



**Cynulliad Cenedlaethol Cymru  
Pwyllgor Archwilio**

**The National Assembly for Wales  
Audit Committee**

**Mwyhau'r Incwm Mwyaf oddi wrth Daliadau  
Presgripsiynau  
Maximising Income from Prescription Charges**

**Cwestiynau (1-121)  
Questions (1-121)**

**Dydd Iau 7 Rhagfyr 2000  
Thursday 7 December 2000**

*Aelodau o'r Cynulliad yn bresennol: Janet Davies (Cadeirydd), Alun Cairns, Christine Chapman, Janice Gregory, Alison Halford, Peter Law, Owen John Thomas, Dafydd Wigley.*

*Swyddogion yn bresennol: Syr John Bourn, Archwilydd Cyffredinol Cymru; Frank Grogan, Swyddfa Archwilio Genedlaethol Cymru; Dave Powell, Swyddog Cydymffurfio Cynulliad Cenedlaethol Cymru.*

*Tystion: Sarah Beaver, Pennaeth Is-adran Cyllid yr NHS, Cynulliad Cenedlaethol Cymru; George Craig, Uwch-Gyfarwyddydd, Polisi Cymdeithasol a Materion Llywodraeth Leol, Cynulliad Cenedlaethol Cymru a Swyddog Cyfrifo NHS Cymru; Barrie Wilcox, Pennaeth Is-adran Iechyd Sylfaenol a Chymunedol, Cynulliad Cenedlaethol Cymru.*

*Assembly Members present: Janet Davies (Chair), Alun Cairns, Christine Chapman, Janice Gregory, Alison Halford, Peter Law, Owen John Thomas, Dafydd Wigley.*

*Officials present: Sir John Bourn, Auditor General for Wales; Frank Grogan, National Audit Office Wales; Dave Powell, Assembly Compliance Officer of the National Assembly for Wales.*

*Witnesses: Sarah Beaver, Head of NHS Finance Division, National Assembly for Wales; George Craig, Senior Director, Social Policy and Local Government Affairs, National Assembly for Wales and Accounting Officer, NHS Wales; Barrie Wilcox, Head of Primary and Community Health Division, National Assembly for Wales.*

*Dechreuodd y cyfarfod am 2 p.m.  
The meeting began at 2 p.m.*

[1] **Janet Davies:** Good afternoon. Today, the Committee will take evidence in connection with the report by the National Audit Office on behalf of the Auditor General for Wales on 'Maximising Income from Prescription Charges', which was published on 30 November 2000.

First, I will explain why several Committee members are unable to be present. Kirsty Williams, Jocelyn Davies, Lynne Neagle and Ann Jones were excluded from this meeting because they are, or have been, members of the Health and Social Services Committee. Christine Chapman, Janice Gregory and Owen John Thomas are substituting, but Kirsty Williams was unable to find a substitute.

I particularly welcome to the meeting Dave Powell, who is the new Assembly Compliance Officer. He has been trying to meet me for a long time but has not managed to do so yet. I hope that we will be able to have a meeting soon, perhaps at the end of today.

[1] **Janet Davies:** Prynhawn da. Heddiw, bydd y Pwyllgor yn cymryd tystiolaeth mewn cysylltiad â'r adroddiad gan y Swyddfa Archwilio Genedlaethol ar ran Archwilydd Cyffredinol Cymru ar 'Mwyhau'r Incwm Mwyaf oddi wrth Daliadau Presgripsiynau', a gyhoeddwyd ar 30 Tachwedd 2000.

Yn gyntaf, egluraf pam y mae sawl aelod o'r Pwyllgor yn methu â bod yn bresennol. Yr oedd Kirsty Williams, Jocelyn Davies, Lynne Neagle ac Ann Jones wedi eu cau allan o'r cyfarfod hwn am eu bod, neu am y buont, yn aelodau o'r Pwyllgor Iechyd a Gwasanaethau Cymdeithasol. Mae Christine Chapman, Janice Gregory ac Owen John Thomas yn dirprwyo, ond ni allai Kirsty Williams ddod o hyd i ddirprwywr.

Croesawaf yn arbennig i'r cyfarfod hwn Dave Powell, sef Swyddog Cydymffurfio newydd y Cynulliad. Mae wedi bod yn ceisio cyfarfod â mi ers amser hir ond ni lwyddodd i wneud hynny eto. Gobeithiaf y byddwn yn gallu cael cyfarfod cyn hir, efallai ar ddiwedd y dydd heddiw.

This Committee meeting can be held in Welsh or English. If you wish to use the translation facilities, headphones are provided. If you have problems hearing people speaking in English, you may find that you can hear more easily if you wear the headphones.

Three witnesses will give evidence today. Will you introduce yourselves?

**Mr Craig:** My name is George Craig. I am the senior director of social policy and local government affairs for the National Assembly. Pending the arrival of the new director of the national health service, I am acting accounting officer for the NHS, since the new director will be part of my command in the office. With me are Sarah Beaver, who is director of finance for the NHS in the NHS Directorate, and Barrie Wilcox, who is in charge of the Primary and Community Health division in the NHS Directorate.

[2] **Janet Davies:** We usually have a coffee break in the middle of our meetings but, because this report is not so long as those that we usually consider, we may work straight through. It appears that it may be possible to do so.

We have all read with great interest the report on 'Maximising Income from Prescription Charges'. We fully take on board the comments near the beginning of the report that state that this is not about bashing members of the public; it is about trying to get the procedures right. I hope that we will bear that in mind.

I will start by asking the first question on the beginning of the report. The Auditor General's report sets out the arrangements in Wales for ensuring that people who are entitled to exemption from prescription charges receive the medicines that they are prescribed free of charge. Central to those arrangements are the point of dispensing checks introduced in April 1999. Paragraph 7 of the report suggests that these checks have

Gellir cynnal y cyfarfod Pwyllgor hwn yn y Gymraeg neu'r Saesneg. Os dymunwch ddefnyddio'r cyfleusterau cyfieithu, darperir clustffonau. Os cewch drafferth wrth glywed pobl yn siarad yn y Saesneg, efallai y cewch eich bod yn gallu clywed yn rhwyddach os defnyddiwch y clustffonau.

Bydd tri thyst yn rhoi tystiolaeth heddiw. A newch eich cyflwyno eich hunain?

**Mr Craig:** Fy enw yw George Craig. Myfi yw'r uwch-gyfarwyddydd polisi cymdeithasol a materion llywodraeth leol i'r Cynulliad Cenedlaethol. Hyd ddyfodiad cyfarwyddwr newydd y gwasanaeth iechyd gwladol, myfi yw'r swyddog cyfrifo gweithredol i'r NHS, gan y bydd y cyfarwyddwr newydd yn rhan o'r rheolaeth i yn y swyddfa. Gyda mi y mae Sarah Beaver, sydd yn gyfarwyddwr cyllid i'r NHS yng Nghyfarwyddiaeth yr NHS, a Barrie Wilcox, sydd yn gyfrifol am yr is-adran Iechyd Sylfaenol a Chymunedol yng Nghyfarwyddiaeth yr NHS.

[2] **Janet Davies:** Fel arfer byddwn yn cael egwyl goffi ar ganol ein cyfarfodydd ond, am nad yw'r adroddiad hwn gyn hwyed â'r rhai yr ydym yn eu hystyried fel arfer, efallai y byddwn yn gweithio'n syth drwodd. Ymddengys y gallai fod yn bosibl gwneud hynny.

Yr ydym oll wedi darllen gyda diddordeb mawr yr adroddiad ar 'Mwyhau'r Incwm Mwyaf oddi wrth Daliadau Presgripsiynau'. Yr ydym yn llwyr dderbyn y sylwadau tua dechrau'r adroddiad sydd yn datgan nad oes a wnelo hyn â tharo aelodau o'r cyhoedd; mae'n ymwneud â cheisio cael y gweithdrefnau'n iawn. Gobeithiaf y byddwn yn cadw hynny mewn cof.

Dechreuaf drwy ofyn y cwestiwn cyntaf ar ddechrau'r adroddiad. Mae adroddiad yr Archwilydd Cyffredinol yn nodi'r trefniadau yng Nghymru ar gyfer sicrhau bod y rhai sydd â hawl i gael eu heithrio rhag taliadau presgripsiynau yn derbyn y meddyginiaethau a ragnodwyd ar eu cyfer yn rhad ac am ddim. Yn ganolog i'r trefniadau hynny y mae'r gwiriadau wrth ddsbarthu a gyflwynwyd yn Ebrill 1999. Mae paragraff 7 yr adroddiad yn

resulted in a marginal increase in revenue. However, the report also estimates that the NHS in Wales may lose in the order of £15 million a year because these arrangements are not working efficiently or effectively. How can the Assembly justify this situation?

**Mr Craig:** The simple answer to that is that it cannot. I would not dream of trying to justify it—we cannot. Fifteen million pounds—whatever the sum is—if it is of that order is too much. The issue that has been concerning me since I first caught sight of this report, shortly after taking on my current responsibilities about a month ago, was twofold. First, what can we do immediately that will begin to attack what seems to be, at first glance, a fairly straightforward issue, and what can be done in the longer term and what is the longer term; how do you measure long term in this sort of context. It seems to me that there are a number of immediate issues that need addressing, and I have been out to see how the thing works on the ground since I received the report. I have been talking to one or two people in health authorities—I have visited two health authorities. I have also been speaking to representatives of the pharmaceutical profession about what immediate action we can take to start making this system, as it is, work. The next step is to talk to those people, as well as people from health authorities and Health Solutions Wales—and I hope, ultimately, that the National Audit Office will also be happy to join us in that—about how we can tighten up procedures right through the system. It seems to me, as it clearly seems to the NAO and to this Committee, that a system that, whatever its shortcomings, has a certain robust simplicity about it, ought to be working better than this.

[3] **Janet Davies:** So, you are still considering any actions that you can take?

**Mr Craig:** Yes, I am.

[4] **Janet Davies:** I accept that it is fairly

awgrymu bod y gwiriadau hyn wedi arwain at gynnydd ffiniol mewn refeniw. Fodd bynnag, mae'r adroddiad yn amcangyfrif hefyd y gallai'r NHS yng Nghymru golli tua £15 miliwn y flwyddyn am nad yw'r trefniadau hyn yn gweithio'n effeithlon neu'n effeithiol. Sut y gall y Cynulliad gyfiawnhau'r sefyllfa hon?

