations have already been undertaken through looking at the impact of your current proposals on some existing schools? Can you tell us a bit more about that? Can you tell me whether there will be an element in the formula for this funding, which will take account of schools or other institutions in poorer communities, such as Communities First wards, and so on? Can you honestly say that you will

[18] **Jeff Cuthbert:** Diolch.

[19] **Peter Black:** Leighton, mae gennych gwestiynau.

[20] **Leighton Andrews:** Hoffwn ddechrau drwy eich holi am adroddiad PricewaterhouseCoopers, yr wyf wedi ei ddarllen. Er fy mod yn cydnabod eich bod wedi cwblhau llawer o'r pwyntiau gweithredu a oedd i'w cwblhau erbyn diwedd mis Awst, mae nifer i'w cwblhau o hyd. Darllenais yr adroddiad hwn, ac yr oedd nifer o bethau yn fy mhoeni. Nodaf fod PricewaterhouseCoopers yn datgan ar y diwedd bod y ffaith nad yw'r uwch dîm rheoli yn debygol o fod wedi'i sefydlu cyn y Nadolig yn golygu bod y cyngor cenedlaethol yn wynebu cyfnod anodd arall. Yn ôl a ddeallaf, mae gennych nifer o swyddi heb eu llenwi yn yr adran gyllid hefyd, gan fod llawer o benodiadau yn rhai dros dro. A ydych yn sicr y bydd uwch dîm rheoli llawn yn weithredol ym mis Ionawr 2004 oherwydd, yn amlwg, mae gennych raglen fawr o ddatblygu sefydliadol a newid diwylliant i'w gweithredu yn y sefydliad? Mae hynny'n berthnasol i faterion a wynebwyd gennym mewn Pwyllgorau eraill.

Mae'r ail fater yn ymwneud yn fwy penodol â dysgu a'r trefniadau cyllido newydd ar gyfer addysg ôl-16. Yn ôl a ddeallaf, disgwylir ichi roi syniad i AALI, ysgolion a cholegau ym mis Ionawr 2004 o oblygiadau'r cynllun. A allwch gadarnhau y gwnaed rhai cyfrifiadau tybiannol eisoes drwy edrych ar effaith eich cynigion cyfredol ar rai ysgolion presennol? A allwch ddweud ychydig mwy wrthym am hynny? A allwch ddweud wrthyf a fydd elfen yn y fformiwla ar gyfer yr arian hwn, a fydd yn ystyried ysgolion neu sefydliadau eraill mewn cymunedau tlotach, megis wardiau Cymunedau yn Gyntaf, ac ati? A allwch ddweud yn onest y bydd digon o wybodaeth gennych ym mis Ionawr

have sufficient information available in January 2004, because we have seen some suggestions in the Minister's report that that will depend on certain data being available to you, so that schools and colleges have sufficient time to understand the impact of these proposals on them?

Ms Drury: Right, taking your first question first: are we certain that we will have a full team in place by January? I would like to be able to say 'yes', but, living in the real world, what I can tell you is the process we are going through, which is that we are interviewing for a chief executive in the middle of October. Now, we have a reasonably long list of candidates, but there is a process to go through. We have to ensure that the person we appoint really can do this job. So, if all goes well with our planned process, then we would have made the appointment and announced it in mid October. Then it will depend, of course, on the candidate's period of notice with the present employer. Then we are following on very swiftly behind that with the interviews for the other director posts, and we are undertaking those in November. Again, if all goes to plan, what we will aim to do is to involve the chief executive that we have appointed in the selection of the other directors. Again, hoping that our recruitment process goes smoothly, we would then be able to announce the appointment of the next director tier in November. Again, when they actually take up position depends on their period of notice.

[21] **Leighton Andrews:** So in reality then, the answer is almost certainly 'no', you will not have a full management team in January?

Ms Drury: I would say that it would be unlikely.

2004, oherwydd gwelsom rai awgrymiadau yn adroddiad y Gweinidog y bydd hynny yn dibynnu ar ba un ai a fydd data penodol ar gael ichi, i roi digon o amser i ysgolion a cholegau ddeall effaith y cynigion hyn arnynt?

Ms Drury: Iawn, gan ymateb i'ch cwestiwn cyntaf yn gyntaf: a ydym yn sicr y bydd gennym dîm llawn erbyn mis Ionawr? Hoffwn allu dweud 'ydym', ond, yn y byd sydd ohoni, yr hyn y gallaf ddweud wrthy ch amdano yw'r broses sy'n mynd rhagddi, sef y byddwn yn cynnal cyfweliadau ar gyfer prif weithredwr yng nghanol mis Hydref. Yn awr, mae gennym restr gymharol hir o ymgeiswyr, ond mae proses i'w dilyn. Rhaid inni sicrhau y gall y person a benodwn wneud y swydd hon mewn gwirionedd. Felly, os bydd y broses a gynlluniwyd gennym yn llwyddiannus, byddwn wedi penodi ac wedi cyhoeddi'r penodiad hwnnw yng nghanol mis Hydref. Yna bydd yn dibynnu, wrth gwrs, ar faint o rybudd y mae angen i'r ymgeisydd ei roi i'w cyflogwr presennol. Yna yn fuan iawn wedi hynny cynhelir cyfweliadau ar gyfer swyddi'r cyfarwyddwyr eraill, a gynhelir ym mis Tachwedd. Eto, os bydd y broses yn mynd rhagddi'n iawn, byddwn yn anelu at gynnwys y prif weithredwr a benodir gennym yn y broses o ddethol y cyfarwyddwyr eraill. Eto, gan obeithio y bydd ein proses recriwtio yn gweithio'n iawn, byddem wedyn yn gallu cyhoeddi penodiad yr haen nesaf o gyfarwyddwyr ym mis Tachwedd. Eto, bydd pa bryd y byddant yn dechrau ar eu swyddi yn dibynnu ar eu cyfnod o rybudd.

[21] **Leighton Andrews:** Felly, mewn gwirionedd, yr ateb bron yn sicr yw 'na fydd', ni fydd genny ch dîm rheoli llawn ym mis Ionawr?

Ms Drury: Byddai hynny'n annhebygol yn fy marn i.

[22] **Leighton Andrews:** Okay.

Ms Drury: There may be other points that Peter would like to add to that.

Dr Higson: If I can take the other points that you have raised around the action plan as well, I think that I will try to summarise what has been a very comprehensive programme of strengthening the controls framework within the national council, while at the same time restructuring. I can assure the Committee that the national council and the present executive are very aware of the risk issues in implementing that strengthening and are on top of those issues of risk. There is a balance here between putting things off until a new top team is in place and having to put in place things that must be put in place now. At the present time the executive is committed to delivering the action plan and to continuing the second half of—I mean, the action plan was the systems part, the second part is actually the culture and the embedding of the systems in everyday life within the national council. We have a plan for that: we are calling it the management plan. However, effectively, anything that is unfinished from the first action plan—and one or two things have been unfinished deliberately. I think that slippage on the action plan has been a calculated, conscious decision; for example, some of the redundancy notices were late in going out, because I took the view that we needed to engage staff more fully in discussing the functionality of the new structure. A second example is that the standing orders that we have now revised will not be implemented until January, because we have a vacancy for the council secretary post, as is noted in the PWC report. We have interviewed yesterday and, hopefully, we will fill that vacancy quickly. So all I can say in terms of assurance is that we recognise the risks ahead and that we have a grip on those risks. Also, PWC is producing a final report for the end of

[22] **Leighton Andrews:** Iawn.

Ms Drury: Efallai fod gan Peter bwyntiau eraill yr hoffai eu hychwanegu at hynny.

Dr Higson: Os caf ymateb i'r pwyntiau eraill a godwyd gennych ynglyn â'r cynllun gweithredu hefyd, ceisiaf grynhoi'r hyn a fu'n rhaglen gynhwysfawr iawn o atgyfnerthu'r fframwaith rheolaeth o fewn y cyngor cenedlaethol, tra'n ailstrwythuro ar yr un pryd. Gallaf sicrhau'r Pwyllgor bod y cyngor cenedlaethol a'r pwyllgor gwaith presennol yn ymwybodol iawn o'r risg sydd ynghlwm wrth weithredu'r rhaglen atgyfnerthu honno a'u bod yn ymdopi â'r risgiau hynny. Ceir cydbwysedd yma rhwng gohirio pethau tan y bydd uwch dîm newydd wedi'i sefydlu a gorfod rhoi pethau ar waith y mae eu hangen yn awr. Ar hyn o bryd mae'r pwyllgor gwaith yn ymrwymedig i gyflwyno'r cynllun gweithredu ac i barhau ag ail ran—hynny yw, y cynllun gweithredu oedd rhan y systemau, mae'r ail ran yn ymwneud â'r diwylliant ac ymgorffori'r systemau ym mywyd bob dydd y cyngor cenedlaethol. Mae gennym gynllun ar gyfer hynny: yr ydym yn ei alw yn gynllun rheoli. Fodd bynnag, fwy neu lai, unrhyw beth sy'n weddill o'r cynllun gweithredu cyntaf—ac mae un neu ddau o bethau heb eu cwblhau yn fwriadol. Yr wyf o'r farn mai penderfyniad penodol, bwriadol oedd y llithriad ar y cynllun gweithredu; er enghraifft yr oedd rhai o'r hysbysiadau diswyddo yn hwyr yn cael eu hanfon, gan fy mod o'r farn bod angen cynnwys staff yn fwy wrth drafod ymarferoldeb y strwythur newydd. Ail enghraifft yw'r ffaith na chaiff y rheolau sefydlog yr ydym bellach wedi'u diwygio eu gweithredu tan fis Ionawr, am fod swydd ysgrifennydd y cyngor yn wag, fel y nodir yn adroddiad PWC. Cynhaliwyd cyfweiliadau gennym ddoe a'r gobaith yw y byddwn yn llenwi'r swydd honno yn gyflym. Felly y cyfan y gallaf ei ddweud i'ch sicrhau yw ein bod yn

September. We have agreed that report, and, in fact, we will be spending the day with PWC as a senior team tomorrow, and the very issue that we will spend all day discussing is the organisational development needs of the organisation, and the management of the risk between now and the end of the financial year. However, in summary, my view is that there are matters that must be pursued for the obvious reasons that you heard last week, irrespective of the recruitment process.

Ms Drury: Now, turning to your other question about the funding, perhaps I could ask Richard to answer that.

Mr Hart: Perhaps it would be helpful if I just outlined the timetable, although I am conscious of the fact that we will be going through this in much more detail when we make the presentation in December. The outline timetable is that we must make our allocations to local authorities in respect of school sixth forms provision before the end of January 2004, and that we will do.

However, we will not be in a position to use the new funding system for that year. So we will be using the existing methodology that we have in place, and that will apply to the financial year 2004-05, which will commence on 1 April. This funding system is actually bringing together four hitherto disparate funding mechanisms. Adult continuing education via local authorities is also funded on a financial year basis from April, and so we will follow that timetable. What we will then do, simultaneous to calculating the school sixth forms budgets for local authorities, is to undertake an exercise where we can enter into work-based learning contracts from the new year, which will take work-based learning provision through to 31 July 2005. If you want me to explain why in detail, I can do that in a minute.

cydnabod y risgiau sy'n ein hwynebu a bod gennym afael ar y risgiau hynny. Hefyd, mae PWC yn llunio adroddiad terfynol ar gyfer diwedd mis Medi. Yr ydym wedi cytuno ar yr adroddiad hwnnw, ac, yn wir, byddwn yn treulio'r diwrnod gyda PWC fel uwch dîm yfory, gan dreulio'r diwrnod cyfan yn trafod anghenion datblygu sefydliadol y sefydliad, a sut y dylid rheoli'r risg rhwng hyn a diwedd y flwyddyn ariannol. Fodd bynnag, i grynhoi, fy marn i yw bod materion y mae'n rhaid ymdrin â hwy am y rhesymau amlwg a glywsoch yr wythnos diwethaf, heb ystyried y broses recriwtio.

Ms Drury: Yn awr, gan droi at eich cwestiwn arall ynghylch cyllido, efallai y gallwn ofyn i Richard ateb hwnnw.

Mr Hart: Efallai y byddai'n ddefnyddiol imi amlinellu'r amserlen, er fy mod yn ymwybodol o'r ffaith y byddwn yn trafod hyn yn llawer manylach pan wnawn y cyflwyniad ym mis Rhagfyr. Mae'r amserlen amlinellol yn nodi bod yn rhaid inni wneud ein dyraniadau i awdurdodau lleol mewn perthynas â darpariaeth chweched dosbarth ysgolion cyn diwedd mis Ionawr 2004, ac fe wnawn hynny. Fodd bynnag, ni fyddwn mewn sefyllfa i ddefnyddio'r system gyllido newydd ar gyfer y flwyddyn honno. Felly byddwn yn defnyddio'r fethodoleg bresennol sydd ar waith gennym, a bydd hynny'n berthnasol i'r flwyddyn ariannol 2004-05, a fydd yn dechrau ar 1 Ebrill. Mae'r system gyllido hon, mewn gwirionedd, yn uno pedair system gyllido a oedd ar wahân cyn hynny. Ariennir addysg barhaus i oedolion drwy awdurdodau lleol hefyd ar sail blwyddyn ariannol o fis Ebrill, ac felly byddwn yn dilyn yr amserlen honno. Wedyn, ar yr un pryd â chyfrifo cyllidebau chweched dosbarth ysgolion ar gyfer awdurdodau lleol, byddwn yn cynnal ymarfer lle y gallwn drefnu contractau dysgu seiliedig ar waith yn y flwyddyn newydd, a fydd yn sicrhau darpariaeth

However, the essence is that there will be something like a 16 to 19-month contract with various break clauses throughout for monitoring and proper variation and so on, using a variation on the existing methodology. The fourth stream, following schools, adult continuing education and work-based learning, is further education. That is funded on an academic year basis. So, come Easter of next year, we will announce the allocations to the FE sector for the academic year commencing on 1 August 2004. That will use the existing recurrent funding methodology. At the same time, we will be announcing—using the new methodology—what the indicative budgets would have been for all four streams. That would then run in parallel, so that we actually have a full academic year of dual running of the existing methodologies as they taper out and the new methodology as it comes in. That is so that we can see what the real-time implications would have been of imposing the new system from the beginning of 2004-05.