**Mr Craig:** Yr ateb syml i hynny yw na all. Ni freuddwydiwn am geisio ei chyfiawnhau—ni allwn. Mae pymtheg miliwn o bunnoedd—beth bynnag ydyw'r swm—os yw'n gymaint â hynny yn ormod. Mae'r mater sydd yn peri pryder i mi ers imi gael cip ar yr adroddiad hwn gyntaf, yn fuan ar ôl ymgymryd â'm cyfrifoldebau presennol tua mis yn ôl, yn un deublyg. Yn gyntaf, beth y gallwn ei wneud ar unwaith a fydd yn dechrau mynd i'r afael â'r hyn sydd yn ymddangos, ar yr olwg gyntaf, yn fater eithaf syml, a beth y gellir ei wneud yn y tymor hwy a beth ydyw'r tymor hwy; sut yr ydych yn mesur y tymor hir mewn cyd-destun o'r math hwn. Ymddengys i mi fod nifer o faterion brys y mae angen rhoi sylw iddynt, a bûm allan i weld sut y mae'r peth yn gweithio yn y maes ers imi dderbyn yr adroddiad. Siaredais ag un neu ddau o bobl mewn awdurdodau iechyd—ymwelais â dau awdurdod iechyd. Siaredais hefyd â chynrychiolwyr y fferyllwyr am y camau y gallwn eu cymryd ar unwaith i ddechrau peri i'r system hon, fel y mae, weithio. Y cam nesaf fydd siarad â'r bobl hynny, yn ogystal â rhai yn yr awdurdodau iechyd a Health Solutions Wales—a gobeithiaf, yn y pen draw, y bydd y Swyddfa Archwilio Genedlaethol hefyd yn fodlon ymuno â ni ar hynny—ynghylch y modd y gallwn dynhau'r gweithdrefnau yn y system drwyddi draw. Ymddengys i mi, fel yr ymddengys, mae'n amlwg, i'r Swyddfa Archwilio Genedlaethol ac i'r Pwyllgor hwn, y dylai system o'r fath sydd, beth bynnag fo'i diffygion, yn meddu ar ryw symlrwydd cadarn, fod yn gweithio'n well na hyn.

[3] **Janet Davies:** Felly, yr ydych yn dal i ystyried unrhyw gamau y gallwch eu cymryd?

**Mr Craig:** Ydwyf.

[4] **Janet Davies:** Derbyniaf fod y rhain yn

early days for you.

**Mr Craig:** Of course. I wanted to hear what the Committee had to say. I wanted to have this hearing, as it were, first to be quite clear about what I want to do. We have meetings set up with a number of people, including representatives of the health authorities and others over the next few weeks in which we will consider the way in which the stages in this process are gone through. One of the first things that I will be doing after this meeting is talking again to people representing the pharmaceutical profession, whom I met on Tuesday of this week. They want to feed in reinforcing messages to the profession through a series of roadshows that they will be carrying out with their members over the coming months. Those are largely to do with other issues, but they want to feed this in, because, frankly, they are embarrassed by this. They do not like the idea that their profession is apparently not, as far as one can see, complying with the processes properly, and they want to get it tightened up as much as anyone else.

[5] **Janet Davies:** Thank you. Members of the Committee want to take up some of these subjects in more detail. Janice Gregory would like to pursue this particular point to start with.

[6] **Janice Gregory:** Thank you, Chair. Looking through the report, which as the Chair has already said, is very interesting, I would like to ask you some questions about the point of dispensing checks. They were introduced in April 1999. Can you tell us what impact they were intended to have?

**Mr Craig:** The first thing, I think, that they were intended to do was to offer us reassurance—which does not sound very material, but it is important in this circumstance—that people were being asked to justify exemptions in a way that did not put an unacceptable stress on the relationship with the pharmacist. It is, after all, a clinical relationship. Also, they were intended to be sufficiently robust to at least confront people who were inappropriately claiming exemption with the need for them to justify

ddyddiau cynnar i chi.

**Mr Craig:** Wrth gwrs. Yr oeddwn am glywed yr hyn a oedd gan y Pwyllgor i'w ddweud. Yr oeddwn am gael y gwrandawriad hwn, fel petai, yn gyntaf er mwyn bod yn gwbl glir ynghylch yr hyn y dymunwn ei wneud. Mae cyfarfodydd wedi eu trefnu gennym gyda nifer o bobl, yn cynnwys cynrychiolwyr o'r awdurdodau iechyd ac eraill dros yr wythnosau nesaf hyn lle y byddwn yn ystyried y modd yr eir drwy gamau'r broses hon. Un o'r pethau cyntaf a wnaaf ar ôl y cyfarfod hwn fydd siarad eto â rhai sydd yn cynrychioli'r fferyllwyr, y cyfarfûm â hwy ddydd Mawrth yr wythnos yma. Dymunant borthi negeseuon cadarnhaol i'r proffesiwn drwy gyfres o sioeau teithiol a gyflawnant gyda'u haelodau dros y misoedd nesaf. Mae'r rheini'n ymwneud i raddau helaeth â materion eraill, ond dymunant gynnwys hyn oherwydd, a dweud y gwir, mae hyn yn codi cywilydd arnynt. Nid ydynt yn hoff o'r syniad nad yw eu proffesiwn, hyd y gellir gweld, yn cydymffurfio'n iawn â'r prosesau, a dymunant weld tynhau hyn yn gymaint â neb arall.

[5] **Janet Davies:** Diolch. Mae aelodau'r Pwyllgor yn dymuno dilyn rhai o'r pynciau hyn yn fanylach. Hoffai Janice Gregory ddilyn y pwynt penodol hwn i ddechrau.

[6] **Janice Gregory:** Diolch, Gadeirydd. Gan edrych drwy'r adroddiad sydd, fel y dywedodd y Cadeirydd eisoes, yn ddi-ddorol iawn, hoffwn ofyn rhai cwestiynau i chi ynghylch y gwiriadau wrth ddsbarthu. Fe'u cyflwynwyd yn Ebrill 1999. A allwch ddweud wrthym am yr effaith y bwriadwyd iddynt ei chael?

**Mr Craig:** Y peth cyntaf y bwriadwyd iddynt ei wneud, fe gredaf, oedd rhoi sicrwydd i ni—nad yw'n swnio'n berthnasol iawn, ond mae'n bwysig o dan yr amgylchiad hwn—fod pobl yn cael eu holi i gyfiawnhau eithriadau mewn modd nad oedd yn rhoi pwysau annerbyniol ar y berthynas â'r fferyllwyr. Perthynas glinigol ydyw, wedi'r cyfan. Hefyd, yr oedd bwriad iddynt fod yn ddigon cadarn i o leiaf wynebu pobl a oedd yn hawlio eithriad yn amhriodol â'r angen iddynt gyfiawnhau hawlio eithriad. Felly, y

claiming exemption. So the first thing to do was to actually make that work a bit better. Secondly, it was because we had clear evidence that there was fraud, and this was part of the process of attacking what an efficiency study had revealed as being a substantial area in which there was fraud. Fraud in the NHS is actually quite a disagreeable business, because the money that you use for one thing cannot be used for other things. Money that you are paying over in prescription charges—whatever one may think of prescription charges—is money that is being denied to other sharp-end services looking after sick people. So, it was to cut down on fraud and also to make the system under which the exemptions were granted more robust. There are other more complicated things than that, but those are the simple ones.

[7] **Janice Gregory:** You have been very frank and I thank you for that. I have looked through the report. I have to say that as a substitute I received the papers late, but it is my fault that I did not stay up until 4 a.m. reading them. However, I cannot find anywhere in the report an estimate of the additional revenue that these very important, robust checks that were introduced brought in. What was that estimated at? What did you think the figure would be? Was there a figure put on it?

**Mr Craig:** No. I do not think that we put a target on it at the outset of these checks. I am fairly sure that we did not. Indeed, although we are now confident that revenue has risen, I would have some difficulty in trying to trace the extra revenue in a linear way back to the checks, because it is quite difficult to disentangle what is going on. However, revenue has risen by an amount that cannot be explained by the ordinary way in which expenditure goes up, since we introduced point of dispensing checks.

[8] **Janice Gregory:** I have several further questions, which centre on the shortcomings in the system. Do you want me to carry on with those, Chair?

[9] **Janet Davies:** Yes.

peth cyntaf i'w wneud oedd peri i hynny weithio ychydig yn well, mewn gwirionedd. Yn ail, yr oedd oherwydd bod gennym dystiolaeth bendant bod twyll, ac yr oedd hyn yn rhan o'r broses o fynd i'r afael â'r hyn a ddatgelwyd gan astudiaeth effeithlondeb fel maes pwysig lle'r oedd twyll. Mae twyll yn yr NHS yn fusnes eithaf annymunol mewn gwirionedd, oherwydd ni ellir defnyddio'r arian a ddefnyddiwyd ar gyfer un peth ar gyfer pethau eraill. Mae arian a dalwch mewn taliadau presgripsiynau—beth bynnag y meddylia rhywun am daliadau presgripsiynau—yn arian a naceir i wasanaethau eraill yn y pen blaen sydd yn gofalu am bobl sâl. Felly, eu bwriad oedd lleihau twyll a hefyd cryfhau'r system y rhoddid yr eithriadau oddi tani. Mae pethau eraill mwy cymhleth na hynny, ond y rheini yw'r rhai syml.

[7] **Janice Gregory:** Buoch yn agored iawn a diolchaf ichi am hynny. Edrychais drwy'r adroddiad. Rhaid imi ddweud fy mod fel dirprwywr wedi derbyn y papurau'n hwyr, ond arnaf fi y mae'r bai nad arhosais ar fy nhraed tan 4 a.m. yn eu darllen. Fodd bynnag, ni allaf ganfod yn unman yn yr adroddiad amcangyfrif o'r refeniw ychwanegol a gafwyd oddi wrth y gwiriadau cadarn, pwysig iawn hyn a gyflwynwyd. Beth oedd yr amcangyfrif o hynny? Beth oeddech chi'n ei gredu fyddai'r ffigur? A oedd ffigur wedi ei roi arno?

**Mr Craig:** Nac oedd. Ni chredaf ein bod wedi gosod targed ar hynny ar ddechrau'r gwiriadau hyn. Yr wyf yn eithaf sicr na wnaethom. Yn wir, er ein bod bellach yn sicr bod y refeniw wedi cynyddu, byddwn yn ei chael yn eithaf anodd ceisio olrhain y refeniw ychwanegol mewn modd unionlin yn ôl i'r gwiriadau, oherwydd mae'n anodd iawn datrys yr hyn sydd yn mynd ymlaen. Fodd bynnag, mae'r refeniw wedi codi o swm na ellir ei egluro drwy'r modd arferol y mae gwariant yn cynyddu, ers inni gyflwyno gwiriadau wrth ddsbarthu.

[8] **Janice Gregory:** Mae gennyf sawl cwestiwn pellach, sydd yn canolbwyntio ar y diffygion yn y system. A ydych yn dymuno imi fynd ymlaen â'r rheini, Gadeirydd?

[9] **Janet Davies:** Ydwyf.

[10] **Janice Gregory:** Paragraph 6 of the report states that in 1999-2000, the remuneration package for pharmacists in Wales increased by £800,000 to pay for carrying out these robust—as you called them—checks. What exactly are pharmacists required to do in order to earn this money?

**Mr Craig:** When someone presents a script and claims exemption, they are required to ask that person on what grounds he or she is claiming exemption and to seek evidence of those grounds. So, if someone comes and says ‘I am exempt’, they ask ‘On what grounds are you exempt?’ The person might say that he or she is exempt on grounds of age, for medical reasons or for benefit-related reasons. Those are the three main grounds. The pharmacist is then required to ask ‘What evidence have you to support that?’ If the person produces evidence, the form is signed and off it goes. If the person does not produce evidence, but stoutly maintains that he or she is exempt, the category under which that person is claiming exemption should be marked and the pharmacist should tick the box marked ‘evidence not seen’ and send it off.

[11] **Janice Gregory:** That is clearly not happening is it?

**Mr Craig:** It is not happening everywhere. I do not think I could be confident that it is happening anywhere all the time. However, I think that it is happening more in some places than in others, from the evidence I have been given.

[12] **Janice Gregory:** I think that if you stand in a queue to collect a prescription, it is quite evident that it is not happening. That could, perhaps, be down to—and I am not criticising staff in pharmacies at all—staff training. I know that people should produce evidence. The general populace should understand that if they cannot produce evidence or will not produce it then they must live with the consequences.

This is my final question to you, Mr Craig, you will be pleased to hear. The finding of the Auditor General about the shortfall in

[10] **Janice Gregory:** Noda paragraff 6 yr adroddiad fod y pecyn tâl i fferyllwyr yng Nghymru wedi cynyddu o £800,000 yn 1999-2000 i dalu am gyflawni'r gwiriadau cadarn—fel y galwoch hwy—hyn. Beth yn union y mae'n ofynnol i fferyllwyr ei wneud er mwyn ennill yr arian hwn?

**Mr Craig:** Pan yw rhywun yn cyflwyno presgripsiwn ac yn hawlio eithriad, mae'n ofynnol iddynt holi'r person hwnnw ar ba sail y mae ef neu hi'n hawlio eithriad a gofyn am dystiolaeth o'r sail honno. Felly, os daw rhywun a dweud ‘Yr wyf wedi fy eithrio’, gofynnant ‘Ar ba sail yr ydych wedi'ch eithrio?’ Gallai'r person ddweud ei fod ef neu hi wedi ei eithrio ar sail oedran, am resymau meddygol neu am resymau sydd yn ymwneud â budd-dal. Dyna'r tair prif sail. Wedyn mae'n ofynnol i'r fferylllydd holi ‘Pa dystiolaeth sydd gennych i ategu hynny?’ Os bydd y person yn dangos tystiolaeth, llofnodir y ffurflen ac i ffwrdd â hi. Os na fydd y person yn dangos tystiolaeth, ond yn haeru'n bendant ei fod ef neu hi wedi ei eithrio, dylid nodi'r categori y mae'r person hwnnw'n hawlio eithriad odano a dylai'r fferylllydd dicio'r blwch a nodir ‘heb weld tystiolaeth’ a'i hanfon i ffwrdd.

[11] **Janice Gregory:** Mae'n amlwg nad yw hynny'n digwydd, onid yw?

**Mr Craig:** Nid yw'n digwydd ym mhob man. Ni chredaf y gallwn fod yn sicr ei fod yn digwydd yn unman drwy'r amser. Fodd bynnag, credaf ei fod yn digwydd yn amlach mewn rhai lleoedd nag mewn eraill, a barnu o'r dystiolaeth a roddwyd i mi.

[12] **Janice Gregory:** Credaf, os sefwch mewn ciw i gasglu presgripsiwn, ei bod yn gwbl amlwg nad yw'n digwydd. Gallai hynny, efallai, fod oherwydd—ac nid wyf yn beirniadu staff mewn fferyllfeydd o gwbl—hyfforddiant staff. Gwn y dylai pobl ddangos tystiolaeth. Dylai'r cyhoedd ddeall, os na allant ddangos tystiolaeth neu os na fyddant ei dangos, fod yn rhaid iddynt fyw gyda'r canlyniadau.

Hwn yw fy nghwestiwn olaf i chi, Mr Craig, byddwch yn falch o glywed. Mae canfyddiad yr Archwilydd Cyffredinol ynghylch y diffyg

revenue from prescription charges clearly leads to the conclusion in paragraph 56 of the report that some pharmacists are not carrying out the point of dispensing checks as consistently and as carefully as they should. We have just touched on that subject. Given this, and given the fact that the Assembly pays the pharmacist to carry out these checks, what assurance can you give the Committee that these arrangements represent value for money? I think, perhaps, that in some respects you have answered that already.

**Mr Craig:** As I said, so far the increase in revenue is on a scale which suggests, whether it is by coincidence or causal relationship, that it has increased by more than the amount that we paid out. I would not like to go far beyond that yet, because I do not have the data to support it. However, the prima facie evidence is that since we introduced these payments and introduced this system there has been an increase in revenue, which would appear to justify that expenditure.

[13] **Janice Gregory:** Is there a monitoring system in place? What are we talking about in terms of monitoring?

**Mr Craig:** That is a very good point. It is one of the things that I would very much like to see us do, if we can do it, because it is quite complex. We are dealing with 40 million dispensed items and 20 plus million scripts, which makes any monitoring system a bit overwhelming in terms of the volume it generates. One of my ambitions, which emerged from our conversations with the professional bodies and health authorities and Health Solutions Wales, would be that we find some means of, to quote the National Audit Office, systematically checking this up. I doubt whether we can do it across all of Wales all the time, but some kind of focused sampling would be good. For example, I know that at least one health authority does that. It moves around pharmacy by pharmacy and does focused work on a particular pharmacy for a particular month. I would like to introduce a system of that sort. At the moment we do not have such a system. I have not had an opportunity to think through quite how it would work.

mewn refeniw oddi wrth daliadau presgripsiynau'n arwain yn amlwg at y casgliad ym mharagraff 56 yr adroddiad nad yw rhai fferyllwyr yn cyflawni'r gwiriadau wrth ddosbarthu mor gyson ac mor ofalus ag y dylent. Yr ydym newydd gyffwrdd â'r pwnc hwnnw. Yng ngolwg hynny, ac yng ngolwg y ffaith bod y Cynulliad yn talu'r fferylllydd i gyflawni'r gwiriadau hyn, pa sicrwydd y gallwch ei roi i'r Pwyllgor bod y trefniadau hyn yn dangos gwerth am arian? Credaf, efallai, eich bod wedi ateb hynny eisoes i ryw raddau.

**Mr Craig:** Fel y dywedais, hyd yn hyn mae'r cynnydd mewn refeniw o faint sydd yn awgrymu, pa un a ydyw drwy gyd-ddigwyddiad neu berthynas achosol, ei fod wedi cynyddu o fwy na'r swm a dalasom. Ni hoffwn fynd lawer ymhellach na hynny eto, oherwydd nid oes gennyf ddata i'w ategu. Fodd bynnag, y dystiolaeth olwg gyntaf yw bod cynnydd mewn refeniw ers inni gyflwyno'r taliadau hyn a chyflwyno'r system hon, yr ymddengys ei fod yn cyfiawnhau'r gwariant hwnnw.

[13] **Janice Gregory:** A oes system fonitro ar waith? Am beth yr ydym yn sôn o ran monitro?

**Mr Craig:** Mae hynny'n bwynt da iawn. Mae'n un o'r pethau y byddai'n dda iawn gennyf ein gweld yn ei wneud, oherwydd mae'n eithaf cymhleth. Yr ydym yn delio â 40 miliwn o eitemau dosbarthedig a mwy na 20 miliwn o bresgripsiynau, sydd yn peri bod unrhyw system fonitro braidd yn llethol o ran y symiau y mae'n ei greu. Un uchelgais sydd gennyf, a gododd o'n sgysiaau â'r cyrff proffesiynol a'r awdurdodau iechyd a Health Solutions Wales, yw y byddwn yn dod o hyd i ryw ddull, a dyfynnu'r Swyddfa Archwilio Genedlaethol, o wirio hyn yn systematig. Amheuaf a allwn wneud hynny ledled Cymru drwy'r amser, ond byddai rhyw fath o samplu cyfyng yn beth da. Er enghraifft, gwn fod o leiaf un awdurdod iechyd yn gwneud hynny. Mae'n mynd o gwmpas fesul fferyllfa ac yn gwneud gwaith canolbwytio ar fferyllfa benodol am fis penodol. Hoffwn gyflwyno system o'r math hwnnw. Ar hyn o bryd nid oes gennym system o'r fath. Ni chefais gyfle i ystyried yn fanwl sut yn union y byddai'n gweithio.



[14] **Janice Gregory:** I appreciate that.

**Mr Craig:** The trouble is that it is the sort of thing, which the first time that you read this report, one's instant reaction is that we must get a system in place so that we can monitor what is happening, where this is going wrong and how we can put it right as soon as it happens rather than waiting until some later stage when, say, the NAO or others, go in and tell us that things have been going wrong for a while.