At the end of that period, we would expect to go live with the new funding system on 1 August 2005, and that would bring all the streams together in a more or less common funding system and, also, they would harmonise onto an academic year basis. We propose to overcome the financial year requirement for school sixth forms by continuing, obviously, to honour that statutory requirement, but also by giving indicative allocations for the summer term for sixth forms because that completes the academic year which, as far as local authorities are concerned, falls into the following financial year. So, we will stick to the financial year allocations

dysgu seiliedig ar waith hyd at 31 Gorffennaf 2005. Os hoffech imi egluro'r rhesymau dros hynny yn fanwl, gallaf wneud hynny yn y man. Fodd bynnag, yn ei hanfod bydd rhywbeth tebyg i gontract 16 i 19 mis gydag amrywiol gymalau torri drwyddo draw ar gyfer monitro ac amrywiadau priodol ac ati, gan ddefnyddio amrywiad ar y fethodoleg bresennol. Y pedwerydd ffrwd, ar ôl ysgolion, addysg barhaus i oedolion a dysgu seiliedig ar waith, yw addysg bellach. Ariennir y maes hwn ar sail blwyddyn academaidd. Felly, adeg y Pasg y flwyddyn nesaf, byddwn yn cyhoeddi'r dyraniadau i'r sector addysg bellach ar gyfer y flwyddyn academaidd sy'n dechrau ar 1 Awst 2004. Bydd hynny'n defnyddio'r fethodoleg gyllido ddilynol bresennol. Ar yr un pryd, byddwn yn cyhoeddi—gan ddefnyddio'r fethodoleg newydd—swm y cyllidebau dangosol a fyddai wedi eu pennu ar gyfer y pedwar ffrwd. Byddai hynny wedyn yn rhedeg ochr yn ochr, fel bod gennym flwyddyn academaidd lawn o gydredeg wrth i'r methodolegau presennol ddod i ben a'r fethodoleg newydd gael ei chyflwyno. Y rheswm am hynny yw er mwyn inni weld pa oblygiadau amser gwirioneddol fyddai wedi codi pe baem wedi gweithredu'r system newydd o ddechrau 2004-05.

Ar ddiwedd y cyfnod hwnnw, byddem yn disgwyl cyflwyno'r system gyllido newydd ar 1 Awst 2005, a byddai hynny'n uno'r holl ffrydiau i greu system gyllido gyffredin, fwy neu lai a, hefyd, sicrhau eu bod yn cyd-daro â'r flwyddyn academaidd. Bwriadwn oresgyn y gofyniad blwyddyn ariannol ar gyfer unedau chweched dosbarth ysgolion drwy barhau, yn amlwg, i anrhydeddu'r gofyniad statudol hwnnw, ond hefyd drwy roi dyraniadau dangosol ar gyfer tymor yr haf ar gyfer unedau chweched dosbarth gan fod hynny'n cwblhau'r flwyddyn academaidd sydd, mewn perthynas ag awdurdodau lleol, yn rhan o'r flwyddyn ariannol

and give an indicative summer term allocation, to bring everybody up onto the same basis. It will be easier to understand, Chairman, when we do the presentation, because a very simple overhead PowerPoint chart can actually demonstrate that quite easily.

As far as the various factors that you mentioned are concerned, certainly we are using the Assembly's index of multiple deprivation in order to be able to target resources into areas. As you will all know, there is a very high correlation between economic and social disadvantage and participation in post-compulsory education. Indeed, the same correlation exists for low functional numeracy and literacy skills and also low retention rates. By using the same index of multiple deprivation, we intend to include a factor that will address those issues. Again, I can go into more detail when we make the presentation, Chair.

[23] **Leighton Andrews:** Can you tell me first whether you have done any calculations with real schools on the basis of some data?

Mr Hart: Yes.

[24] **Leighton Andrews:** You said that you would not be able to tell LEAs in January on the basis of the new funding system, so I am not sure I understood precisely when you would tell them that.

Mr Hart: Right. Sorry, what was the first part again?

[25] **Leighton Andrews:** Have you already carried out—

ganlynol. Felly, byddwn yn glynu at y dyraniadau blwyddyn ariannol ac yn rhoi dyraniad dangosol yn nhymor yr haf, er mwyn i bawb fod ar yr un sail. Bydd yn haws i'w ddeall, Gadeirydd, pan wnawn y cyflwyniad, gan y gall siart PowerPoint syml iawn ar daflunydd ddangos hynny'n gymharol hawdd.

O ran yr amrywiol ffactorau a grybwyllwyd gennyh, yn sicr yr ydym yn defnyddio mynegai amlamddifadedd y Cynulliad er mwyn gallu targedu adnoddau i ardaloedd. Fel y gwyr pob un ohonoch, mae cydberthyniad agos iawn rhwng anfantais economaidd a chymdeithasol a chyfranogiad mewn addysg ôl-orfodol. Yn wir, mae'r un cydberthyniad yn bodoli ar gyfer sgiliau rhifedd a llythrennedd ffwythiannol isel a hefyd gyfraddau cadw isel. Drwy ddefnyddio'r un mynegai amlamddifadedd, bwriadwn gynnwys ffactor a fydd yn ymdrin â'r materion hynny. Eto, gallaf roi mwy o fanylion pan wnawn y cyflwyniad, Gadeirydd.

[23] **Leighton Andrews:** A allwch ddweud wrthyf yn gyntaf a ydych wedi gwneud unrhyw gyfrifiadau gydag ysgolion go iawn ar sail peth o'r data?

Mr Hart: Do.

[24] **Leighton Andrews:** Dywedasoeh na fyddech yn gallu hysbysu AALl ym mis Ionawr ar sail y system gyllido newydd, felly nid wyf yn siwr imi ddeall yn union pryd y byddech yn eu hysbysu am hynny.

Mr Hart: Iawn. Mae'n ddrwg gennyf, beth oedd y rhan gyntaf eto?

[25] **Leighton Andrews:** A ydych eisoes wedi cynnal—

Mr Hart: Oh, yes, indeed. We have undertaken considerable research based on the information and the data that we have available. We are now waiting for the first full return of the schools data, which relates to the end of the last academic year. That should be with us very shortly. Then, we will get, during the course of this term, the data related to recruitment into sixth forms in September. Now, we can use that information to take into account the demographic profiles and the trends of participation and that will inform the allocations for the next financial year, using that information about whether recruitment has gone up or down, and we can make adjustments accordingly. When we make the announcements to further education colleges about their academic year allocations, around about Easter next year, that is the time that we will then be able to give local authorities an indicative allocation as to how it would have applied (a) using the new methodology and (b) applying it to an academic-year basis. In some instances, obviously, that will appear notional to them, but it will help headteachers and school governors to plan ahead knowing what the indicative allocation is for the full academic year.

[26] **Peter Black:** Jocelyn, you have a question?

Mr Hart: O, ie, yn wir. Yr ydym wedi cynnal cryn ymchwil yn seiliedig ar y wybodaeth a'r data sydd ar gael. Yr ydym bellach yn aros i gael y cyflenwad llawn cyntaf o ddata ysgolion, sy'n ymwneud â diwedd y flwyddyn academaidd ddiwethaf. Dylem ei dderbyn yn fuan iawn. Wedyn, yn ystod y tymor hwn, byddwn yn derbyn y data sy'n ymwneud â recriwtio i'r chweched dosbarth ym mis Medi. Yn awr, gallwn ddefnyddio'r wybodaeth honno i ystyried proffiliau demograffig a thueddiadau cyfranogiad a bydd hynny yn dylanwadu ar y dyraniadau ar gyfer y flwyddyn ariannol nesaf, gan ddefnyddio'r wybodaeth honno o ran pa un ai a yw ffigurau recriwtio wedi cynyddu neu ostwng, a gallwn wneud addasiadau yn unol â hynny. Pan fyddwn yn gwneud y cyhoeddiadau i golegau addysg bellach mewn perthynas â'u dyraniadau ar gyfer y flwyddyn academaidd, tua adeg y Pasg y flwyddyn nesaf, dyna pryd y byddwn wedyn yn gallu rhoi dyraniad dangosol i awdurdodau lleol o ran sut y byddai wedi ei gymhwyso (a) gan ddefnyddio'r fethodoleg newydd a (b) drwy ei gymhwyso ar sail blwyddyn academaidd. Mewn rhai achosion, yn amlwg, bydd hynny'n ymddangos yn dybiannol iddynt, ond bydd o gymorth i benaethiaid a llywodraethwyr ysgolion flaengynllunio gan wybod beth yw'r dyraniad dangosol ar gyfer y flwyddyn academaidd lawn.

[26] **Peter Black:** Jocelyn, a oes gennych gwestiwn?

[27] **Jocelyn Davies:** Mr Higson, you will recognise some of us because we also serve on the Committee that you were appearing in front of last week. You will know, from reading previous reports, that the previous chief executive is on record as saying that he delegated financial responsibilities and powers to staff who, it seems, were not experienced enough to exercise them with caution. I refer you to page 4 of the PricewaterhouseCoopers report and some of the things that you have been able to complete. A bullet point there says that you now have a revised scheme of delegation that has been drawn up. I assume that that is in relation to the delegations to your staff. For example, I think that the signing of the MP3 cafe contract was delegated to staff, even though it was a large contract and high risk. Can you tell us what limits you have now placed on staff in relation to financial responsibility? For example, would something like that now require your personal approval?

Dr Higson: We have reduced the number of authorised signatories from 160, out of 500 staff, to 40. We have tightened the controls considerably and, in terms of authorisations, there are delegated limits for directors and for staff. They are fairly low anyway. Any large-scale expenditure within running costs has to come up for the chief executive to sign. Within issuing of contracts and programmes, on programme costs, I have taken the view that they all have to be signed by me, because we need an assurance of their regularity, the legal advice that we have, that they are properly constructed and so on. As I said last week, we have developed a model contract for any such activity, which we can populate with the detail. That will then be scrutinised legally, as well as internally, and I will then sign those on behalf of the national

[27] **Jocelyn Davies:** Mr Higson, byddwch yn adnabod rhai ohonom gan ein bod hefyd yn aelodau o'r Pwyllgor yr oeddech yn ymddangos ger ei fron yr wythnos diwethaf. Byddwch yn ymwybodol, o ddarllen adroddiadau yn y gorffennol, y cofnodwyd i'r prif weithredwr blaenorol ddatgan ei fod yn dirprwyo pwerau a chyfrifoldebau ariannol i staff nad oedd ganddynt, yn ôl pob tebyg, ddigon o brofiad i'w harfer yn ofalus. Fe'ch cyfeiriaf at dudalen 4 adroddiad PricewaterhouseCoopers a rhai o'r pethau y llwyddasoch i'w cwblhau. Noda pwynt bwled yno bod gennych bellach gynllun dirprwyo diwygiedig. Tybiaf mai mewn perthynas â dirprwyo i aelodau o'ch staff y mae hynny. Er enghraifft, yr wyf ar ddeall i'r cyfrifoldeb dros lofnodi contract y caffi MP3 gael ei ddirprwyo i aelodau o staff, er ei fod yn gontract mawr, risg uchel. A allwch ddweud wrthym pa gyfyngiadau yr ydych bellach wedi'u gosod ar staff mewn perthynas â chyfrifoldeb ariannol? Er enghraifft, a fyddai angen eich cymeradwyaeth bersonol ar gontract o'r fath erbyn hyn?

Dr Higson: Yr ydym wedi gostwng nifer y bobl sydd ag awdurdod i lofnodi o 160, allan o 500 aelod o staff, i 40. Yr ydym wedi tynhau'r rheolaethau yn sylweddol ac, yn nhermau awdurdodi, pennir terfynau dirprwyedig ar gyfer cyfarwyddwyr ac ar gyfer aelodau o staff. Maent yn gymharol isel beth bynnag. Rhaid i'r prif weithredwr lofnodi ar gyfer unrhyw wariant ar raddfa fawr o fewn y costau rhedeg. O fewn cyhoeddi contractau a rhaglenni, ar gostau rhaglenni, yr wyf o'r farn bod yn rhaid i mi lofnodi pob un ohonynt, gan fod angen sicrhau eu rheoleidd-dra, y cyngor cyfreithiol sydd gennym, eu bod wedi'u llunio'n briodol ac ati. Fel y dywedais yr wythnos diwethaf, yr ydym wedi datblygu contract enghreifftiol ar gyfer unrhyw weithgaredd o'r fath, y gallwn ei lenwi gyda'r manylion. Yna creffir ar hwnnw yn

council. So, in terms of avoiding such problems and the tightening of the controls framework, I think that 40 delegations within strict limits in an organisation of our size is probably about right. One must have a grip on where the money is going from the very top.

[28] **Jocelyn Davies:** At what sort of level is that allowed to staff? What sort of value of contract is that?

Dr Higson: I think that my delegated limit is £250,000 on running costs. On programme costs, as you may have picked up, we had a very small delegation from the Assembly of about £50,000 for the permission, but then we have expenditure within. I will just ask the director of finance to remind me of what the other delegations are.

Mr Rogers: The budgets approved by the council are delegated through the chief executive to directors and their chosen nominees. The changes in the delegations that we have introduced have brought that level of responsibility up so that the number of nominees is restricted. Generally, those are the heads of departments, so we have, say, a scheme now that provides for much higher oversight over expenditure.