[15] **Janice Gregory:** I think that perhaps the headlines were a little unfortunate when this came to light because it looked as if it was all fraud. We all know that perhaps there were errors of judgment. However, I think that once people realise that there is an agreement with the pharmacies and they are paid 'x' amount, they are going to start asking whether there is scope for drawing back some of this money. I think that that is another issue. I do not know whether you have thought about that or whether you intend to give this great thought. However, I really think that once our people out there understand that this is going on, they will want to know what can be done to have at least part of the money clawed back from even just part of this.

**Mr Craig:** That is a point that I would certainly want to take on board. It is also fair to say that there are elements in this system, which if the system is not worked properly, end up penalising the pharmacist, because during pricing, Health Solutions Wales do an activity of which I was unaware until a fortnight ago known as 'bundle switching'. If an imperfect form is found in the 'kindly give me £6 for this' pile, then an opportunity is taken to remove it and they do not get their £6 if it is imperfectly filled in. That is £6 gone for the pharmacists. Therefore, there is an incentive at that level to fill in the forms and do the thing properly. However, I have great sympathy with what you have just said.

[16] **Janet Davies:** Peter, you wanted to ask a supplementary question.

[14] **Janice Gregory:** Sylweddolaf hynny.

**Mr Craig:** Y drafferth yw mai dyma'r math o beth, y tro cyntaf y darllenwch yr adroddiad hwn, lle y bydd rhywun yn ymateb yn syth drwy ddweud bod yn rhaid inni sefydlu system fel y gallwn fonitro'r hyn sydd yn digwydd, lle y mae hyn yn mynd o'i le a sut y gallwn ei gywiro gynted ag y bydd yn digwydd yn hytrach nag aros hyd ryw adeg ddiweddarach pan fydd y Swyddfa Archwilio Genedlaethol, dyweder, neu eraill, yn mynd i mewn ac yn dweud wrthym fod pethau'n mynd o'i le ers tro.

[15] **Janice Gregory:** Credaf fod y penawdau braidd yn anffodus efallai pan ddaeth hyn i'r amlwg oherwydd ymddangosai fel petai'r cyfan yn dwyll. Gwyddom oll fod camfarnau efallai. Fodd bynnag, credaf y bydd pobl, ar ôl sylweddoli bod cytundeb â'r fferyllfeydd a bod y swm 'x' yn cael ei dalu iddynt, yn dechrau gofyn a oes cyfle i dynnu'n ôl rywffaint o'r arian hwn. Credaf fod hynny'n fater arall. Ni wn a ydych wedi meddwl am hynny neu a fwriadwch roi llawer o feddwl i hynny. Fodd bynnag, credaf mewn difrif, ar ôl i'n pobl y tu allan ddeall bod hyn yn mynd ymlaen, y byddant am wybod beth y gellir ei wneud i fachu o leiaf ran o'r arian yn ôl o hyd yn oed ychydig o hyn.

**Mr Craig:** Mae hynny'n bwynt y byddwn yn sicr yn dymuno ei ystyried. Mae hefyd yn deg dweud bod elfennau yn y system hon sydd, os na weithredir y system yn iawn, yn arwain at gosbi'r fferylllydd, oherwydd yn ystod prisio, mae Health Solutions Wales yn ymgymryd â gweithgaredd nad oeddwn yn ymwybodol ohono tan bythefnos yn ôl a elwir yn 'gyfnewid sypiau'. Os ceir ffurflen amherffaith yn y pentwr 'byddwch gystal â rhoi £6 i mi am hyn', achubir ar y cyfle i'w dileu ac nid ydynt yn derbyn eu £6 os nad yw wedi ei llenwi'n berffaith. Dyna'r fferyllwyr wedi colli £6. Felly, mae anogaeth ar y lefel honno i lenwi'r ffurflenni a gwneud y peth yn iawn. Fodd bynnag, cydymdeimlaf yn fawr â'r hyn yr ydych newydd ei ddweud.

[16] **Janet Davies:** Peter, yr oeddech am ofyn cwestiwn atodol.

[17] **Peter Law:** I want to come back to some of these things. My colleague, Janice, asked you about a monitoring system and your ambition would be to have one. I would have thought that it is being wise after the event to suggest an ambition to have one. Bearing in mind the amount of money that was involved here, would it not be reasonable to expect that there should have been some monitoring system put in place to check on what you have described as a robust system of checking, which is not a robust system of checking, unfortunately, as we have seen from this report?

**Mr Craig:** Hindsight, I am afraid is all I am allowed and in a position to exercise this afternoon and that is basically what I am sharing with you. I think that how this was going to work was not clear until we saw it actually happen. All that I can do now is to try to learn those lessons and make the system more robust. I think that I described the system as having a certain robust simplicity. Its overall robustness, I think, needs to be looked at a little more closely in the light of the results. However, certainly from where I am now, it seems to me that the lesson from this report is that we need to have some means of, at the very minimum, more comprehensively checking on how it is working and talking about how when we identify shortcomings, we can both deal with individual cases and the lessons those individual cases give us for the system as a whole.

[18] **Peter Law:** So simplistic in its robustness that it could have lost us up to £15 million as far as the public revenue is concerned? That is what people outside will be concerned about when they read about this. Is it not reasonable to expect that the professional expertise that you have in the department should have led you to have brought into being some type of monitoring system to follow this up and not to have left it to the good offices of the pharmacists, whom we will talk to in the future? They are the other half of this, and I appreciate that it is difficult to get the whole picture today, because they are key players in this, at the coalface as it were. We handed out £800,000

[17] **Peter Law:** Dymunaf ddod yn ôl at rai o'r pethau hyn. Holodd fy nghyd-Aelod, Janice, chi ynghylch system fonitro a'ch uchelgais chi fyddai cael un. Tybiwn mai bod yn ddoeth drannoeth y drin yw awgrymu uchelgais i gael un. O gofio'r swm o arian a oedd dan sylw yma, oni fyddai'n rhesymol disgwyl y dylai rhyw system fonitro fod wedi ei rhoi ar waith i wirio'r hyn a ddisgrifiasoch yn system wirio gadarn, nad ydyw'n system wirio gadarn, gwaetha'r modd, fel y gwelsom oddi wrth yr adroddiad hwn?

**Mr Craig:** Mae arnaf ofn mai ôl-ddoethineb yw'r cwbl sydd ar gael i mi a'r unig beth yr wyf mewn sefyllfa i'w arfer y prynhawn yma a dyna'r hyn yr wyf yn ei rannu â chi, yn y bôn. Credaf nad oedd yn amlwg sut y byddai hyn yn gweithio hyd nes inni ei weld yn digwydd ar y pryd. Y cwbl y gallaf ei wneud yn awr yw ceisio dysgu'r gwersi hynny a chryfhau'r system. Credaf imi ddisgrifio'r system fel un sydd yn meddu ar ryw symlrwydd cadarn. Credaf fod angen edrych ychydig yn fanylach ar ei chadernid cyffredinol yng ngoleuni'r canlyniadau. Fodd bynnag, yn sicr o'm safbwynt i yn awr, ymddengys i mi mai'r wers o'r adroddiad hwn yw bod yn rhaid inni wrth ryw dull, o leiaf, o wirio'n fwy cynhwysfawr y modd y mae'n gweithio ac o sôn, pan ganfyddwn ddiffygion, sut y gallwn ddelio ag achosion unigol a'r gwersi sydd gan yr achosion unigol hynny i ni ar gyfer y system yn ei chyfanrwydd.

[18] **Peter Law:** Mor or-syml yn ei chadernid fel y gallai fod wedi colli hyd at £15 miliwn i ni mewn refeniw cyhoeddus? Dyna'r hyn y bydd pobl y tu allan yn pryderu yn ei gylch pan ddarllenant am hyn. Onid yw'n rhesymol disgwyl y dylai'r arbenigedd proffesiynol sydd gennych yn yr adran fod wedi'ch arwain i greu rhyw fath o system fonitro i ddilyn hyn ac i beidio â'i gadael i gymwynasgarwch y fferyllwyr y byddwn yn siarad â hwy yn y dyfodol? Hwy yw hanner arall hyn, a sylweddolaf ei bod yn anodd cael y darlun cyfan heddiw, oherwydd maent yn chwaraewyr allweddol yn hyn, wrth y ffas lo fel petai. Rhoesom £800,000 a dweud, 'ewch chi ymlaen â hyn, a gobeithio y bydd yn

and said, 'you get on with it, and hopefully it will be alright'. One does not expect that from a professional body like the civil service. Is it not reasonable to expect that there should have been something else?

**Mr Craig:** I will take that, if I may, in two parts. First, we did place a certain amount of confidence in the ability of the profession to deliver this. The delivery of this was negotiated with them at some length. However, at the same time, it formed part of a broader pattern of an attack on fraud. In parallel with the system being introduced, there have been broader developments in terms of our seeking to establish ourselves as part of the new Counter Fraud Operational Services, which is designed to introduce an altogether more comprehensive approach to identifying and combating fraud, in terms of introducing better systems, better training and more people whose task it is to look for where opportunities may exist for fraud and to try to counter it. Did all this happen simultaneously? No, and it would have been good if it had, but the original efficiency scrutiny in 1997 gave rise to that much more comprehensive approach to fraud, which we are now seeing going ahead. I hasten to add—as I think Janice Gregory pointed out—by no means are all these losses fraudulent. Some of them are as a result of plain confusion, and I would not like to brand everybody in this as a fraudster. That would be unfair. However, the system itself, as you say, is nonetheless losing a great deal of money and it is our task to try to find a way of reducing that as far as we can. I simply have to plead guilty that we did not put in checks at the time. My task is to get such checks as are appropriate and effective in now.

[19] **Peter Law:** I am pleased to hear that you will be following this up and meeting with health authorities, which is crucial. There may be a need for us to talk to health authorities, particularly the one that runs Health Solutions Wales. I am interested in the £800,000 that was allocated to pharmacists to undertake this work. You made the point that there were occasions when they could actually lose by this. I have to say that they are responsible, professional people and they should devise a system that they understand,

iawn'. Nid yw rhywun yn disgwyl hynny gan gorff proffesiynol fel y gwasanaeth sifil. Onid yw'n rhesymol disgwyl y byddai rhywbeth arall?