[29] **Jocelyn Davies:** And things do not come to a grinding halt as a result?

gyfreithiol, yn ogystal ag yn fewnol, ac yna fe'i llofnodaf ar ran y cyngor cenedlaethol. Felly, yn nhermau osgoi problemau o'r fath a thynhau'r fframwaith rheolaeth, credaf fod 40 person dirprwyedig o fewn terfynau caeth mewn sefydliad o'n maint ni fwy na thebyg yn briodol. Rhaid bod yn ymwybodol lle y caiff arian ei wario o'r brig.

[28] **Jocelyn Davies:** Ar ba fath o lefel y caniateir hynny i'r staff? Pa fath o werth sydd i'r contractau hynny?

Dr Higson: Credaf mai fy nherfyn dirprwyedig yw £250,000 ar gostau rhedeg. O ran costau rhaglenni, fel y gwyddoch efallai, mae gennym ddirprwyaeth fach iawn o'r Cynulliad o tua £50,000 ar gyfer y caniatâd, ond wedyn mae gennym wariant o fewn hynny. Gofynnaf i'r cyfarwyddwr cyllid fy atgoffa o'r dirprwyaethau eraill.

Mr Rogers: Dirprwyir y cyllidebau a gymeradwyir gan y cyngor drwy'r prif weithredwr i'r cyfarwyddwyr a'u henwebeion dewisol. Mae'r newidiadau yn y dirprwyaethau a gyflwynwyd gennym wedi cynyddu lefel y cyfrifoldeb er mwyn cyfyngu ar nifer yr enwebeion. Yn gyffredinol, y penaethiaid adran yw'r rhai hynny, felly mewn gwirionedd mae gennym gynllun sydd bellach yn darparu goruchwyliaeth llawer uwch dros wariant.

[29] **Jocelyn Davies:** Ac ni saif pethau yn eu hunfan o'r herwydd?

Dr Higson: No. I think that one of the things throughout the whole of this last six months has been that there is this element of turnaround from old systems to new, more efficient ones. I think that, at times, there have been delays. Quite clearly, some of the contracts that we have issued have been delayed because we need to get this right. I have taken the view that, given the history of the organisation, getting it right is far more important than doing it quickly.

[30] **Jocelyn Davies:** On the issue of contracting, you have this model contract now. Are your legal advisers perfectly happy with it because we know that they were not happy with the previous template that you were using?

Dr Higson: They have actually developed the contract for us in partnership with us. They are content with it.

[31] **Jocelyn Davies:** I see. Staying with contracting just for a moment, a serious concern for us was that the company involved in that MP3 contract was never checked out financially and had never actually had a track record in providing training at all. Can you tell us a little bit about how you now treat training providers and how you vet in advance of going into business with people that you maybe do not know very well?

Dr Higson: Na. Credaf mai un o'r pethau drwy gydol y chwe mis diwethaf fu'r elfen hon o drawsnewid o'r hen systemau i systemau newydd, mwy effeithlon. Credaf, ar adegau, y bu oedi. Yn amlwg, bu oedi gyda rhai o'r contractau a gyhoeddwyd gan fod angen inni gael pethau'n iawn. Yr wyf o'r farn, o ystyried hanes y sefydliad, ei bod yn llawer pwysicach cael pethau'n iawn na gweithredu'n gyflym.

[30] **Jocelyn Davies:** O ran contractio, yr ydych wedi llunio'r contract enghreifftiol hwn erbyn hyn. A yw eich cynghorwyr cyfreithiol yn gwbl fodlon arno oherwydd gwyddom nad oeddent yn fodlon ar y patrwm a ddefnyddiwyd gennych yn y gorffennol?

Dr Higson: Datblygwyd y contract ar ein cyfer ganddynt hwy mewn partneriaeth â ni. Maent yn fodlon arno.

[31] **Jocelyn Davies:** Iawn. Gan barhau â chontractio am funud, mater a oedd yn peri pryder difrifol inni oedd nad ymchwiliwyd yn ariannol i'r cwmni a oedd yn rhan o'r contract MP3 ac nad oedd ganddo unrhyw brofiad o gwbl o ddarparu hyfforddiant. A allwch egluro rhywfaint wrthym am sut yr ydych bellach yn trin darparwyr hyfforddiant a sut yr ydych yn cynnal gwiriadau cyn gweithio gyda phobl nad ydych o bosibl yn eu hadnabod yn dda iawn?

Dr Higson: We have developed a whole new process for project proposal and scrutiny prior to presenting it to the council and then the Assembly. Part of that is to have not just a tick box that the financial check has been done, but evidence of that having been done. So nothing will get through the executive or the council unless there is evidence to support it. This is for new projects from the middle of the summer onwards. Unless there is positive evidence, we go back and do it again. So, there is a requirement for that to be done, but there is also a fall back and a check to make sure that it has been done. One of the problems previously was that the sum of the approval process was a tick box, and we need the evidence to actually know why someone has said that there is not a state aids issue, and so on.

[32] **Jocelyn Davies:** What about the track record in providing training?

Dr Higson: On that basis, we are in the process of training about a quarter of our staff—no over a quarter; it is about 30 per cent of the new staffing structure—on contract and project management. We started in July and we are continuing all of this calendar year and into the next financial year. We have contract management guidance being finalised, which will be part of a kind of manual for staff of the procedures that they use, backed up by training, and backed up by supervision from directors. I think that this is the issue that I am raising about getting the systems being the first step; embedding them and policing them is the second step. We are also establishing—and are about to go live with—a compliance unit within the national council, within the council secretary's domain, which, again, will have a check on all the authorisations and the evidence on contracts, on projects, and so on. The issue is getting that embedded now, and

Dr Higson: Yr ydym wedi datblygu proses gwbl newydd ar gyfer cynigion prosiectau a'r ffordd y creffir arnynt cyn eu cyflwyno i'r cyngor ac yna i'r Cynulliad. Fel rhan o'r broses honno, yn ogystal â rhoi tic yn y blwch i nodi bod y gwiriad ariannol wedi'i gwblhau, rhaid hefyd darparu tystiolaeth o hynny. Felly ni fydd y pwyllgor gwaith na'r cyngor yn derbyn unrhyw gynnig oni cheir tystiolaeth i'w ategu. Dyma'r sefyllfa ar gyfer prosiectau newydd o ganol yr haf ymlaen. Oni cheir tystiolaeth gadarnhaol, cynhelir yr ymarfer eto. Felly, ceir gofyniad i gyflawni hynny, ond hefyd ceir proses wrth gefn a gwiriad i sicrhau ei fod wedi'i gyflawni. Un o'r problemau yn y gorffennol oedd mai dim ond blwch ticio a ddefnyddiwyd yn ystod y broses gymeradwyo, ac mae angen y dystiolaeth arnom i wybod pam y dywedodd rhywun nad oes problem o ran cymorth y wladwriaeth, ac ati.

[32] **Jocelyn Davies:** Beth am y record o ran darparu hyfforddiant?

Dr Higson: Ar y sail honno, yr ydym wrthi'n hyfforddi tua chwarter ein staff—na mwy na chwarter; tua 30 y cant o'r strwythur staffio newydd—ym maes rheoli contractau a phrosiectau. Dechreuasom ym mis Gorffennaf a byddwn yn parhau drwy gydol y flwyddyn galendr ac i'r flwyddyn ariannol nesaf. Yr ydym wrthi'n llunio fersiynau terfynol ein canllawiau rheoli prosiectau, a fydd yn rhan o ryw fath o lawlyfr i staff ar y gweithdrefnau a ddefnyddiant, wedi'i ategu gan hyfforddiant, ac wedi'i ategu gan oruchwyliath gan gyfarwyddwyr. Credaf mai dyma'r mater yr wyf yn ei godi ynghylch sefydlu systemau fel y cam cyntaf; eu rhoi ar waith a'u monitro yw'r ail gam. Yr ydym hefyd yn sefydlu—ac ar fin lansio—uned gydymffurfiaeth o fewn y cyngor cenedlaethol, o fewn maes ysgrifennydd y cyngor, a fydd, eto, yn cynnal gwiriadau o'r holl awdurdodiadau a'r dystiolaeth ar gontractau, ar brosiectau, ac ati. Yr

that is the task that we have now.

[33] **Jocelyn Davies:** Leighton mentioned culture change earlier on, and I know that you are going through this recruitment process for these very senior posts now and that it is unlikely that you are going to have everybody in post for January, but are you sure that you can recruit the right people to those posts? Are you confident that the process that you are now going through will result in your being able to find people with the appropriate expertise and experience to bring about that culture change?

Ms Drury: That again, absolutely, is essential and we recognise the task. We recognise how important it is for the organisation, and so we are setting about an extremely thorough, rigorous process, with an extremely able recruitment consultant, and we are ensuring that the candidates go through psychological profiling, in-tray exercises, and tiers of interviews with different groups. We have really undertaken best practice in selecting the candidates, and we have looked very carefully at the job specifications and the person requirements. We see the need to get a team in place. I mentioned my own interest in Investors in People earlier. I think that we have to apply those principles to developing people within our organisation and to making sure that we, ourselves, are a learning organisation that really focuses on coaching and training skills to make sure that we do give our staff the confidence to go forward with their work, and to be outward-facing, and not to be so battered by the reductions in staff numbers and by some of the media coverage that they have had. We definitely must rebuild staff confidence and staff morale, and that is one of the tasks in which I, personally, am extremely interested in playing a part, as well, of course, as seeing that the senior team can carry that forward in the day-

ydym yn bwrw ati i'w rhoi ar waith yn awr, a dyna yw'r dasg sy'n ein hwynebu ar hyn o bryd.

[33] **Jocelyn Davies:** Soniodd Leighton am newid diwylliant yn gynharach, a gwn eich bod yn ymgymryd â'r broses recriwtio ar gyfer yr uwch swyddi hyn yn awr a'i bod yn annhebygol y bydd pawb yn eu swyddi erbyn mis Ionawr, ond a ydych yn siwr y gallwch recriwtio'r bobl briodol i'r swyddi hynny? A ydych yn hyderus y bydd y broses sy'n mynd rhagddi ar hyn o bryd yn eich galluogi i ddod o hyd i bobl sy'n meddu ar yr arbenigedd a'r profiad priodol i weithredu'r newid hwnnw mewn diwylliant?

Ms Drury: Eto, mae hynny'n gwbl hanfodol ac yr ydym yn cydnabod y dasg. Yr ydym yn cydnabod ei phwysigrwydd i'r sefydliad, ac felly mae'r broses a ddefnyddir gennym yn broses hynod drwyadl a thrylwyr, gydag ymgynghorydd recriwtio hynod fedrus, ac yr ydym yn sicrhau bod yr ymgeiswyr yn destun proffilio seicolegol, ymarferion gwaith, a haenau o gyfweliadau gyda gwahanol grwpiau. Yr ydym yn wir wedi dilyn arfer gorau wrth ddethol yr ymgeiswyr, gan edrych yn ofalus iawn ar y manylebion swyddi a'r gofynion person. Yr ydym yn ymwybodol o'r angen i sefydlu tîm. Yn gynharach soniais am fy niddordeb personol yn yr achrediad Buddsoddwyr mewn Pobl. Credaf fod angen inni gymhwyso'r egwyddorion hynny er mwyn datblygu pobl o fewn ein sefydliad ac er mwyn sicrhau ein bod ni, ein hunain, yn sefydliad sy'n dysgu sy'n canolbwyntio ar sgiliau mentora a hyfforddi er mwyn sicrhau bod ein staff yn meddu ar yr hyder i fwrw ati â'u gwaith, ac i edrych tuag allan, ac i beidio â digalonni wrth weld nifer y staff yn gostwng a rhywfaint o'r sylw a gawsant yn y wasg. Yn sicr, rhaid inni ailadeiladu hyder y staff a morâl y staff, ac mae gennyf ddiddordeb mawr, yn bersonol, mewn chwarae fy rhan yn y dasg honno, yn ogystal, wrth gwrs, â'r diddordeb sydd gennyf mewn

to-day work of ELWa.

[34] **Jocelyn Davies:** Over this difficult period now, what support do you expect from the National Assembly to do that?

Ms Drury: Well, I think that that is an extremely pertinent question. What is very important to us, as I said in the presentation, is to establish that our relationship with the Assembly is one of being part of a team. We recognise—we absolutely accept—the scrutinising role that Assembly Members have, but we also want to ensure that you have all the information that you need about what we are doing. We would like to ensure that we have the support of this Committee in particular, for taking forward our change programme, and we know that we must make a very detailed presentation—a presentation that balances, probably, detail on the one hand in terms of our funding proposals and our new approaches, with the arguments that people in your constituencies will understand on the ground, because people in the constituencies are not going to want a lot of very detailed formula-based information—

[35] **Leighton Andrews:** My headteachers are.

Ms Drury: Those who wish it can certainly have it.

[36] **Peter Black:** I think that we should try to avoid dialogue, Leighton.

Ms Drury: However, what we are aiming to do is to also present the key arguments for making the change, and we hope that you will be able to support us in that. Peter would like to add to that.

sicrhau y gall yr uwch dîm weithredu hynny yng ngwaith ELWa o ddydd i ddydd.

[34] **Jocelyn Davies:** Yn ystod y cyfnod anodd hwn yn awr, pa gymorth a ddisgwyliwch ei gael gan y Cynulliad Cenedlaethol i wneud hynny?

Ms Drury: Wel, credaf fod hynny'n gwestiwn perthnasol iawn. Yr hyn sy'n bwysig iawn inni, fel y dywedais yn y cyflwyniad, yw cadarnhau bod ein cydberthynas â'r Cynulliad yn gyfystyr â bod yn rhan o dîm. Yr ydym yn cydnabod—ac yn derbyn yn ddiamod—rôl graffu Aelodau'r Cynulliad, ond yr ydym hefyd am sicrhau eich bod yn meddu ar yr holl wybodaeth sydd ei hangen arnoch am yr hyn a wnawn. Hoffem sicrhau bod gennym gefnogaeth y Pwyllgor hwn yn arbennig, o ran gweithredu ein rhaglen newid, a gwyddom fod yn rhaid inni wneud cyflwyniad manwl iawn—cyflwyniad sy'n cydbwysu, fwy na thebyg, manylion ar y naill law yn nhermau ein cynigion cyllido a'n hymagweddu newydd, â'r dadleuon y bydd pobl yn eich etholaethau yn eu deall ar lawr gwlad, gan na fydd pobl yn yr etholaethau am gael llawer o wybodaeth fanwl iawn yn seiliedig ar fformiwla—

[35] **Leighton Andrews:** Bydd fy mhenaethiaid i am ei gael.