**Mr Craig:** Cymeraf hynny, os caf, mewn dwy ran. Yn gyntaf, ymddiriedasom i ryw raddau yng ngallu'r proffesiwn i gyflawni hyn. Negodwyd â hwy ynghylch cyflawni hyn dros gyfnod eithaf hir. Fodd bynnag, ar yr un pryd, yr oedd yn rhan o batrwm ehangach o ymosod ar dwyll. Ochr yn ochr â chyflwyno'r system, bu datblygiadau ehangach o ran ceisio ein sefydlu ein hunain yn rhan o'r Gwasanaethau Gweithredol Gwrth Dwyll newydd, sydd â'r bwriad o gyflwyno dull mwy cynhwysfawr o lawer o ganfod ac ymladd twyll, o ran cyflwyno gwell systemau, gwell hyfforddiant a mwy o bobl sydd â'r gwaith o chwilio am y cyfleoedd posibl i dwyll a cheisio ei ymladd. A ddigwyddodd hyn oll yr un pryd? Naddo, a buasai'n dda pe bai, ond arweiniodd yr archwiliad effeithlonrwydd gwreiddiol yn 1997 at y dull llawer mwy cynhawysfawr hwnnw o ymdrin â thwyll, yr ydym bellach yn ei weld yn mynd rhagddo. Brysiaf i ychwanegu—fel y credaf y nododd Janice Gregory—nad yw'r cwbl o'r colledion hyn yn ganlyniad i dwyll o bell ffordd. Mae rhai ohonynt yn ganlyniad i ddryswch syml, ac ni hoffwn alw pawb yn y mater hwn yn dwyllwr. Byddai hynny'n annheg. Fodd bynnag, mae'r system ei hun, fel y dywedaso, yn colli llawer iawn o arian, er hynny, a'n gwaith ni yw ceisio canfod dull o leihau hynny hyd y gallwn. Ni allaf ond pledio'n euog na sefydlasom wiriadau ar y pryd. Fy ngwaith i yw sefydlu'r gwiriadau hynny sydd yn briodol ac yn effeithiol yn awr.

[19] **Peter Law:** Yr wyf yn falch o glywed y byddwch yn dilyn hyn ac yn cyfarfod ag awdurdodau iechyd, sydd yn holl bwysig. Efallai y bydd angen inni siarad ag awdurdodau iechyd, yn enwedig yr un sydd yn rhedeg Health Solutions Wales. Ymddiddoraf yn y £800,000 a ddyrannwyd i'r fferyllwyr i gyflawni'r gwaith hwn. Gwnaethoch y pwynt bod adegau pan allent golli drwy hynny. Rhaid imi ddweud eu bod yn bobl gyfrifol, broffesiynol ac y dylent ddyfeisio system a ddeallant, oherwydd fe'u

because they are being paid by the National Assembly to operate this system. To some extent, some of us might say that we are not really getting value for money from the pharmacists' associations or the pharmacists, bearing in mind that they were being paid an agreed sum for undertaking these checks. Can you tell me how this money is allocated, because I cannot find how it is done? Is it divided per pharmacist, or is it put into some formula? It seems to be out there in the ether somewhere. Can you give us some more information on this?

**Mr Craig:** It is per pharmacist, is it not, Mr Wilcox?

**Mr Wilcox:** It is part of the global sum, which is then used to determine a pharmacist's remuneration. It is not an individual thing.

**Mr Craig:** I wanted to check that with Mr Wilcox. The arrangements with the pharmacists are that there is an annual negotiation on a global sum, which goes to the pharmaceutical profession. For the purposes of this, that £0.8 million was incorporated in the global sum. It was included as an additional component of the remuneration system during that year. In addition to the income that they would normally receive, that level was enhanced by £0.8 million. It was not therefore given out in a packet, as it were, to each of the 2,000 or so pharmacists that we have, 1,300 of which are in the community.

[20] **Peter Law:** Can I clarify this, because I never understood it? There is a block amount of money that goes to the pharmacists for certain purposes?

**Mr Craig:** Yes.

[21] **Peter Law:** Then £800,000 was added to that on an all-Wales basis. I assume that is divided between each practice?

**Mr Craig:** It is distributed largely in proportion to the level of activity. It is not, as it were, an income for each pharmacy. It is based on a kind of target income for pharmacists, which relates, to some extent, to

telir gan y Cynulliad Cenedlaethol i weithredu'r system hon. I ryw raddau, gallai rhai ohonom ddweud nad ydym yn cael gwerth am arian mewn gwirionedd gan gymdeithasau'r fferyllwyr neu'r fferyllwyr, o gofio eu bod yn derbyn swm cytunedig am gyflawni'r gwiriadau hyn. A allwch ddweud wrthyf sut y dyrennir yr arian hwn, oherwydd ni allaf ddarganfod sut y gwneir hyn? A gaiff ei rannu fesul fferylllydd, ynteu a roddir ef drwy fformwla o ryw fath? Ymddengys ei fod allan yn yr awyr yn rhywle. A allwch roi mwy o wybodaeth i ni ar hyn?

**Mr Craig:** Mae fesul fferylllydd, onid yw, Mr Wilcox?

**Mr Wilcox:** Mae'n rhan o'r swm cyfan, a ddefnyddir wedyn i bennu tâl y fferylllydd. Nid yw'n beth unigol.

**Mr Craig:** Yr oeddwn am wirio hynny gyda Mr Wilcox. Y trefniadau â'r fferyllwyr yw bod negodiad blynyddol ar swm cyfan, a aiff at y fferyllwyr. I'r diben hwn, cynhwyswyd y £0.8 miliwn hwnnw yn y swm cyfan. Fe'i cynhwyswyd fel elfen ychwanegol o'r system dalu yn ystod y flwyddyn honno. Ar ben yr incwm a dderbynient fel rheol, codwyd y lefel honno o £0.8 miliwn. Felly ni ddosbarthwyd ef mewn pecyn, fel petai, i bob un o'r 2,000, fwy neu lai, o fferyllwyr sydd gennym, y mae 1,300 ohonynt yn y gymuned.

[20] **Peter Law:** A allaf gael eglurhad ar hyn, oherwydd nid wyf erioed wedi ei ddeall? Mae bloc o arian a aiff at y fferyllwyr at rai dibenion?

**Mr Craig:** Oes.

[21] **Peter Law:** Wedyn ychwanegwyd £800,000 at hynny ar sail Cymru gyfan. Cymeraf ei fod yn cael ei rannu rhwng yr holl fferyllfeydd?

**Mr Craig:** Fe'i dosbarthir mewn cyfrannedd â lefel y gweithgaredd gan mwyaf. Nid ydyw'n incwm, fel petai, i bob fferyllfa. Mae'n seiliedig ar fath o incwm targed ar gyfer fferyllwyr, sydd yn ymwneud, i ryw

how busy they are. In consequence, the money is distributed pro rata to the level of activity. These are deep waters for me, and I do not want to get too far into them. If you would really like a detailed account of it, I can arrange to let you have one.

[22] **Peter Law:** That is the whole purpose of this meeting today, is it not, to be able to get to the bottom of these things? If they are deep waters for you, they are extremely deep for us. We are talking to you as the professionals, as the experts in this, and one would have expected you to have this information at your fingertips. It actually stares at you from the report that £800,000 of public money has been paid for a checking system that has collapsed, that does not work generally in a number of cases. We may only just be scratching the surface here, so we need to know that we are getting value for money. You have told us that we do not have a monitoring system. I would have thought that you could have told us in a little bit more depth about where this £800,000 went other than to a block. I do not quite understand where the incentive is there. I understand that staff training is involved, and that an agreement has been reached with the pharmacists—we will have to check all of this when they come before us—but I was trying to get a perspective from this side.

**Mr Craig:** The pharmacists' remuneration is built into the process under which they are paid fees when they dispense. They are paid for the cost of the drugs and they are paid a remunerative element on top of that to provide them with the income, as it were. That element is negotiated annually. It is then built into the pricing system, so that when they send in scripts, they will receive a payment based both on the cost of the drugs and on an appropriate contribution to their income, which will be part of the global sum negotiated. For this purpose, the global sum was increased by an identified sum of £800,000. That component was recognised by the pharmaceutical profession as representing an additional element of income for pharmacists, which, as I said earlier, was then distributed in proportion—as indeed is the rest of their income—to the number of

raddau, â'u prysurdeb. O ganlyniad, dosbarthir yr arian yn ôl yr un gyfradd â lefel y gweithgaredd. Mae'r rhain yn ddyfroedd dyfnion i mi, ac ni ddymunaf fynd iddynt yn rhy bell. Os ydych o ddifrif am gael disgrifiad manwl o hyn, gallaf drefnu ichi gael un.

[22] **Peter Law:** Dyna holl bwrpas y cyfarfod hwn heddiw, onide, i allu mynd at wraidd y pethau hyn? Os ydynt yn ddyfroedd dyfnion i chi, maent yn ddwfn dros ben i ni. Yr ydym yn siarad â chi fel y rhai proffesiynol, fel yr arbenigwyr yn hyn o beth, a byddai rhywun yn disgwyl i'r wybodaeth hon fod gennych ar flaenau'ch bysedd. Mae'n hollol amlwg o'r adroddiad bod £800,000 o arian cyhoeddus wedi ei dalu am system wirio sydd wedi methu, nad yw'n gweithio'n gyffredinol mewn nifer o achosion. Efallai nad ydym ond yn crafu'r wyneb yma, felly mae angen inni wybod ein bod yn cael gwerth am arian. Dywedasoeh wrthym nad oes gennym system fonitro. Tybiaswn y byddech wedi gallu dweud ychydig yn fwy manwl wrthym i ble'r aeth y £800,000 hwn heblaw ei fod wedi mynd i floc. Nid wyf yn llwyr ddeall ym mhle y mae'r anogaeth yn hynny. Deallaf fod hyfforddiant staff yn gysylltiedig, ac y daethpwyd i gytundeb â'r fferyllwyr—bydd yn rhaid inni wirio'r cwbl o hynny pan ddeuant ger ein bron—ond yr oeddwn yn ceisio cael perspectif o'r ochr hon.

**Mr Craig:** Mae tâl y fferyllwyr yn rhan o'r broses a ddefnyddir i dalu ffioedd iddynt pan fyddant yn dosbarthu. Fe'u telir am gost y cyffuriau a thelir elfen o dâl iddynt ar ben hynny i roi'r incwm iddynt, fel petai. Negodir yr elfen honno'n flynyddol. Fe'i cynhwysir wedyn yn y system brisio, fel y byddant yn derbyn tâl, pan anfonant bresgripsiynau i mewn, sydd yn seiliedig ar gost y cyffuriau ac ar gyfraniad priodol at eu hincwm, a fydd yn rhan o'r swm cyfan a negodir. I'r diben hwn, cynyddwyd y swm cyfan o swm dynodedig o £800,000. Cydnabu'r proffesiwn fferyllol y cyfansoddyn hwnnw fel un a oedd yn cynrychioli elfen incwm ychwanegol i fferyllwyr a ddosbarthwyd wedyn, fel y dywedais yn gynharach, mewn cyfrannedd â nifer y presgripsiynau a ddosbarthant—fel, yn wir, y gwneir â gweddill eu hincwm.

scripts that they dispense.

Training, which you mentioned, took two forms. First, we sent them literature, which had been discussed and negotiated with their professional organisation, with a requirement that they themselves become familiar with it, and that they also familiarise their counter staff with it. That included folders, of which, I think, the Committee has copies, and laminated sheets, which were there for handy reference. So that component was built in. In addition, a helpline was opened, so that if there were additional issues, they could always ring that helpline. It is still active. We tried to contact it earlier this week, and it is still going and is very busy. They were the two components of the training and the support that was established thereafter. The distribution of the money and the simple mechanism for how it is distributed is relatively straightforward. The deep waters of which I spoke were to do with the negotiating process by which the global sum is established for pharmacists, because that is, it must be said, quite a complicated issue.

Yr oedd yr hyfforddiant, y soniasoch amdano, ar ddwy ffurf. Yn gyntaf, anfonasom ddeunydd darllen atynt, a oedd wedi ei drafod a'i negodi â'u corff proffesiynol, gyda gofyniad iddynt ymgyfarwyddo ag ef eu hunain, ac iddynt hefyd beri bod eu staff cownter yn gyfarwydd ag ef. Yr oedd hynny'n cynnwys ffolderi, y mae gan y Pwyllgor gopïau ohonynt, yr wyf yn credu, a dalennau laminedig, ar gyfer cyfeirio'n rhwydd. Felly yr oedd yr elfen honno'n annatod. Yn ogystal â hynny, sefydlwyd llinell gymorth, fel y gallent ffonio'r llinell gymorth honno bob amser os oedd materion ychwanegol. Mae ar waith o hyd. Ceisiasom gysylltu â hi'n gynharach yr wythnos hon, ac mae'n dal i fynd ac yn brysur iawn. Dyna ddwy elfen yr hyfforddiant a'r cymorth a sefydlwyd wedi hynny. Mae dosbarthu'r arian a'r mecanwaith syml ar gyfer ei ddosbarthu'n gymharol ddigymhlethdod. Yr oedd y dyfroedd dyfnion y cyfeiriais atynt yn ymwneud â'r broses negodi ar gyfer sefydlu'r swm cyfan i fferyllwyr, oherwydd mae hynny, rhaid dweud, yn fater eithaf cymhleth.

[23] **Peter Law:** Are you satisfied that sending them some literature through the post—which we all receive every day on all sorts of things, and which, I expect, you also receive a lot of—and opening up a helpline, constitutes sufficient and appropriate training for a scheme to avoid fraud that has cost £800,000? That comes back to the monitoring. Do you think that that really constitutes suitable training?

[23] **Peter Law:** A ydych yn fodlon bod anfon deunydd darllen atynt drwy'r post—y byddwn oll yn ei dderbyn bob dydd ar bob math o bethau, ac y derbyniwch chithau lawer ohono, yr wyf yn disgwyl—a sefydlu llinell gymorth, yn hyfforddiant digonol a phriodol ar gyfer cynllun i ochel rhag twyll a gostiodd £800,000? Daw hynny'n ôl at y monitro. A gredwch fod hynny'n golygu hyfforddiant addas mewn gwirionedd?

**Mr Craig:** It was certainly our conclusion at the time, and that of the profession, that it constituted adequate training. In the light of experience, if we were doing a similar thing again—and, as the report points out, we are—we will wish to consider that and see whether it represents an appropriate and adequate way of doing it in those instances.

**Mr Craig:** Yn sicr, y casgliad y daethom ni, a'r proffesiwn, iddo ar y pryd oedd ei fod yn hyfforddiant digonol. Yng ngoleuni profiad, os gwnawn beth tebyg eto—ac, fel y noda'r adroddiad, yr ydym yn gwneud—byddwn yn dymuno ystyried hynny a gweld a yw'n ddull priodol a digonol o'i wneud yn yr achosion hynny.

[24] **Alun Cairns:** I do not mean to be impertinent in any way, Mr Craig, but I am concerned about some of the replies that you gave to Janice Gregory's questions about the monitoring and so on. Was this report a surprise to you?

[24] **Alun Cairns:** Ni fwriadaf fod yn ddigywilydd mewn unrhyw fodd, Mr Craig, ond pryderaf ynghylch rhai o'r atebion a roesoch i gwestiynau Janice Gregory ynghylch y monitro ac yn y blaen. A oedd yr adroddiad hwn yn peri syndod i chi?

**Mr Craig:** That is a difficult question. The answer is 'yes and no'. It was a surprise to me in the sense that, frankly, I found some of the components of the loss identified a little surprising. For example, those on date of birth. I found that surprising. I thought that the level of failure to provide dates of birth on these forms was surprisingly high. I was less surprised at the loss on benefit, because of the confusion to which the report refers, on the part of benefit recipients, pharmacists and others, as to which benefits entitle you to which exemptions and which benefits, indeed, in some cases, people are receiving. It is clear that some people are by no means clear as to what benefits they are receiving.

[25] **Alun Cairns:** If I can stop you there, because no doubt we will go into the detail of those issues later on, what about the scale of the fraud, which is estimated at £15 or £16 million, but which could well be as high as £30 million? Was that a surprise to you?

**Mr Craig:** I am diffident about the word 'surprise'. I do not like it. It is higher than I would have wished and it is higher than I think that I would probably have estimated. Although, set against the situation in 1997 when the first efficiency scrutiny was done, it is not grossly out of line with the levels that were identified there. So in that sense, the surprise element would have arisen then rather than now.

[26] **Alun Cairns:** Bearing in mind human nature, do you think that you have been naïve in any way?

**Mr Craig:** I do not think 'naïve' is quite the word for it. I think that at the time, on the basis of what we knew then and on the basis of a clear commitment—and I think that is to be attributed to it—on the part of the pharmaceutical profession to make this work, I do not think that the decision taken was a naïve one. I think in the light of what we now know, it was one which represented rather more optimism about the ability to make these systems work than experience justifies. So I think that we have to learn from that and that we will not be quite as ready to assume

**Mr Craig:** Mae hynny'n gwestiwn anodd. Yr ateb yw 'oedd a nac oedd'. Yr oedd yn peri syndod i mi yn yr ystyr fy mod yn synnu braidd, a dweud y gwir, at rai o'r elfennau o'r golled a ddynodwyd. Er enghraifft, y rhai ar ddyddiad geni. Synnais at hynny. Credais fod lefel y methiant i ddarparu dyddiadau geni ar y ffurflenni hyn yn rhyfeddol o uchel. Synnais lai at y golled ar fudd-dal, oherwydd y dryswch y cyfeiria'r adroddiad ato, ar ran derbynwyr budd-daliadau, fferyllwyr ac eraill, ynghylch pa fudd-daliadau sydd yn rhoi hawl ichi dderbyn pa eithriadau a pha fudd-daliadau, yn wir, mewn rhai achosion, y mae pobl yn eu derbyn. Mae'n amlwg bod rhai pobl ymhell o ddeall yn iawn ba fudd-daliadau y maent yn eu derbyn.

[25] **Alun Cairns:** Os caf eich stopio yn y fan honno, oherwydd mae'n sicr y byddwn yn mynd i fanylion y materion hynny'n ddiweddarach, beth am faint y twyll, a amcangyfrifir yn £15 neu £16 miliwn, ond a allai'n hawdd fod cyn uchod â £30 miliwn? A barodd hynny syndod i chi?

**Mr Craig:** Petrusaf ynghylch y gair 'syndod'. Nis hoffaf. Mae'n uwch nag y dymunaswn ac mae'n uwch nag y byddwn wedi amcangyfrif, yr wyf yn credu. Er hynny, o'i gymharu â'r sefyllfa yn 1997 pan gyflawnwyd yr archwiliad effeithlonrwydd cyntaf, nid yw'n ofnadwy o anghyson â'r lefelau a ddynodwyd bryd hynny. Felly yn yr ystyr honno, byddai'r elfen o syndod wedi codi bryd hynny yn hytrach nag yn awr.

[26] **Alun Cairns:** O ystyried y natur ddynol, a gredwch ichi fod yn naïf mewn unrhyw fodd?

**Mr Craig:** Ni chredaf mai 'naïf' yw'r union air amdano. Credaf, ar y pryd, ar sail yr hyn a wyddem bryd hynny ac ar sail ymrwymiad pendant—a chredaf fod hynny i'w briodoli iddo—ar ran y fferyllwyr i beri i hyn weithio, ni chredaf fod y penderfyniad a wnaethpwyd yn un naïf. Credaf, yng ngoleuni'r hyn a wyddom yn awr, ei fod yn un a oedd yn dangos ychydig yn fwy o optimistiaeth ynghylch y gallu i beri i'r systemau hyn weithio nag a gyfiawnheir gan brofiad. Felly credaf fod yn rhaid inni ddysgu oddi wrth hynny ac na fyddwn mor barod i gymryd bod

that what looks straightforward is going to be straightforward in the future.

[27] **Janet Davies:** I certainly think that this whole issue of age is quite a large one. Over recent months, I have personally visited six different pharmacies as a patient's representative and never once been asked for proof on grounds of age. That included local and supermarket pharmacies.

I think that Christine has some questions that she would like to pursue.

[28] **Christine Chapman:** I think that some of my questions have been answered. Basically, I have a comment really—Peter Law expressed this very well—that there is a sense of urgency for us to make the monitoring arrangements crystal clear. We need to do that because, obviously, we are losing a lot of money. I will not go into any of the detail of that, because you have answered those questions. However, I would be interested if you could perhaps summarise the feeling of urgency that the Assembly has on how we are going to achieve that. Are we just going to put into place a system that might fail again? Should we be looking at whether, for example, the pharmaceutical associations are not particularly signed up to this idea? There is a loss of income, if they do not get it right. Should we be attacking, perhaps, the culture? Perhaps they feel a bit disconnected from the process. That might be a more innovative way of getting this right. Have you got any comments on that, Mr Craig?