Ms Drury: Mae croeso i'r rhai sydd am ei chael ei chael.

[36] **Peter Black:** Credaf y dylem geisio osgoi deialog, Leighton.

Ms Drury: Fodd bynnag, yr ydym hefyd yn anelu at gyflwyno'r prif ddadleuon dros wneud y newid, a gobeithiwn y byddwch yn gallu ein cynorthwyo yn hynny o beth. Hoffai Peter ychwanegu at hynny.

Dr Higson: I think that it is important to put on record that the National Assembly has been very supportive of the work that we have had to undertake in terms of the action plan, to the extent that, whenever I have asked for any assistance in terms of secondees, it has been forthcoming. We have three secondees, with very relevant experience, who are helping us with our regularity, governance and compliance functions; they are helping to set those things up and to train staff and so on. Generally, we have worked very closely with our sponsor division over the last six months. I think that, to some extent, the national council had a confused relationship with the sponsor division—of its own making. We have worked hard with the division to clarify that relationship and also to perform a root-and-branch review of our management statement and financial memorandum to ensure that it is exactly understood and fit-for-purpose. We have just about finished that work. So, I think that, in terms of practical and moral support, the Assembly has been very good to us in the last six months.

[37] **Peter Black:** I have four quick points and we will go to Mark after that. First of all, on the PricewaterhouseCoopers report, item 5 of the detailed findings states that the remit letter has not yet been accepted by the chair. Perhaps you could elaborate on that. Secondly, PricewaterhouseCoopers also referred to 27 staff members who have joint responsibilities with the Higher Education Funding Council for Wales, which it identified as a high-risk situation. Perhaps you could say what the present situation is on that and whether it is being addressed. Thirdly, item 13 of PricewaterhouseCoopers' detailed findings states that the financial regulations are still not quite right, as it would like them. What progress is being made on that? Finally, I think that Sheila referred in her

Dr Higson: Credaf ei bod yn bwysig cofnodi y bu'r Cynulliad Cenedlaethol yn gefnogol iawn i'r gwaith y bu'n rhaid inni ei wneud yn nhermau'r cynllun gweithredu, i'r graddau y darparwyd cymorth bob tro y gofynnais amdano yn nhermau secondio staff. Mae gennym dri o bobl ar secondiad, gyda phrofiad perthnasol iawn, sy'n ein helpu gyda'n swyddogaethau rheoleidd-dra, llywodraethu a chydymffurfiaeth; maent yn helpu i sefydlu'r swyddogaethau hynny ac i hyfforddi staff ac ati. Yn gyffredinol, yr ydym wedi cydweithio'n agos iawn â'n his-adran nawdd yn ystod y chwe mis diwethaf. Credaf, i ryw raddau, fod cydberthynas y cyngor cenedlaethol â'r is-adran nawdd wedi bod yn ddryslyd—ac mai bai'r cyngor oedd hynny. Yr ydym wedi gweithio'n galed gyda'r is-adran i egluro'r gydberthynas honno hefyd i gynnal adolygiad cynhwysfawr o'n datganiad rheoli a'n memorandwm ariannol er mwyn sicrhau ei fod wedi'i ddeall yn llawn a'i fod yn addas at y diben. Yr ydym bron â gorffen y gwaith hwnnw. Felly, yn nhermau cymorth ymarferol a moesol, bu'r Cynulliad yn gymwynasgar iawn tuag atom yn ystod y chwe mis diwethaf.

[37] **Peter Black:** Mae gennyf bedwar pwynt cyflym ac awn at Mark wedi hynny. Yn gyntaf, o ran adroddiad PricewaterhouseCoopers, noda eitem 5 o'r canfyddiadau manwl nad yw'r cadeirydd wedi derbyn y llythyr cylch gwaith eto. Efallai y gallech ymhelaethu ar hynny. Yn ail, cyfeiriodd PricewaterhouseCoopers hefyd at 27 aelod o staff sydd â chyd-gyfrifoldebau â Chyngor Cyllido Addysg Uwch Cymru, a nodwyd ganddo fel sefyllfa risg uchel. Efallai y gallech nodi'r sefyllfa bresennol yn hynny o beth a pha un ai a oes camau ar waith i ymdrin â hynny. Yn drydydd, noda eitem 13 o ganfyddiadau manwl PricewaterhouseCoopers nad yw'r rheoliadau ariannol yn fanwl gywir o hyd, fel y byddai'n ei hoffi. Pa gynnydd a wneir yn hynny o beth? Yn olaf, credaf i Sheila gyfeirio

opening remarks to moving towards three-year rolling funding, as in England. I noticed, reading through the Auditor General's report—particularly in relation to payments to training providers in March and April 2002—that some of the issues around that report concerned money being paid in advance and then reclaimed in the next financial year to try to avoid clawback. I was wondering—obviously a three-year rolling programme on some sort of resource-based budget may well avoid that—what discussions you are having at the moment in terms of that and what the prospects are of the financial regime actually changing. In fact, what is the ideal financial regime in your view to be able to get this recovery plan in place fully?

Ms Drury: May I ask Peter to take that?

Dr Higson: On the remit letter, although it is not formally accepted, because, I mean, we are in such turmoil in many ways this year, it is the working document. It is the document on which we are held to account. We are using it in that context. The lack of a formal acceptance is to do with the fact that we have had to rework elements of it quite considerably, in agreement with the Assembly Government, in terms of resources and do-ability given the amount of restructuring, reorganisation and strengthening that we are doing. However, it is the extant remit letter that we are working to and which we are monitored against by the Government.

at symud tuag at gyllido treigl tair blynedd yn ei sylwadau agoriadol, fel sydd ar waith yn Lloegr. Sylwais, wrth ddarllen drwy adroddiad yr Archwilydd Cyffredinol—yn arbennig mewn perthynas â thaliadau i ddarparwyr hyfforddiant ym mis Mawrth a mis Ebrill 2002—bod rhai o'r materion yn yr adroddiad hwnnw yn ymwneud â thalu arian ymlaen llaw ac yna ei adennill yn y flwyddyn ariannol nesaf er mwyn ceisio osgoi adfachiad. Tybed—yn amlwg gallai rhaglen dreigl tair blynedd ar ryw fath o gyllideb yn seiliedig ar adnoddau osgoi hynny—pa drafodaethau sy'n mynd rhagddynt ar hyn o bryd yn hynny o beth a beth yw'r rhagolygon o ran newid y gyfundrefn ariannol. Yn wir, beth yw'r gyfundrefn ariannol ddelfrydol yn eich barn chi a fyddai'n eich galluogi i weithredu'r cynllun adfer hwn yn llawn?

Ms Drury: A gaf ofyn i Peter ateb hynny?

Dr Higson: O ran y llythyr cylch gwaith, er nad yw wedi'i dderbyn yn ffurfiol, gan ein bod mewn sefyllfa mor ansicr mewn sawl ystyr eleni, honno yw'r ddogfen weithredol. Yn erbyn y ddogfen hon y cawn ein dwyn i gyfrif. Yr ydym yn ei defnyddio yn y cyd-destun hwnnw. Y rheswm pam na chafodd ei derbyn yn ffurfiol yw y bu'n rhaid inni ailysgrifennu elfennau ohoni yn sylweddol, gyda chytundeb Llywodraeth y Cynulliad, yn nhermau adnoddau ac ymarferoldeb o ystyried graddau'r ailstrwythuro, ad-drefnu ac atgyfnerthu sy'n mynd rhagddo ar hyn o bryd. Fodd bynnag, y llythyr cylch gwaith sy'n bodoli yw'r cylch gwaith yr ydym yn ei ddilyn ac y cawn ein monitro yn ei erbyn gan y Llywodraeth.

On the HEFCW staff, we have very recently agreed a joint piece of work with HEFCW. This is an inherited position—staff who are actually providing joint services, such as data and analytical services. It is not a satisfactory situation for the staff because they need joint contracts, in effect, because we cannot provide services for each other, as councils, in terms of service agreements and money moving across. However, I know that HEFCW received a paper last Friday, proposing a joint piece of work. I am taking a similar proposal to the national council in the middle of October and we will just have to look at how we can manage out of that very unsatisfactory situation. The work is in progress, but we do not have a ready answer yet.

[38] **Peter Black:** If there is risk there, are you monitoring that to try to—

Dr Higson: Absolutely, yes.

In terms of the revision of the financial regulations, more work has been done since the PricewaterhouseCoopers report and the director of finance, if I may let him, wants to comment on where we are on that.

[39] **Peter Black:** Mr Rogers, if you are going to speak, can you come to a microphone so that we get that on record?

O ran staff CCAUC, cytunasom yn ddiweddar iawn ar ddarn o waith ar y cyd â CCAUC. Sefyllfa a etifeddwyd yw hon—staff sy'n darparu gwasanaethau ar y cyd, megis gwasanaethau data a dadansoddi. Nid yw'n sefyllfa foddhaol i'r staff gan fod angen cyd-gontractau arnynt, mewn gwirionedd, gan na allwn ddarparu gwasanaethau i'n gilydd, fel cynghorau, yn nhermau cytundebau gwasanaeth a throsglwyddo arian. Fodd bynnag, gwn i CCAUC dderbyn papur ddydd Gwener diwethaf, yn cynnig darn o waith ar y cyd. Byddaf yn cyflwyno cynnig tebyg i'r cyngor cenedlaethol yng nghanol mis Hydref a bydd yn rhaid inni edrych ar sut y gallwn ymdopi o ran y sefyllfa anfoddhaol iawn honno. Mae'r gwaith yn mynd rhagddo, ond nid oes gennym ateb parod hyd yma.

[38] **Peter Black:** Os oes risg, a ydych yn monitro hynny er mwyn ceisio—

Dr Higson: Ydym, yn sicr.

Yn nhermau diwygio'r rheoliadau ariannol, gwnaed mwy o waith ers adroddiad PricewaterhouseCoopers a hoffai'r cyfarwyddwr cyllid sôn am ein cynnydd yn hynny o beth, os gallaf ganiatáu iddo wneud hynny.

[39] **Peter Black:** Mr Rogers, os ydych yn bwriadu siarad, a allwch ddod at feicroffon er mwyn inni allu ei gofnodi?

Mr Rogers: On financial regulations, as part of our review of the framework of control, we are looking at the management statement and financial memorandum that we have in place with the Assembly. That sets out the framework of control under which we must operate. Clearly, that then needs to be underpinned by the financial regulations. So, we have already carried out a brief review of the financial regulations, and we are just concluding our review of the management statement and financial memorandum with the Assembly. Once that review is finished, we will then update the financial regulations and tailor them to the needs of the business and to ensure compliance with the management statement and financial memorandum. So that work is in hand and we will be issuing a revised form of the financial regulations in the next month or so.

[40] **Peter Black:** Thank you.

Dr Higson: If I may turn to the third point, on the three-year rolling funding. I think that at the very early stages of discussions, I had expressed a view here, which is essentially that we as a national council have to get a lot smarter about budget setting and budget projection. I think that it is too easy to say that there is a magic solution in terms of having a three-year resource-based budget. That may be an answer in due course, but that would need a lot of discussion and negotiation.

Mr Rogers: O ran rheoliadau ariannol, fel rhan o'n hadolygiad o'r fframwaith rheolaethau, yr ydym yn edrych ar y datganiad rheoli a'r memorandwm ariannol sydd gennym gyda'r Cynulliad. Mae hwnnw'n nodi'r fframwaith rheolaeth y mae'n rhaid inni weithredu o'i fewn. Yn amlwg, mae angen rheoliadau ariannol fel sail i hynny. Felly, yr ydym eisoes wedi cynnal adolygiad cryno o'r rheoliadau ariannol, ac yr ydym wrthi'n cwblhau ein hadolygiad o'r datganiad rheoli a'r memorandwm ariannol gyda'r Cynulliad. Unwaith y daw'r adolygiad hwnnw i ben, byddwn yn diweddarau'r rheoliadau ariannol ac yn eu teilwra i anghenion y busnes ac i sicrhau cydymffurfiaeth â'r datganiad rheoli a'r memorandwm ariannol. Felly mae'r gwaith hwnnw yn mynd rhagddo a byddwn yn cyhoeddi'r rheoliadau ariannol ar eu ffurf diwygiedig yn ystod y mis neu ddau nesaf.

[40] **Peter Black:** Diolch.

Dr Higson: Os caf droi at y trydydd pwynt, sef cyllido treigl tair blynedd. Credaf imi ddatgan barn yn ystod camau cynnar iawn y trafodaethau, sef bod yn rhaid i ni fel cyngor cenedlaethol ddysgu llawer ynghylch pennu cyllidebau a rhagamcanu cyllidebau. Credaf ei bod yn rhy hawdd dweud bod sefydlu cyllideb tair blynedd yn seiliedig ar adnoddau yn ateb hud. Gallai hynny fod yn ateb maes o law, ond byddai angen llawer o drafod a negodi ar hynny.

The immediate thing is to actually know what we are doing with our money within each financial year much more clearly than I think that we have done so far. That is about the sophistication of budget setting, profiling and projection. We do have indicative budgets for the next two years. So, we do know, by and large, what the national council will receive. I think that it is for us to look, in the first instance, at how that money is spent in those two years to achieve the objectives of the remit letter and the broader corporate plan. If we then feel, after we have done that work during this autumn, that there is an issue, I think that we have to make a case to the Assembly Government and enter into a dialogue. However, I think that, at the moment, living within the means that we have and the means that it has been indicated to us that we will have over the next two years is the task.