**Mr Craig:** I do think that the word 'culture', which you have raised, is a very important one here. It is something that the Counter Fraud Operational Services in the, I think, seven main objectives that it has set itself on fraud as a whole, is anxious to change. It wants a real awareness of the extent to which fraud and related matters occur and that that costs money and simply will not do. It is also going to be backed up, we seriously hope, by the introduction, for example, of the penalties arrangement, which is more robust than the present system. At present, if you pursue individuals, you can pursue them for the cost of the prescription that they have failed to

yr hyn sydd yn ymddangos yn syml yn mynd i fod yn syml yn y dyfodol.

[27] **Janet Davies:** Yr wyf yn sicr yn credu bod yr holl fater o oed yn un eithaf mawr. Dros y misoedd diwethaf, ymwelais fy hun â chwe gwahanol fferyllfa fel cynrychiolydd claf ac ni ofynnwyd imi unwaith am brawf ar sail oedran. Yr oedd hynny'n cynnwys fferyllfeydd lleol a rhai mewn archfarchnadoedd.

Credaf fod gan Christine rai cwestiynau y carai eu dilyn.

[28] **Christine Chapman:** Credaf fod rhai o'm cwestiynau wedi eu hateb. Sylw sydd gennyf, yn y bôn, mewn gwirionedd—mynegodd Peter Law hyn yn dda iawn—fod ymdeimlad o frys inni wneud y trefniadau monitro'n gwbl eglur. Mae angen inni wneud hynny oherwydd, yn amlwg, yr ydym yn colli llawer o arian. Nid af i fanylion hynny o gwbl, oherwydd atebasoch y cwestiynau hynny. Fodd bynnag, byddai o ddiddordeb i mi pe gallech efallai grynhoi'r ymdeimlad o frys sydd gan y Cynulliad ynghylch sut y byddwn yn cyflawni hynny. Ai'r cwbl a wnawn yw sefydlu system a allai fethu eto? A ddylem ystyried, er enghraifft, a yw'r cymdeithasau fferyllol heb gymryd at y syniad hwn yn arbennig? Ceir colled incwm, os na fyddant yn ei gael yn iawn. A ddylem ymosod ar y diwylliant, efallai? Efallai eu bod yn teimlo ychydig o ddiffyg cysylltiad â'r broses. Gallai hynny fod yn ddull mwy arloesol o gael hyn yn iawn. A oes gennych unrhyw sylwadau ar hynny, Mr Craig?

**Mr Craig:** Credaf fod y gair 'diwylliant', a godwyd gennych, yn un pwysig iawn yma. Mae'n rhywbeth y mae'r Gwasanaethau Gweithredol Gwrth Dwyll, yn y saith, yr wyf yn credu, o brif amcanion a osododd iddo'i hun ar dwyll yn gyffredinol, yn awyddus i'w newid. Mae am gael ymwybyddiaeth wirioneddol o'r graddau y mae twyll a materion cysylltiedig yn digwydd a bod hynny'n costio arian ac na wnaiff hyn mo'r tro o gwbl. Ategir hynny, yr ydym yn gwir obeithio, drwy gyflwyno, er enghraifft, y trefniant cosbau, sydd yn gryfach na'r system bresennol. Ar hyn o bryd, os ewch ar ôl unigolion, cewch eu dilyn i gael cost y



pay. Once you can actually charge them a substantial amount more than that and can pursue by law a substantial sum more than that, it becomes an altogether more practicable proposition and word will get around. So, first of all, I am sure that you are right that the culture needs to be changed.

What are we going to do urgently? The first most urgent thing that I want to do is to raise the profile of this with health authorities. There is information available in Health Solutions Wales and if we, and the health authorities, can find a cost-effective way of bringing that information to bear on all this by getting information back to the health authorities, which would then be in the position to pursue it in individual cases, through pharmacists or in other ways, I would like to get that up and running as soon as is practicable. A meeting has been arranged for, I hope, the first part of January. There are a couple of dates that are proving to be slightly problematic. I hope that the directors of finance will attend along with the Counter Fraud Operational Services. I also hope to invite representatives from the National Audit Office. Representatives of Health Solutions Wales will attend. We can then simply shut the door and say that £15 million is far too much and that we should be able to make substantial in-roads into that and do so quickly. If we cannot do so, I need very good reasons as to why, not least because sometime in early December I had a conversation with the Audit Committee in the Assembly, which will want to know why and I am not going back to it to say that we have done nothing about this. So, the immediate action I have in mind is to talk to them.

Mrs Beaver is also arranging to have further conversations with people who run contractor services in health authorities because all fraud tends to take place under their aegis. At the moment, if there is a priority, it tends to be contractor fraud, not least because that comes in bigger chunks and is more cost-effective to pursue. So, we will talk to them to see how they can tackle that.

I have already begun a dialogue with the

presgripsiwn y methasant dalu amdano. Pan allwch godi swm sylweddol arnynt ar ben hynny a cheisio swm mwy o lawer na hynny drwy'r gyfraith, daw'n fenter fwy ymarferol o lawer ac aiff y gair ar led. Felly, yn gyntaf oll, yr wyf yn sicr eich bod yn iawn bod angen newid y diwylliant.

Beth a wnawn ar frys? Yr hyn yr wyf am ei wneud ar y mwyaf o frys yw tynnu mwy o sylw at hyn gyda'r awdurdodau iechyd. Mae gwybodaeth ar gael yn Health Solutions Wales ac os gallwn ni, a'r awdurdodau iechyd, ddod o hyd i ddull cost-ffeithiol o gymhwyso'r wybodaeth honno at hyn drwy roi gwybodaeth yn ôl i'r awdurdodau iechyd, a fyddai wedyn mewn sefyllfa i allu dilyn hyn mewn achosion unigol, drwy fferyllwyr neu mewn dulliau eraill, hoffwn roi hynny ar waith mor fuan ag y bo modd. Trefnwyd cyfarfod ar gyfer dechrau Ionawr, yr wyf yn gobeithio. Mae un neu ddau o ddyddiadau sydd braidd yn ansicr. Gobeithiaf y bydd y cyfarwyddwyr cyllid yn bresennol ynghyd â'r Gwasanaethau Gweithredol Gwrth Dwyll. Gobeithiaf hefyd wahodd cynrychiolwyr o'r Swyddfa Archwilio Genedlaethol. Bydd cynrychiolwyr o Health Solutions Wales yn bresennol. Wedyn, yn syml, gallwn gau'r drws a dweud bod £15 miliwn yn ormod o lawer ac y dylem allu cwtdogi'n helaeth ar hynny a hynny'n fuan. Os na allwn wneud hynny, bydd arnaf angen rhesymau da iawn am hynny, nid lleiaf am imi gael sgwrs rywdro ddechrau Rhagfyr â'r Pwyllgor Archwilio yn y Cynulliad, a fydd am wybod pam ac am na fyddaf yn mynd yn ôl ato a dweud na wnaethom ddim ynghylch hyn. Felly, y camau cyntaf sydd gennyf mewn golwg yw siarad â hwy.

Mae Mrs Beaver hefyd yn trefnu cael sgysiau pellach â rhai sydd yn rhedeg gwasanaethau contractwyr mewn awdurdodau iechyd oherwydd mae'r holl dwyll yn dueddol o ddigwydd o dan eu nawdd hwy. Ar hyn o bryd, os oes blaenoriaeth, twyll ymysg contractwyr yw hynny gan mwyaf, nid lleiaf am fod hynny'n digwydd ar ffurf tameidiau mwy ac mae'n fwy cost-ffeithiol i'w ddilyn. Felly, byddwn yn siarad â hwy i weld sut y gallant fynd i'r afael â hynny.

Yr wyf eisoes wedi cychwyn deialog â'r

pharmaceutical profession because I met the chair and vice chair of the local Welsh branch of the national professional negotiating body. It would be fair to say—and I do not overstate this—that they are profoundly embarrassed by this because they, on behalf of their profession, believed that they had signed up to a system that was workable and appropriate. It would be fair to say, without misrepresenting them, that they both regard the system as working well in their own pharmacies. However, it is clearly not reaching the rest of the pharmaceutical profession and they are anxious to get clear messages from this meeting and from me, which they will then push hard with the profession because they are anxious for this to be sorted out. So, we need to sort out the health authority end and we need to get the profession's ideas as to how we can best take this forward. We need to do all that in a way that enables us to have confidence and to give you—among others—confidence that there is a reasonable expectation that these numbers will start to go down rapidly.

[29] **Janice Gregory:** May I take you back to the evidence not seen, because the more I consider that, the more concerned I become? You would have thought that something so simple as 'evidence not seen' being ticked or marked on a prescription would immediately lead someone somewhere to think that, hang on, the evidence has not been proved on this, should it not be checked up? Surely, there are bundles from all pharmacies that should be marked as 'evidence not seen'? Are those prescriptions clearly marked as 'evidence not seen' or, as has always been the case, are they sent in and then get into—for want of a better term—a rut where the pharmacy, which is getting money to do the job, does not worry because it knows that up until now there has been no comeback for not identifying these prescriptions? It is difficult to come to terms with the fact that a more stringent check was not even made on these forms, even if there were not random checks on other matters.

**Mr Craig:** I have fought shy of the word 'surprised' but I am not ashamed of the word 'baffled' because it strikes me as extraordinary that that box returns not ticked on a substantial number of forms, which are

fferyllwyr oherwydd cyfarfûm â chadeirydd ac is-gadeirydd cangen leol Cymru o'r corff negodi proffesiynol cenedlaethol. Teg fyddai dweud—ac nid wyf yn gor-ddweud—eu bod yn teimlo'n annifyr iawn ynghylch hyn oherwydd credent, ar ran eu proffesiwn, eu bod wedi derbyn system a oedd yn ymarferol ac yn briodol. Teg fyddai dweud, heb gamliwio eu barn, eu bod ill dau'n ystyried bod y system yn gweithio'n dda yn eu fferyllfeydd eu hunain. Fodd bynnag, mae'n amlwg nad yw'n cyrraedd gweddill y fferyllwyr ac maent yn awyddus i gyfleu negeseuon clir o'r cyfarfod hwn a chennyf fi, y byddant wedyn yn rhoi pwys mawr arnynt gyda'r proffesiwn oherwydd maent yn awyddus i ddatrys hyn. Felly, mae angen inni ddatrys maes yr awdurdodau iechyd ac mae angen inni gael syniadau'r proffesiwn ynghylch y modd y gallwn fwrw ymlaen â hyn orau. Mae angen inni wneud y cwbl o hynny mewn modd sydd yn ein galluogi i fod yn sicr ac i roi sicrwydd i chi—ymysg eraill—bod disgwyliad rhesymol y bydd y niferoedd hyn yn dechrau disgyn yn gyflym.