I think then, in terms of our delivery against that, it is about what we can do when within the envelope of money that we have, and whether we are using what we have to the best possible value before we look at an apparently easy solution to it. So, I think that there are many options there, but I think that we have got a lot more work to do internally to be clearer about expenditure and budgets over the next few years and about what that will do and deliver before we take the next step. If I may just add that, on the other hand, we are in a fairly advanced stage of dialogue over being able to agree three-year agreements with providers. I think that there is an issue there that we need to try to resolve because it is potentially a very destabilising situation when there is year-on-year funding. By and large, public expenditure does come around every April and I think that it is about the council taking a risk—not a huge one—but in negotiation. This has happened in health because I have been in a

Yr hyn sy'n bwysig yn awr yw bod yn ymwybodol o'r hyn a wnawn â'n harian o fewn pob blwyddyn ariannol, a hynny'n llawer cliriach nag a wnaethpwyd hyd yma. Mae hynny'n ymwneud â phrosesau soffistigedig ar gyfer pennu, proffilio a rhagamcanu cyllidebau. Mae gennym gyllidebau dangosol ar gyfer y ddwy flynedd nesaf. Felly, gwyddom, i raddau helaeth, beth y bydd y cyngor cenedlaethol yn ei dderbyn. Ein cyfrifoldeb ni fydd edrych, i ddechrau, ar sut y caiff yr arian hwnnw ei wario yn ystod y ddwy flynedd hynny i gyflawni amcanion y llythyr cylch gwaith a'r cynllun corfforaethol ehangach. Os teimlwn fod problem, ar ôl gwneud y gwaith hwnnw yn ystod yr hydref, credaf y bydd yn rhaid inni gyflwyno achos i Lywodraeth y Cynulliad a dechrau ar drafodaethau. Fodd bynnag, ar hyn o bryd, credaf y dylem ganolbwyntio ar fyw o fewn yr adnoddau sydd gennym a'r adnoddau a ddynodwyd ar ein cyfer ar gyfer y ddwy flynedd nesaf.

Felly credaf, o ran cyflawni yn erbyn hynny, bod angen ystyried beth y gallwn ei wneud a phryd o fewn y dyraniad ariannol sydd gennym, a pha un ai a ydym yn defnyddio'r hyn sydd gennym i ddarparu'r gwerth gorau posibl cyn inni edrych am ateb hawdd i'r broblem. Felly, credaf fod sawl opsiwn, ond credaf fod gennym lawer mwy o waith i'w wneud yn fewnol er mwyn bod yn gliriach ynghylch gwariant a chyllidebau yn ystod y blynyddoedd nesaf ac ynghylch yr hyn y bydd hynny yn ei wneud ac yn ei gyflawni cyn inni gymryd y cam nesaf. Os caf ychwanegu at hynny, ar y llaw arall, mae'r trafodaethau ynghylch gallu cytuno ar gytundebau tair blynedd gyda darparwyr yn gymharol ddatblygedig. Credaf fod problem i'w datrys gan y gallai fod yn sefyllfa ansefydlog iawn os ceir cyllido o flwyddyn i flwyddyn. I raddau helaeth, pennir gwariant cyhoeddus bob mis Ebrill a chredaf ei fod yn ymwneud â'r cyngor yn cymryd risg—nid risg enfawr—ond wrth negodi.

situation with voluntary agencies whereby we have given them three-year rolling agreements with the agreement of the Assembly, because they needed the stability and we do, by and large, get the money every year.

[41] **Peter Black:** The Auditor General highlighted the fact that you had, in effect, paid out and then clawed back £3.6 million to avoid clawback. Clearly, it is a budget management issue, but are you likely to find yourself in the situation again whereby you have significantly underspent resources in the last few months of the financial year, or are you confident that your budgeting proposals now will avert that situation and put you on a more even footing in terms of how you profile your expenditure?

Dr Higson: There is a significant amount of work in progress to ensure that we do not have an underspend this year. I think this is all this year's work and I would be foolish to guarantee that there will not be some underspend in that period. However, we are re-profiling our expenditure, as was said last week, by the end of this last month. We are looking at it in October and early indications are that there is not much variation from where we think we are going to be, so even in this first year of getting better-targeted profiles and expenditure, I do not think that there will be anything significant. Again, I think that the lesson learned—a very powerful one—is that good budget management should not have underspends at the end of years, because you know what you have, and you know what is going out to providers. I think that the national council also needs, and is developing, a contingency, should that be the case, but also a better grip on the management of that variation in-year, and not waiting until the last quarter before you wake up and say, 'We have £20

Digwyddodd hyn ym maes iechyd oherwydd bûm mewn sefyllfa gydag asiantaethau gwirfoddol lle y rhoddwyd cytundebau treigl tair blynedd iddynt gyda chytundeb y Cynulliad, gan fod angen y sefydlogrwydd arnynt ac, ar y cyfan, cawn yr arian bob blwyddyn.

[41] **Peter Black:** Amlygodd yr Archwilydd Cyffredinol y ffaith eich bod, mewn gwirionedd, wedi talu allan ac wedyn wedi adfachu £3.6 miliwn er mwyn osgoi adfachiad. Yn amlwg, mae'n ymwneud â rheoli cyllidebau, ond a ydych yn debygol o fod yn yr un sefyllfa eto lle y byddwch wedi tanwario yn sylweddol ar adnoddau yn ystod misoedd olaf y flwyddyn ariannol, neu a ydych yn hyderus y bydd eich cynigion cyllidebu bellach yn osgoi'r sefyllfa honno ac yn eich rhoi ar sylfaen fwy cadarn o ran sut y byddwch yn proffilio eich gwariant?

Dr Higson: Mae cryn dipyn o waith yn mynd rhagddo i sicrhau na fyddwn wedi tanwario eleni. Credaf mai gwaith eleni yw'r gwaith hwn i gyd a byddwn yn wirion i warantu na fydd rhywfaint o danwario yn ystod y cyfnod hwnnw. Fodd bynnag, yr ydym yn ailbroffilio ein gwariant, fel y nodwyd yr wythnos diwethaf, erbyn diwedd y mis diwethaf hwn. Yr ydym yn edrych arno ym mis Hydref a dengys arwyddion cynnar nad oes llawer o amrywiad o'r sefyllfa yr ydym yn ei disgwyl, felly hyd yn oed yn ystod y flwyddyn gyntaf hon o sicrhau proffiliau a gwariant wedi'i dargedu'n well, nid wyf yn rhagweld y bydd unrhyw beth arwyddocaol. Eto, credaf mai'r wers a ddysgwyd—gwers bwerus iawn—yw y dylai rheolaeth gyllidebol dda olygu na cheir unrhyw danwario ar ddiwedd y flwyddyn, gan eich bod yn gwybod beth sydd gennych, ac yn gwybod beth sydd i'w dalu i ddarparwyr. Yn ogystal, credaf fod angen cynllun wrth gefn ar y cyngor cenedlaethol, ac mae wrthi'n datblygu hynny, pe cyfyd y fath achos, ond hefyd gwell gfael ar y broses o reoli'r amrywiad hwnnw yn ystod y

million too much'. It is all about having a good grip on what goes on, basically, and we are getting there and putting that in place. I think also that another lesson learned is that if there was to be such an underspend, that is to be discussed and negotiated with the Assembly before anything is done to mitigate that underspend. There is the facility for a carry-over of 2 per cent, again by negotiation and agreement, and I think that we just need to make better use of the guidelines on Treasury accounting, and our discussions with officials in that respect.

[42] **Mark Isherwood:** First, may I welcome you to your new role, and say that I have only heard very good things about you in north Wales. Moving on from that, a number of issues have been raised with me by headteachers and college principals throughout the summer all over north Wales. It is a mixed bag, and I will be as quick as I can. Starting with school sixth forms, how can local education authorities be encouraged to see dynamism and innovation from sixth form headteachers as an opportunity, rather than a threat? I have heard a number of issues of concern there, and, of course, there is, to a degree, an issue of local government and of how much central encouragement there should be. Secondly, who, in your opinion, should be responsible for pay and conditions in FE colleges, and in negotiations involved with that? Thirdly, how do you propose to address the situation whereby a worryingly large number of FE colleges are anticipating deficits this year, with even the most financially successful colleges only forecasting a £35,000 surplus? Do you agree that reserves are essential, both for financial prudence and future investment in colleges?

flwyddyn, gan beidio ag aros tan y chwarter olaf cyn deffro a datgan, 'Mae gennym £20 miliwn yn ormod'. Mae'n ymwneud â chael gafael dda ar yr hyn sy'n digwydd, yn sylfaenol, ac yr ydym yn anelu at hynny ac yn rhoi gweithdrefnau ar waith. Credaf mai gwrs arall a ddysgwyd yw pe byddai tanwariant o'r fath, y dylid trafod a negodi hynny gyda'r Cynulliad cyn gweithredu i unioni'r tanwariant hwnnw. Mae cyfleuster ar gyfer cario 2 y cant drosodd, eto drwy negodi a chytuno, a chredaf fod angen inni wneud gwell defnydd o'r canllawiau ar gyfrifo'r Trysorlys, a'n trafodaethau gyda swyddogion mewn perthynas â hynny.

[42] **Mark Isherwood:** Yn gyntaf, hoffwn eich croesawu i'ch rôl newydd, a nodi mai dim ond pethau da iawn yr wyf wedi'u clywed amdanoch yn y Gogledd. Gan symud ymlaen, codwyd nifer o faterion gan benaethiaid a phrifathrawon colegau drwy gydol yr haf ledled y Gogledd. Mae gennyf gymysgedd o bwyntiau, a byddaf mor gyflym â phosibl. Gan ddechrau gyda chyfleusterau chweched dosbarth mewn ysgolion, sut y gellir annog awdurdodau addysg lleol i weld deinamedd ac arloesedd gan benaethiaid chweched dosbarth fel cyfle, yn hytrach na bygythiad? Clywais sawl mater o bryder yn hynny o beth, ac, wrth gwrs, i raddau, mae'n ymwneud â llywodraeth leol a faint o anogaeth ganolog y dylid ei darparu. Yn ail, yn eich barn chi, pwy ddylai fod yn gyfrifol am gyflog ac amodau mewn colegau addysg bellach, ac yn y negodiadau cysylltiedig? Yn drydydd, sut y bwriadwch ymdrin â'r sefyllfa lle y mae nifer fawr iawn o golegau addysg bellach yn rhagweld diffygion eleni, gyda hyd yn oed y colegau sy'n fwyaf llwyddiannus yn ariannol ond yn rhagweld gwarged o £35,000? A gytunwch fod cronfeydd wrth gefn yn hanfodol, o ran doethineb ariannol ac o ran buddsoddi yn y dyfodol mewn colegau?

Moving on from that, in terms of your own role, and with the restructuring that is happening, can you give an explicit statement as to the role of the community consortia for education and training, hopefully recognising that it is an entrepreneurial relationship and not 'partnership for partnership's sake'—which is not my own quote—with business and industry that allows colleges to grow and remain in the black for the future? In terms of your own role in the future, there was some concern about duplication and that you need to become streetwise to avoid that. An example given was of a local strategy for north Wales where you employed your own consultants, where perhaps you could have gone to the colleges and consulted with the experts on the ground, using the expertise that you have to save public money. In terms of the information that colleges are required to submit on student enrolment, a figure that I was given by one college was that, presently, it is 116 pieces of paper per student, compared to 23 in a school. For that particular college, that means 231,000 pieces of paper every year. It has cost the college £200,000 to administer. It says that it could administer the lifelong learning Wales record for £60,000, if it was left to manage it on its own. That is £140,000 that could be going into the front-end delivery of lifelong learning.

Gan symud ymlaen o hynny, yn nhermau eich rôl chi, a chyda'r ailstrwythuro sy'n digwydd, a allwch roi datganiad pendant am rôl y consortia cymunedol ar gyfer addysg a hyfforddiant, gan gydnabod, gobeithio, ei bod yn gydberthynas entrepreneuriaidd yn hytrach na 'phartneriaeth er mwyn cael partneriaeth'—nid fy nyfyniad i fy hun—gyda busnes a diwydiant sy'n rhoi cyfle i golegau dyfu ac aros mewn credyd ar gyfer y dyfodol? Yn nhermau eich rôl chi yn y dyfodol, bu rhywfaint o bryder ynghylch dyblygu a bod angen ichi ddod yn graff er mwyn osgoi hynny. Un o'r enghreifftiau a nodwyd oedd strategaeth leol ar gyfer y Gogledd lle y bu ichi ddefnyddio eich ymgynghorwyr eich hun, lle y gallech o bosibl fod wedi cysylltu â'r colegau gan ymgynghori â'r arbenigwyr ar lawr gwlad, a defnyddio'r arbenigedd sydd gennych i arbed arian y cyhoedd. O ran y wybodaeth y mae'n ofynnol i golegau ei chyflwyno ar nifer y myfyrwyr sy'n cofrestru, ffigur a roddwyd imi gan un coleg oedd, ar hyn o bryd, bod 116 o ddarnau o bapur fesul myfyriwr o'i gymharu â 23 mewn ysgol. Ar gyfer y coleg penodol hwnnw, mae hynny'n golygu 231,000 o ddarnau o bapur bob blwyddyn. Mae wedi costio £200,000 i'r coleg ei weinyddu. Noda y gallai weinyddu cofnod dysgu gydol oes Cymru am £60,000, pe câi wneud hynny ar ei ben ei hun. Mae hynny'n £140,000 y gellid ei ddefnyddio yn y rheng flaen i gyflwyno dysgu gydol oes.

The final specific issue I want to raise relates to individual learning account problems. I get a strong feeling that the management of the ILAs needs to go back to the colleges, because when students are registering in the college, and then having to go back to ELWa to provide an ILA reference, because of the time delays, the colleges are conscious that a number of students are leaving, and are therefore urgently asking you to consider devolving that back to the colleges.

Ms Drury: Thank you. I will try to whip through some of these answers as quickly as I possibly can. First, you mentioned the relationship that we have with the LEAs. I would actually like to link that with your fourth question about the role of the CCETs. There are other things to be said about the CCETs, but I believe that looking again at the role of the CCETs is very important. It seems to me that we really must drive our agenda forward through partnership-working at the right levels, and the right levels are going to involve a grouping together of people who really have the budget, the authority, the tools and the mechanisms to make sensible changes in the local area. It is my wish that we really do involve and embrace local authority expertise and become part of their community plan; that it is our strategy and their community plan dovetailed and that we work together, and that we recognise in the local area, okay, it is about sixth forms, but it is about more than sixth forms, it is about the lifelong learning and post-16 education for all the people in that local authority area. We have to address the whole of that agenda, not just one part of it, however dear that part of it may be to our hearts. I do not know whether anyone else wants to come in on that point.

Mae'r mater penodol olaf yr hoffwn ei godi yn ymwneud â phroblemau â'r cyfrifon dysgu unigol. Caf deimlad cryf bod angen dychwelyd y cyfrifoldeb dros reoli'r cyfrifon dysgu unigol i'r colegau, oherwydd pan fydd myfyrwyr yn cofrestru yn y coleg, ac yna'n gorfod dychwelyd at ELWa i ddarparu cyfeirnod cyfrifon dysgu unigol, oherwydd yr oedi, mae'r colegau yn ymwybodol bod nifer o fyfyrwyr yn gadael, a gofynnant felly ichi ystyried datganoli'r cyfrifoldeb hwnnw yn ôl i'r colegau ar fyrder.

Ms Drury: Diolch. Ceisiaf frysio drwy rai o'r atebion hyn cyn gynted â phosibl. Yn gyntaf, soniasoch am y gydberthynas sydd gennym â'r awdurodau addysg lleol. Hoffwn gysylltu hynny â'ch pedwerydd cwestiwn am rôl y Consortia Cymunedol ar gyfer Addysg a Hyfforddiant. Mae pethau eraill i'w dweud am y Consortia Cymunedol ar gyfer Addysg a Hyfforddiant, ond credaf ei bod yn bwysig iawn ailedrych ar rôl y Consortia Cymunedol ar gyfer Addysg a Hyfforddiant. Ymddengys i mi fod angen inni ddatblygu ein hagenda drwy weithio mewn partneriaeth ar y lefelau priodol, ac mae'r lefelau priodol yn mynd i gynnwys grwpiau o bobl sydd â'r gyllideb, yr awdurdod, yr offer a'r systemau i wneud newidiadau synhwyrol yn yr ardal leol. Fy nymuniad yw inni gynnwys a chroesawu arbenigedd awdurdodau lleol a dod yn rhan o'u cynllun cymunedol; bod ein strategaeth a'u cynllun cymunedol yn cydblethu a'n bod yn cydweithio, a'n bod yn cydnabod yn yr ardal leol, iawn, ei fod yn ymwneud ag unedau chweched dosbarth, ond ei fod yn ymwneud â mwy na hynny, ei fod yn ymwneud â dysgu gydol oes ac addysg ôl-16 i bawb yn ardal yr awdurdod lleol hwnnw. Rhaid inni ymdrin â'r agenda gyfan honno, nid rhan ohoni yn unig, waeth pa mor agos at ein calonnau y mae'r rhan honno. Ni wn a hoffai unrhyw un arall ychwanegu at y pwynt hwnnw.

Mr Hart: Merely to say that we often concentrate on the new funding system that we have in place, but its full title is the new planning and funding system, so that we actually fund that which has been planned, and the CCETs are going to be absolutely central in determining what is required and when it is required for their areas. Under that umbrella, we would then look to encourage and develop learning networks of providers to determine how best that demand is satisfied and also then to drive up the learning experience and the quality of learning in order to meet that agenda. You used the word 'dynamism', and I think that there is a dynamic that we are putting in place and we actually rely on all the participants to participate in that and realise what we are after.

Ms Drury: And then the next question was, who is responsible for pay and conditions in FE?

Mr Hart: That responsibility lies with the corporations, with the governing bodies.

[43] **Mark Isherwood:** Of the colleges?

Mr Hart: Of the colleges.

[44] **Mark Isherwood:** So no-one else should intervene?

[45] **Peter Black:** I think that we will move on now. [*Laughter.*]

Mr Hart: Dim ond nodi ein bod yn aml yn canolbwyntio ar y system gyllido newydd sydd ar waith gennym, ond mai ei theitl llawn yw'r system cynllunio a chyllido newydd, fel ein bod yn cyllido'r hyn a gynlluniwyd, ac y bydd Consortia Cymunedol ar gyfer Addysg a Hyfforddiant yn gwbl ganolog wrth benderfynu beth sydd ei angen a phryd y bydd ei angen ar gyfer eu hardaloedd. O dan yr ymbarél honno, byddem wedyn yn ceisio annog a datblygu rhwydweithiau dysgu o ddarparwyr er mwyn penderfynu ar y ffordd orau i fodloni'r galw hwnnw ac wedyn i gyfoethogi'r profiad dysgu hwnnw ac ansawdd y dysgu er mwyn bodloni'r agenda honno. Defnyddiwyd y gair 'deinamedd' gennych, a chredaf ein bod yn sefydlu deinamig a'n bod mewn gwirionedd yn dibynnu ar yr holl gyfranogwyr i gymryd rhan yn hynny gan sylweddoli beth yw ein nod.

Ms Drury: Ac wedyn y cwestiwn nesaf oedd, pwy sy'n gyfrifol am gyflog ac amodau mewn addysg bellach?

Mr Hart: Y corfforaethau, y cyrff llywodraethol, sy'n gyfrifol am hynny.

[43] **Mark Isherwood:** Rhai'r colegau?

Mr Hart: Rhai'r colegau.

[44] **Mark Isherwood:** Felly ni ddylai unrhyw un arall ymyrryd?

[45] **Peter Black:** Credaf y dylem symud ymlaen yn awr. [*Chwerthin.*]

Ms Drury: Financially, the status of the colleges this year and the position of their reserves—and I think the point that you were making is that a number of further education institutions are finding conditions tough at the moment, even those which have in the past flourished and created reserves; the reserves are eroding and it is difficult to make a break-even budget even.

Mr Hart: Well, it is true. The facts speak for themselves: that, operationally, that is happening and some colleges are dipping into the balances. However, some of those balances are, in fact, not insignificant, and therefore we would encourage colleges to actually behave like education providers and not like a private bank storing up balances, even though I recognise the point that is made, that reserves are there for contingency and planning for capital purposes and so on. However, without wanting to mortgage us too heavily into the future, I would say that part of the rationale behind having the new funding system is to level the playing field across all of our providers, so that we can either have some rationale for differences or have a mechanism to reconcile those differences. It is too early to say at the moment, but I would anticipate that the outcome of the modelling that we are undertaking at the moment would show that there could be a slight increase in the unit of funding in colleges, once the system has been fully worked through.

Ms Drury: Yn ariannol, mae statws y colegau eleni a sefyllfa eu cronfeydd wrth gefn—a chredaf mai eich pwynt oedd bod nifer o sefydliadau addysg bellach yn wynebu amodau anodd ar hyn o bryd, hyd yn oed y rhai a fu'n ffynnu ac yn creu cronfeydd wrth gefn yn y gorffennol; mae'r cronfeydd wrth gefn yn erydu ac mae'n anodd hyd yn oed adennill costau yn y gyllideb.

Mr Hart: Wel, mae'n wir. Mae'r ffeithiau'n siarad drostynt eu hunain: hynny yw yn weithredol, mae hynny'n digwydd ac mae rhai colegau yn defnyddio eu balansau. Fodd bynnag, mae rhai o'r balansau hynny yn sylweddol, ac felly byddem yn annog colegau i ymddwyn mewn gwirionedd fel darparwyr addysg yn hytrach na banc preifat sy'n storio balansau, er fy mod yn cydnabod y pwynt a wneir, sef bod cronfeydd wrth gefn ar gael i ymdrin ag amgylchiadau annisgwyl ac i gynllunio at ddibenion cyfalaf ac ati. Fodd bynnag, gan nad wyf am greu morgais rhy uchel ar gyfer y dyfodol, dywedwn mai rhan o'r rhesymeg sy'n sail i'r system gyllido newydd yw'r nod o greu sefyllfa deg i bob un o'n darparwyr, er mwyn inni allu naill ai sefydlu rhesymeg dros wahaniaethau neu sefydlu system ar gyfer cysoni'r gwahaniaethau hynny. Mae'n rhy gynnar i ddweud ar hyn o bryd, ond byddwn yn rhagweld y byddai canlyniad y modelu yr ydym yn ymgymryd ag ef ar hyn o bryd yn dangos y gellid gweld cynnydd bach yn yr uned gyllid mewn colegau, unwaith y gweithredir y system yn llawn.

Ms Drury: I would like to come back to the local strategy for north Wales at the end but, just continuing on the funding for FE, you talked about the bureaucracy in FE involved in enrolment, and you were making the comparison with schools and talking about the amount of resource that was absorbed in dealing with the bureaucracy. Richard, can you respond to that?

Mr Hart: I think that the simple answer possibly lies in work-based learning. Virtually all of the colleges have contracts with the national council to deliver work-based learning in the same way that private training providers do, and no schools have that contract, and the data requirements are different for work-based learning than for other forms of post-16 learning. However, in addition to collecting information that we need as a council, we are also a data collecting agency on behalf of the Assembly, so we do collect information, which we ourselves do not use directly, but which we pass on to the Assembly. The other dimension is that, in terms of schools, we will be asking for ever more information, I think, in order to make the funding system robust and fair. I think that that is reflected in the new data collection system that they have, called PLASC—the pupil level annual schools census—which is emerging now. However, every time we ask for new information from the schools, it has to be cleared by a bureaucratic burdens committee, which is something that actually does not apply to the colleges.

Ms Drury: Hoffwn ddychwelyd at y strategaeth leol ar gyfer y Gogledd yn y pen draw ond, gan barhau â chyllido addysg bellach, soniasoch am fiwrocratiaeth ym maes addysg bellach o ran cofrestru, gan gymharu ag ysgolion a sôn am swm yr adnoddau sy'n cael eu llyncu wrth ymdrin â'r fiwrocratiaeth. Richard, a allwch ymateb i hynny?

Mr Hart: Credaf o bosibl mai'r ateb syml yw dysgu seiliedig ar waith. Mae gan bron bob un o'r colegau gontractau gyda'r coleg cenedlaethol i gyflwyno dysgu seiliedig ar waith yn yr un ffordd â darparwyr hyfforddiant preifat, ac nid oes gan unrhyw ysgolion y contract hwnnw, ac mae'r gofynion data yn wahanol ar gyfer dysgu seiliedig ar waith nag ar gyfer mathau eraill o ddysgu ôl-16. Fodd bynnag, yn ogystal â chasglu'r wybodaeth sydd ei hangen arnom fel cyngor, yr ydym hefyd yn gweithredu fel asiantaeth casglu data ar ran y Cynulliad, felly yr ydym yn casglu gwybodaeth, nad ydym yn ei defnyddio'n uniongyrchol ein hunain, ond a drosglwyddir i'r Cynulliad. Y dimensiwn arall, o ran ysgolion, yw y byddwn yn gofyn am fwy byth o wybodaeth, credaf, er mwyn sicrhau bod y system gyllido yn gadarn ac yn deg. Credaf fod hynny wedi'i adlewyrchu yn y system casglu data newydd sydd ganddynt, a elwir yn PLASC—cyfrifiad blynyddol lefel disgyblion mewn ysgolion—sy'n cael ei chyflwyno yn awr. Fodd bynnag, bob tro y gofynnwn am wybodaeth newydd gan yr ysgolion, rhaid i bwyllgor beichiau biwrocrataidd glirio hynny, proses nad yw'n berthnasol i'r colegau.

Ms Drury: However, I think that we are always mindful of the balance that needs to be struck, because bureaucracy is, of itself, costly. Where it can be reduced, we really have to take that on board, and we have to analyse every instance where we actually could reduce the burden on any institution that we are funding. You made another point about ILAs and the administration of them. Richard, would you like to comment on that?

Mr Hart: One of the reasons why the original ILA was suspended, and we had a close look at its operation, was that we had a concern about what we call dead weight. That is, that an ILA could go to support a learner who would have been undertaking that learning anyway, and who would have come along and enrolled anyway. So we have made a very simple criterion right up-front, which is available to all who are involved in the process. That is, that people must get the approval for the ILA support before they enrol. We have a real concern that people are going out to enrol for a programme that they would have enrolled for anyway, only to be told by some providers, ‘Actually, you could have qualified for the ILA—we will get you one even though you are in the process of enrolling’. That is something that is of real concern to us. So it was very simple, right from day one, to say, you must not enrol until you have your ILA approved. That cuts out all potential for dead weight. I do not think that it is a big problem. However, by managing it centrally from a single office, applying the same criteria throughout—and, principally, that criterion—then I think we are assured that we can account to you, who provide us with the budget for ILAs, that we are in fact administering it properly and fairly.

Ms Drury: Fodd bynnag, credaf ein bod bob amser yn ymwybodol o’r cydbwysedd y mae angen ei sicrhau, gan fod biwrocratiaeth, ynddo’i hun, yn gostus. Lle y gellir ei leihau, rhaid inni ystyried hynny, ac mae’n rhaid inni ddadansoddi pob enghraifft lle y gallem leihau’r baich ar unrhyw sefydliad a ariennir gennym. Gwnaethoch bwynt arall am gyfrifon dysgu unigol a’r ffordd y cânt eu gweinyddu. Richard, a hoffech wneud sylwadau ar hynny?

Mr Hart: Un o’r rhesymau pam y gohiriwyd y cyfrifon dysgu unigol gwreiddiol, ac yr edrychwyd yn ofalus ar eu gweithrediad, oedd ein bod yn pryderu am yr hyn a elwir gennym yn bwysau marw. Hynny yw, y gallai cyfrifon dysgu unigol gynorthwyo dysgwr a fyddai wedi bod yn ymgymryd â’r dysgu hwinnw beth bynnag, ac a fyddai wedi cofrestru beth bynnag. Felly yr ydym wedi llunio maen prawf syml iawn o’r cychwyn, sydd ar gael i bawb sy’n ymwneud â’r broses. Hynny yw, rhaid i bobl gael eu cymeradwyo ar gyfer cymorth cyfrifon dysgu unigol cyn iddynt gofrestru. Mae gennym bryder difrifol bod pobl yn cofrestru ar raglen y byddent wedi cofrestru ar ei chyfer beth bynnag, ond bod rhai darparwyr yn dweud wrthynt, ‘Gallech fod wedi cael cyfrif dysgu unigol—trefnwn gyfrif ichi er eich bod yn cofrestru’. Mae hynny’n rhywbeth sy’n peri pryder difrifol inni. Felly yr oedd yn syml iawn, o’r cychwyn cyntaf, i ddweud, ni chewch gofrestru hyd nes y bydd eich cyfrif dysgu unigol wedi’i gymeradwyo. Mae hynny’n dileu unrhyw bosibilrwydd o bwysau marw. Nid yw’n broblem fawr. Fodd bynnag, drwy ei rheoli’n ganolog o un swyddfa, gan gymhwyso’r un meini prawf i bawb—ac, yn bennaf, y maen prawf hwinnw—gallwn fod yn sicr, yn fy marn i, y gallwn eich sicrhau chi, sy’n darparu’r gyllideb ar gyfer cyfrifon dysgu unigol, ein bod yn ei weinyddu’n briodol ac yn deg.

Ms Drury: On the final point of your questions, you talked about the need, when we are developing strategies, to use the information on the ground and not to duplicate. I am so aware of the importance of this point. We really do not want to be paying out for additional layers and tiers of research. We need to accumulate and to look at what is already there, and to tap into resources where the information is already to be had. I am a strong believer in the importance of sharing existing information and not going out for new research. If there is any desire to go out for new research, I think that we have to be very clear indeed on how we would intend to be using the findings of that research, and we certainly do not want to have any kind of duplication. We are not in a budget position to be able to fund any kind of duplication of research. I absolutely acknowledge that.

[46] **Peter Black:** Right. Thank you. We need to move along. So, Owen, if you can be as brief as possible.

[47] **Owen John Thomas:** Thank you, Chair. May I start by saying that I believe that the success of ELWa is of core importance to the successful development of the Welsh nation, so that we can compete with other small nations throughout Europe—and the world, for that matter.

I have a couple of concerns, which can more or less be made into one, I suppose. I notice that, in this year's budget, extrapolating towards the end of March, there is an overspend of £6.5 million—not the underspend you are hoping to avoid. During the year, you have had an extra £16.5 million increase in your budget as well. That brings your budget now to almost £0.5 billion. That is a massive figure. I have looked at your report, and have read it quite carefully. In the chronology of the contract with Learn to Live

Ms Drury: O ran pwynt olaf eich cwestiynau, trafodasoch yr angen, wrth inni ddatblygu strategaethau, i ddefnyddio'r wybodaeth ar lawr gwlad ac i beidio â dyblygu. Yr wyf yn ymwybodol iawn o bwysigrwydd y pwynt hwn. Nid ydym am fod yn talu am haenau ychwanegol o ymchwil. Mae angen inni gronni ac edrych ar yr hyn sydd eisoes ar gael, gan fanteisio ar adnoddau lle y mae'r wybodaeth eisoes ar gael. Yr wyf yn credu'n gryf ym mhwysigrwydd rhannu gwybodaeth sy'n bodoli eisoes a phaidio â chomisiynu ymchwil newydd. Os oes unrhyw awydd i gomisiynu ymchwil newydd, credaf fod yn rhaid inni fod yn glir iawn o ran sut y byddem yn bwriadu defnyddio canfyddiadau'r ymchwil honno, ac yn sicr dylid osgoi unrhyw fath o ddyblygu. Nid ydym mewn sefyllfa gyllidebol i allu cyllido unrhyw fath o ddyblygu o ran ymchwil. Yr wyf yn llwyr gydnabod hynny.

[46] **Peter Black:** Iawn. Diolch. Mae angen inni symud ymlaen. Felly, Owen, os gallwch fod mor gryno â phosibl.

[47] **Owen John Thomas:** Diolch, Gadeirydd. A gaf ddechrau drwy nodi fy mod o'r farn bod llwyddiant ELWa yn greiddiol i ddatblygiad llwyddiannus Cymru fel cenedl, er mwyn inni allu cystadlu â gwledydd bach eraill ledled Ewrop—a'r byd, o ran hynny.

Mae gennyf rai pryderon, y gellir mewn gwirionedd eu cyfuno yn un. Sylwaf, yng nghyllideb eleni, wedi'i hallosod tuag at ddiwedd mis Mawrth, fod gorwariant o £6.5 miliwn—nid y tanwariant yr ydych yn gobeithio ei osgoi. Yn ystod y flwyddyn, cawsoch gynnydd o £16.5 miliwn ychwanegol yn eich cyllideb hefyd. Daw hynny â'ch cyllideb i bron £0.5 miliwn erbyn hyn. Mae hynny'n ffigur enfawr. Edrychais ar eich adroddiad, a'i ddarllen yn gymharol ofalus. Yng nghronoleg y contract gyda Learn to Live

Ltd, I notice that, on 19 December, attention was drawn to a number of major concerns about that contract. Following that, on 11 January, Assembly officials recommended approval by the Minister of that contract. On 15 January, ministerial approval was given to that contract, despite all those concerns that were expressed about it. What I am worried about—on both these issues, really—is the line of accountability. We have the Government officials, the Minister and the National Council—ELWa, and it bothers me, really, as to how it operates. I mean, did these things happen without the knowledge of the Minister? Did you give your approval without realising those concerns? If not—

[48] **Jeff Cuthbert:** Point of order. Is this pertinent?

[49] **Owen John Thomas:** It is pertinent, Chair, under section—

[50] **Peter Black:** Owen has asked about lines of accountability. That is part of the whole action plan, which I think is very pertinent.

[51] **Owen John Thomas:** For Jeff Cuthbert's information, under section 9.7(ii) of our Standing Orders, it is one of our duties to look at the way that public money is spent. Right?

[52] **Peter Black:** Let me worry about the Standing Orders, Owen, and just ask your question, okay?

Cyf, sylwais, ar 19 Rhagfyr, y tynnwyd sylw at nifer o bryderon pwysig ynglyn â'r contract hwnnw. Yn dilyn hynny, ar 11 Ionawr, argymhellodd swyddogion y Cynulliad y dylai'r Gweinidog gymeradwyo'r contract hwnnw. Ar 15 Ionawr, rhoddwyd cymeradwyaeth weinidogol i'r contract hwnnw, er gwaethaf yr holl bryderon hynny a fynegwyd yn ei gylch. Yr hyn sy'n fy mhoeni—mewn perthynas â'r ddau fater hyn, mewn gwirionedd—yw'r llinell atebolrwydd. Mae gennym swyddogion y Llywodraeth, y Gweinidog a'r Cyngor Cenedlaethol—ELWa, ac mae sut y mae hynny'n gweithredu yn fy mhoeni. A ddigwyddodd y pethau hyn heb yn wybod i'r Gweinidog? A roddasoch eich cymeradwyaeth heb sylweddoli'r pryderon hynny? Os na—

[48] **Jeff Cuthbert:** Pwynt o drefn. A yw hyn yn berthnasol?

[49] **Owen John Thomas:** Mae'n berthnasol, Gadeirydd, o dan adran—

[50] **Peter Black:** Holodd Owen ynglyn â llinellau atebolrwydd. Mae hynny'n rhan o'r cynllun gweithredu cyfan, sy'n berthnasol iawn, yn fy marn i.

[51] **Owen John Thomas:** Er gwybodaeth i Jeff Cuthbert, o dan adran 9.7(ii) ein Rheolau Sefydlog, mae'n ddyletswydd arnom edrych ar y ffordd y caiff arian cyhoeddus ei wario. A wyf yn iawn?

[52] **Peter Black:** Gadewch i mi boeni am y Rheolau Sefydlog, Owen, a gofynnwch eich cwestiwn, iawn?

[53] **Owen John Thomas:** I would like to know from both sides in this matter, in fact, how you feel about these lines of accountability. Are you happy that they are clear? At the moment, we have a big issue here, which is not being resolved because it seems that somebody will not say, 'The buck ends here'. Where does the buck end? We are talking about £0.5 billion of public money being spent every year. Where does the buck end? Or rather, where does the buck stop?

Dr Higson: If I can just pick up two of the points, the figures that you are referring to about overspend I have only just seen before we had this session and I understand that they refer to last year not to this year, and that they are technical adjustments to do with the counting of ESF receipts. Our accounts are with the National Audit Office at the moment and, in due course, will be published but, as far as I am aware, we did not have anything like that kind of overspend last year, as is referred to in those figures. That will be borne out by the NAO. So, this year, there is no projected underspend or overspend of that kind of significance as we are sitting here today.

In terms of accountability—I will just take that point—it is very clear what the national council's accountabilities and roles are. The management statement and financial memorandum make it very clear what delegations we have, what accountabilities and what responsibilities. We have that scheme of control in order to spend the £0.5 billion a year properly. Quite clearly, what you have seen from the NAO report is that there have been failings in that, on behalf of the national council previously. What we have been doing this year is making sure that the proper control framework is in place, so that that does

[53] **Owen John Thomas:** Hoffwn gael gwybod gan y ddwy ochr yn y mater hwn, a dweud y gwir, beth yw eich barn am y llinellau atebolrwydd hyn. A ydych yn fodlon eu bod yn glir? Ar hyn o bryd, mae gennym broblem fawr yma, nad yw'n cael ei datrys gan ei bod yn ymddangos nad oes neb yn barod i ddweud, 'Fi sy'n bennaf gyfrifol'. Pwy sy'n bennaf gyfrifol? Yr ydym yn sôn am £0.5 biliwn o arian cyhoeddus sy'n cael ei wario bob blwyddyn. Pwy sy'n bennaf gyfrifol? Neu yn hytrach, pwy sydd â'r cyfrifoldeb terfynol?

Dr Higson: Os gallaf ymateb i ddau o'r pwyntiau, dim ond ychydig cyn y sesiwn hon y gwelais y ffigurau yr ydych yn cyfeirio atynt mewn perthynas â gorwario ac yr wyf ar ddeall eu bod yn ymwneud â'r llynedd ac nid eleni, a'u bod yn addasiadau technegol yn ymwneud â chyfrifo derbynebion Cronfa Gymdeithasol Ewrop. Mae'r Swyddfa Archwilio Genedlaethol yn archwilio ein cyfrifon ar hyn o bryd a chânt eu cyhoeddi maes o law ond, hyd y gwn i, ni welsom unrhyw orwariant o'r math y cyfeirir ato yn y ffigurau hynny y llynedd. Profir hynny gan y Swyddfa Archwilio Genedlaethol. Felly, eleni, ni ragwelir unrhyw danwariant na gorwariant o'r math hwnnw o arwyddocâd wrth i ni eistedd yma heddiw.

O ran atebolrwydd—ymatebaf i'r pwynt hwnnw—mae atebolrwydd a swyddogaethau'r cyngor cenedlaethol yn amlwg iawn. Mae'r datganiad rheoli a'r memorandwm ariannol yn egluro ein dirprwyaethau, ein hatebolrwydd a'n cyfrifoldebau yn glir iawn. Mae'r cynllun rheoli hwnnw ar waith er mwyn sicrhau ein bod yn gwario'r £0.5 biliwn y flwyddyn yn briodol. Yn amlwg, yr hyn a welsoch o adroddiad y Swyddfa Archwilio Genedlaethol yw y methodd y cyngor cenedlaethol yn hynny o beth yn y gorffennol. Eleni ein nod oedd sicrhau bod fframwaith rheoli priodol ar waith, fel na ddigwydd hynny eto.

not happen again. However, the buck stops with ELWa and with the accounting officer.

[54] **Owen John Thomas:** Even though you have to go to the Minister to get her consent, obviously, and approval.

Dr Higson: Well, that is part of the control framework, in that—

[55] **Owen John Thomas:** So, the buck does not stop with you, then?

Dr Higson: Well, it does, because I think the responsibility on us is to present the Assembly with well-thought-through and sound proposals, and that is an accounting officer responsibility.

[56] **Owen John Thomas:** With respect, Chair, it does not look like a well-thought-out proposal to me.

[57] **Peter Black:** I think, Owen, that we can take these matters up elsewhere and move on.

[58] **Leighton Andrews:** These points have been raised before.

[59] **Peter Black:** A number of the points raised in this meeting have been raised before, but I think that it is valid that we put them to the officials and allow them to answer the questions. Jeff wants to come back in. Please be brief, Jeff, because I want to wind this session up.

Fodd bynnag, ELWa a'r swyddog cyfrifo sydd â'r cyfrifoldeb terfynol.

[54] **Owen John Thomas:** Er bod yn rhaid ichi fynd at y Gweinidog i gael ei chaniatâd, yn amlwg, a'i chymeradwyaeth.

Dr Higson: Wel, mae hynny'n rhan o'r fframwaith rheoli, gan fod—

[55] **Owen John Thomas:** Felly, nid chi sydd â'r cyfrifoldeb terfynol?

Dr Higson: Wel, ie, gan fod y cyfrifoldeb arnom ni i gyflwyno cynigion cadarn, wedi'u hystyried yn ofalus, i'r Cynulliad, a chyfrifoldeb y swyddog cyfrifo yw hynny.

[56] **Owen John Thomas:** Gyda phob parch, Gadeirydd, nid yw'n edrych fel cynnig sydd wedi'i ystyried yn ofalus i mi.

[57] **Peter Black:** Credaf, Owen, y gallwn drafod y materion hyn rywle arall a symud ymlaen.

[58] **Leighton Andrews:** Codwyd y pwyntiau hyn o'r blaen.

[59] **Peter Black:** Codwyd nifer o'r pwyntiau a godwyd yn y cyfarfod hwn o'r blaen, ond credaf ei bod yn briodol inni eu cyflwyno ger bron y swyddogion gan roi cyfle iddynt ateb y cwestiynau. Hoffai Jeff gyfrannu eto. Byddwch yn gryno, Jeff, gan fy mod am ddirwyn y sesiwn hon i ben.

[60] **Jeff Cuthbert:** I will certainly try. It is to do with what I think is our real business, which is the future delivery of education and learning in Wales. While it is very important that we learn the lessons of the past, we must plan for the future and go forward. I also accept that your staff—particularly your front-line staff, who have had a bashing of late; their morale must be damaged—and we, need to move forward. We also ought to highlight the significant achievements. This is linked to my previous point about work-based learning, really.

First, I would like some clarification. On page 4, at the very top, the first bullet point refers to

‘990 businesses supporting curriculum development initiative’.

I assume that ‘initiative’ should be plural. I wonder whether you could explain a little more what that is, actually. Then, as a general point, linked with other agencies, in terms of people who are seeking to return to work or starting work for the first time, we know that the Jobcentre Plus programme is rolling out through many parts of Wales. It will have responsibility for conducting return-to-work interviews for all forms of claimants. Clearly, I would assume that ELWa has a key role to play there and I want to know what type of relationship exists now with Jobcentre Plus. How do you see it developing in the future so that the best advice possible is given to those who want to return to work in terms of training opportunities that may be relevant?

[61] **Peter Black:** A succinct answer would be appreciated.

[60] **Jeff Cuthbert:** Gwnaf fy ngorau. Mae’n ymwneud â’n busnes go iawn ni, yn fy marn i, sef dyfodol cyflwyno addysg a dysgu yng Nghymru. Er ei bod yn bwysig iawn inni ddysgu o wersi’r gorffennol, rhaid inni gynllunio ar gyfer y dyfodol a symud ymlaen. Derbyniaf hefyd fod angen i’ch staff—yn arbennig eich staff rheng flaen, sydd wedi bod drwy’r felin yn ddiweddar; rhaid bod hynny wedi effeithio ar eu morâl—a ni, symud ymlaen. Dylem hefyd dynnu sylw at y cyflawniadau arwyddocaol. Mae hyn yn gysylltiedig â’r pwynt blaenorol a godais ynghylch dysgu seiliedig ar waith, mewn gwirionedd.

Yn gyntaf, hoffwn gael eglurhad. Ar dudalen 4, ar y brig, mae’r pwynt bwled cyntaf yn cyfeirio at

‘990 o fusnesau yn cefnogi’r fenter i ddatblygu’r cwricwlwm’.

Cymeraf yn ganiataol y dylai ‘menter’ fod yn lluosog. Tybed a allech egluro rhywfaint yn fwy am hynny. Wedyn, fel pwynt cyffredinol, yn gysylltiedig ag asiantaethau eraill, yn nhermau’r bobl sy’n awyddus i ddychwelyd i’r gwaith neu ddechrau gweithio am y tro cyntaf, gwyddom fod rhaglen y Ganolfan Byd Gwaith yn cael ei chyflwyno drwy sawl rhan o Gymru. Bydd yn gyfrifol am gynnal cyfweiliadau dychwelyd i’r gwaith ar gyfer pob math o hawl wyr. Yn amlwg, byddwn yn tybio bod gan ELWa ran allweddol i’w chwarae yn hynny o beth a hoffwn wybod pa fath o gydberthynas sydd ganddo ar hyn o bryd â’r Ganolfan Byd Gwaith. Sut y disgwylwch iddi ddatblygu yn y dyfodol er mwyn sicrhau y rhoddir y cyngor gorau posibl i’r rheini sy’n awyddus i ddychwelyd i’r gwaith yn nhermau cyfleoedd hyfforddi a allai fod yn berthnasol?

[61] **Peter Black:** Byddwn yn gwerthfawrogi ateb cryno.

Ms Drury: Right. Richard, may I ask you to answer that?

Mr Hart: I think that the first question relates to the education-business links programme. So, the support referred to there comes under that broad heading. There are a number of initiatives where we are primarily looking at the vocational element of the curriculum, teacher placements and things like that. That is the succinct answer.

Ms Drury: And then the relationship with Jobcentre Plus.

Mr Hart: Yes, we have regular meetings at national and district level with Jobcentre Plus, but we also involve the careers companies in this as well because we see advice, guidance and steering people back into employment and training as being a joint venture. However, one of the main areas in which we exercise this particularly is within our redundancy action programme, ReACT, where we work with employers and employees to help with a retraining programme for those who have been made redundant. We are now merging the existing successful scheme with the programme that was aimed specifically at Corus. We are merging that to have a bigger and more comprehensive approach. We regard this dual approach—or tripartite approach in this respect, together with others—as part of our Team Wales role. We recognise that we cannot do all that alone, but we do play our role in that very significantly and take it very seriously.

[62] **Peter Black:** Thank you. Minister, you have a few comments to make?

Ms Drury: Iawn. Richard, a gaf ofyn ichi ymateb i hynny?

Mr Hart: Credaf fod y cwestiwn cyntaf yn ymwneud â'r rhaglen cyswllt addysg-busnes. Felly, daw'r cymorth y cyfeirir ato mewn perthynas â hynny o dan y pennawd cyffredinol hwnnw. Mae nifer o fentrau ar waith lle yr ydym yn bennaf yn ystyried elfen alwedigaethol y cwricwlwm, lleoli athrawon a phynciau tebyg. Dyna'r ateb cryno.

Ms Drury: Ac wedyn y gydberthynas â'r Ganolfan Byd Gwaith.

Mr Hart: Ie, yr ydym yn cynnal cyfarfodydd rheolaidd ar lefel genedlaethol a rhanbarthol gyda'r Ganolfan Byd Gwaith, ond yr ydym hefyd yn cynnwys y cwmnïau gyrfaedd yn y cyfarfodydd hyn hefyd gan ein bod o'r farn y dylid ystyried cyngor, arweiniad a llywio pobl yn ôl i gyflogaeth a hyfforddiant fel cyd-fenter. Fodd bynnag, un o'r prif feysydd lle yr ydym yn gweithredu hyn yn benodol yw ein rhaglen gweithredu diswyddiadau, ReACT, lle yr ydym yn gweithio gyda chyflogwyr a chyflogeion i helpu gyda rhaglen ailhyfforddi ar gyfer y rheini a gafodd eu diswyddo. Yr ydym erbyn hyn yn uno'r cynllun llwyddiannus presennol â'r rhaglen a anelwyd yn benodol at Corus. Yr ydym yn eu huno er mwyn creu ymagwedd ehangach a mwy cynhwysfawr. Ystyriwn yr ymagwedd ddeuol hon—neu'r ymagwedd deiran yn y cyswllt hwn, ynghyd ag eraill—fel rhan o rôl Tîm Cymru. Yr ydym yn cydnabod na allwn wneud hynny i gyd ar ein pen ein hunain, ond mae gennym ran arwyddocaol iawn i'w chwarae ac yr ydym yn ei chymryd o ddifrif.

[62] **Peter Black:** Diolch. Weinidog, a oes gennych rai sylwadau i'w gwneud?

[63] **Jane Davidson:** Thank you. I have just a couple of points. May I say how pleased I am that you have come in front of the Committee today and have been able to talk in detail about the PricewaterhouseCoopers report on your action plan and the fact that it gives us some very hopeful messages for the future. Obviously, from the Assembly Government perspective, we are delighted that that is the case. May I also, because it has not been mentioned in this meeting, congratulate you on the achievements that have happened, which you outlined in your opening presentation on behalf of the national council. They are significant achievements. There are big ambitions about learning out there in Wales at the moment. This agenda is about ensuring that we are better fitted to meet the ambitions for learning and are able to support more of them. I want to pick up on the point that Mark was making about the fact that we have very specific bureaucratic burdens mechanisms inside schools. We established our bureaucratic burdens working group, which is now going to be hardened into an implementation review unit in terms of teachers' workloads in a similar way to proposals in England. Clearly, right throughout the education and learning agenda, we do need to look at ways in which bureaucracy could be reduced. I would suggest that, as we move into next year's remit, this is an area that I will want to explore with you.

[63] **Jane Davidson:** Diolch. Dim ond un neu ddau bwynt sydd gennyf. A gaf ddweud pa mor falch yr ydwyf eich bod wedi dod ger bron y Pwyllgor heddiw ac wedi gallu sôn yn fanwl am adroddiad PricewaterhouseCoopers ar eich cynllun gweithredu a'r ffaith ei fod yn rhoi negeseuon calonogol iawn inni ar gyfer y dyfodol. Yn amlwg, o safbwynt Llywodraeth y Cynulliad, yr ydym yn falch o hynny. Hoffwn hefyd, gan na soniwyd amdano yn y cyfarfod hwn, eich llongyfarch ar eich cyflawniadau, a amlinellwyd gennych yn eich cyflwyniad agoriadol ar ran y cyngor cenedlaethol. Maent yn gyflawniadau arwyddocaol. Mae uchelgeisiau mawr mewn perthynas â dysgu yng Nghymru ar hyn o bryd. Mae'r agenda hon yn anelu at sicrhau ein bod mewn gwell sefyllfa i gyflawni'r uchelgeisiau ar gyfer dysgu ac y gallwn gefnogi mwy ohonynt. Hoffwn ymhelaethu ar y pwynt a wnaeth Mark wrth grybwyll bod gennym systemau beichiau biwrocraidaidd penodol iawn ar waith mewn ysgolion. Sefydlwyd gweithgor beichiau biwrocraidaidd gennym, a gaiff bellach ei ddatblygu i greu uned adolygu gweithredu yn nhermau beichiau gwaith athrawon mewn ffordd debyg i'r cynigion yn Lloegr. Yn amlwg, drwy'r agenda addysg a dysgu gyfan, mae angen inni edrych ar ffyrdd i leihau biwrocraetiaeth. Byddwn yn awgrymu, wrth inni symud i gylch gwaith y flwyddyn nesaf, bod y maes hwn yn faes y byddaf yn awyddus i'w archwilio gyda chi.

Also, the PricewaterhouseCoopers summary specifically says that it is satisfied that the action plan addresses the issues raised by the Auditor General, but that the council should be giving further consideration to issues of change management and culture that are covered in the organisational development plan, but not directly addressed in the action plan. I want to ask you, when you have the final analysis from PricewaterhouseCoopers, are those issues specifically, in a sense, going to be transmuted from the organisational development plan to your action plan, or are they going to be cross-referred in the final report that will come before the Assembly, I gather, in the middle of October in terms of the endorsement of the approach?

Dr Higson: The answer is that we will be spending the day with PWC tomorrow on the very issue of the culture change and organisational development programme, which will follow through from the action plan. Given the relatively narrow brief for PWC to the end of September, the organisational development programme was not meant to be fully implemented until the second half of the year. It did not set out to capture that. The discussions that we have had with it are that it will capture that in its final report.

[64] **Jane Davidson:** I am grateful for that.

[65] **Peter Black:** Thank you very much. I thank all the representatives from ELWa for appearing today. I also thank the Record of Proceedings staff, who can now have a rest. Thank you very much.

Yn ogystal, noda crynodeb PricewaterhouseCoopers yn benodol ei fod yn fodlon bod y cyngor gweithredu yn ymdrin â'r materion a godwyd gan yr Archwilydd Cyffredinol, ond y dylai'r cyngor fod yn rhoi ystyriaeth bellach i faterion rheoli newid a diwylliant a gwmpesir yn y cynllun datblygu sefydliadol, ond nad ymdrinnir â hwy yn uniongyrchol yn y cynllun gweithredu. Hoffwn ofyn, pan gewch y dadansoddiad terfynol gan PricewaterhouseCoopers, a gaiff y materion hynny yn benodol, i ryw raddau, eu trawsnewid o'r cynllun datblygu sefydliadol i'ch cynllun gweithredu, neu a gânt eu croesyfeirio yn yr adroddiad terfynol a ddaw ger bron y Cynulliad, yn ôl yr hyn a ddeallaf, ganol mis Hydref er mwyn cymeradwyo'r ymagwedd?

Dr Higson: Yr ateb yw y byddwn yn treulio'r diwrnod gyda PWC yfory er mwyn trafod newid diwylliant a'r rhaglen datblygu sefydliadol, a fydd yn deillio o'r cynllun gweithredu. O ystyried y brîff cymharol gyfyngedig a roddwyd i PWC hyd at ddiwedd mis Medi, ni fwriadwyd i'r rhaglen datblygu sefydliadol gael ei gweithredu'n llawn tan ail hanner y flwyddyn. Ni fwriadwyd iddo ymdrin â hynny. Yn ôl y trafodaethau a gawsom gyda hwy, bydd yn ymdrin â hynny yn ei adroddiad terfynol.

[64] **Jane Davidson:** Yr wyf yn ddiolchgar am hynny.

[65] **Peter Black:** Diolch yn fawr iawn. Hoffwn ddiolch i'r holl gynrychiolwyr o ELWa am ymddangos heddiw. Hoffwn ddiolch hefyd i staff Cofnod y Trafodion, a all gael seibiant yn awr. Diolch yn fawr iawn.

*Daeth y sesiwn cymryd tystiolaeth i ben am 12.29 p.m.
The evidence-taking session ended at 12.29 p.m.*