[29] **Janice Gregory:** A gaf fynd â chi'n ôl at y dystiolaeth nas gwelwyd, oherwydd po fwyaf yr ystyriaf hynny, mwyaf y pryderaf? Byddech wedi meddwl y byddai rhywbeth mor syml â thicio neu farcio 'heb weld tystiolaeth' ar bresgripsiwn wedi arwain rhywun yn rhywle ar unwaith i feddwl, arhoswch funud, ni phrofwyd y dystiolaeth ar hyn, oni ddylid ei gwirio? Tybed nad oes sypiau o bob fferyllfa y dylid eu marcio fel 'heb weld tystiolaeth'? A yw'r presgripsiynau hynny wedi eu marcio'n eglur fel 'heb weld tystiolaeth' neu, fel y digwyddodd erioed, a anfonir hwy i mewn gan fynd wedyn—yn niffyg gair gwell—i rigol lle nad yw'r fferyllfa, sydd yn cael arian i wneud y gwaith, yn poeni am y gŵyr na ddigwyddodd dim o ganlyniad hyd hynny ar ôl peidio â dynodi'r presgripsiynau hyn? Mae'n anodd dygymod â'r ffaith na fu gwirio mwy trylwyr ar y ffurflenni hyn hyd yn oed, hyd yn oed os na fu gwiriadau ar hap ar faterion eraill.

**Mr Craig:** Ceisiais gadw oddi wrth y gair 'wedi synnu' ond nid oes gennyf gywilydd o'r gair 'mewn penbleth' oherwydd mae'n fy nharo fel peth rhyfeddol bod y blwch hwnnw'n dod yn ôl heb ei dicio ar nifer fawr

identified and can be followed up. I have not been around all the health authorities, but when the one that I visited yesterday pursues a particular pharmacy, that is one thing that it will look at. It is also fair to say that, if pharmacists do not fill in a form correctly, they do not get the money. That is another very good reason why they should be concerned to fill it in.

I simply cannot begin to explain why that tick should not be there. The only excuse that is offered without some degree of embarrassment as to why, occasionally, the backs of these forms are not filled in, is when batches come in from homes. Occasionally, when there are large numbers coming from, for example, a nursing home, it may be that that will be identified as a reason why they were not all filled in properly. However, I do not regard that as an excuse. I think that it is an explanation, but it is not an excuse for it. Therefore, one thing that the pharmaceutical profession and the pharmacists to whom I spoke earlier this week were most determined about was that we do not any longer have whatever the percentage is—I think that the NAO found that it was 15 per cent of the forms—where the back is more or less blank. That just does not seem acceptable at all to me. I cannot understand it. It is the biggest box on the form, so they should be able to tick it.

[30] **Janice Gregory:** Yes, they should. I will ask you a direct question, which I hope you can answer. Can you tell us, without a shadow of a doubt, that if these are submitted, that is picked up and the pharmacy is not paid? Or has it been the case, in the past, that the pharmacy would be paid whether this was done or not, which has then led them into bad practice?

**Mr Craig:** It is picked up with a very high degree of accuracy. If I recall, we are talking about less than—in fact, something like—0.3 per cent accuracy with which they are picked up. They are collected. The only circumstances in which a pharmacy would receive payment for a thing like this is if there were an acceptable explanation. After the week that I have spent brooding over this

o ffurflenni, a ddynodwyd ac y gellir eu dilyn. Nid wyf wedi ymweld â'r holl awdurdodau iechyd, ond pan yw'r un yr ymwelais ag ef ddoe yn mynd ar ôl fferyllfa benodol, mae hynny'n un peth y bydd yn edrych arno. Teg yw dweud hefyd, os nad yw'r fferyllwyr yn llenwi ffurflen yn gywir, nid ydynt yn derbyn yr arian. Dyna reswm da iawn arall pam y dylai fod yn bwysig ganddynt ei llenwi.

Yn syml, ni allaf ddechrau egluro pam nad yw'r tic hwnnw yno. Yr unig esgus a roddir heb rywfaint o gywilydd ynghylch pam, ar brydiau, na lenwir cefnau'r ffurflenni hyn, yw pan ddaw sypiau i mewn oddi wrth gartrefi. O bryd i'w gilydd, pan ddaw niferoedd mawr o gartref nyrsio, er enghraifft, mae'n bosibl y nodir hynny fel rheswm pam nad oeddent wedi eu llenwi'n gywir. Fodd bynnag, ni ystyriaf hynny'n esgus. Credaf fod hynny'n eglurhad, ond nid yw'n esgus drosto. Felly, un o'r pethau yr oedd y proffesiwn fferyllol a'r fferyllwyr y siaredais â hwy'n gynharach yr wythnos yma'n fwyaf pendant yn ei gylch oedd na fyddwn o hyn ymlaen yn cael beth bynnag yw'r ganran—credaf fod y Swyddfa Archwilio Genedlaethol wedi canfod ei bod yn 15 y cant o'r ffurflenni—lle y mae'r cefn yn wag fwy neu lai. Nid yw hynny'n ymddangos yn dderbyniol o gwbl i mi. Ni allaf ei ddeall. Hwnnw yw'r blwch mwyaf ar y ffurflen, felly dylent allu ei dicio.

[30] **Janice Gregory:** Dylent. Gofynnaf gwestiwn uniongyrchol i chi, y gobeithiaf y byddwch yn gallu ei ateb. A allwch ddweud wrthym, heb rithyn o amheuaeth, os cyflwynir y rhain, ac os canfyddir hynny, na thelir i'r fferyllfa? Ynteu ai'r hyn a ddigwyddodd, yn y gorffennol, oedd y byddid yn talu i'r fferyllfa pa un a wnaethpwyd hyn ai peidio, a bod hyn wedi eu harwain i arfer drwg?

**Mr Craig:** Dilyniir hyn yn fanwl iawn. Os cofiaf yn iawn, yr ydym yn sôn am fanwl gywirdeb o lai na—mewn gwirionedd, rhywbeth fel—0.3 y cant wrth eu darganfod. Fe'u cesglir. Yr unig amgylchiadau lle y byddai fferyllfa'n derbyn tâl am beth fel hyn yw os oedd eglurhad derbyniol. Ar ôl yr wythnos a dreuliais yn myfyrio ar yr adroddiad hwn, rhaid imi ddweud fy mod ar

report, I must say that I am in the business of redefining what an acceptable explanation is. I cannot see that this is reasonable.

[31] **Owen John Thomas:** Prif gyfrifoldeb fferyllydd, hyd y gwelaf, yw paratoi moddion neu dabledi neu beth bynnag sydd ar y presgripsiwn. Mae'n bwysig eu bod yn gwneud hynny'n gywir. Dylent ganolbwyntio ar hynny, nid meddwl pa fath o drafferth a gânt o ran gofyn i gwsmeriaid a ydynt yn derbyn budd-daliadau ai peidio.

Gwelaf fod 91 y cant o'r eithriadau yn ddilys. Mae hynny'n eithaf da. Ond y meddyg, ar y llaw arall, sydd yn paratoi'r presgripsiwn yn y lle cyntaf. Mae'r meddyg hefyd yn debyg iawn o adnabod y cleifion yn llawer gwell nag y gwna'r fferyllydd. Mae ef neu hi'n paratoi presgripsiwn, gan amlaf, drwy ddefnyddio cyfrifiadur. Ni welaf pam na all nodi ar y presgripsiwn ffeithiau megis oedran neu gyflwr iechyd sydd yn golygu na all rhywun weithio. Mae'n debyg iawn y bydd y meddyg yn gwybod os oes rhywun allan o waith am ryw reswm iechyd.

Felly, pam na symudir y cyfrifoldeb oddi wrth y fferyllydd i'r meddyg? Byddai'r presgripsiwn wedyn yn cael ei gwblhau cyn gadael y feddygfa. Yna byddai'r fferyllydd yn rhydd i ganolbwyntio ar y prif swydd o baratoi moddion yn gywir, fel nad yw'n lladd y cleifion. Ni welaf pam fod pobl yn mynnu rhoi cymaint o bwyslais ar y fferyllydd yn y mater hwn. Credaf y byddai'n llawer haws symud yr holl gyfrifoldeb i'r meddyg, sydd yn paratoi'r presgripsiwn yn y lle cyntaf ac sydd yn adnabod y cleifion yn well. Beth a feddyliwch o'r syniad hwnnw?

**Mr Craig:** I would admit, at danger of enraging the medical profession, that I have some sympathy with that. However, I think that there are limits as to what you can expect of doctors, given, in particular, that, although the pharmacist has a delicate clinical relationship with the people that turn up at the counter, the doctor has a much more intimate one. We are certainly concerned that we should get full coverage on age, for example. When doctors see a patient, the documentation that they have in front of them has the age and the date of birth of the patient

ganol ailddiffinio'r hyn yw eglurhad derbyniol. Ni allaf weld bod hyn yn rhesymol.

[31] **Owen John Thomas:** A pharmacist's main responsibility, as far as I see, is to prepare medicine or tablets or whatever is on the prescription. It is important that they do that correctly. They should concentrate on that, not on thinking what kind of trouble they will have in terms of asking customers whether or not they receive benefits.

I see that 91 per cent of the exemptions were valid. That is quite good. However, it is the doctor, on the other hand, who prepares the prescription in the first place. It is also very likely that the doctor will know the patients far better than the pharmacist does. He or she will usually use a computer to prepare a prescription. I do not see why he or she cannot note on the prescription facts such as age or a health condition that means that someone cannot work. It is very likely that the doctor will know if someone is out of work for some health reason.

Therefore, why is the responsibility not transferred from the pharmacist to the doctor? The prescription would then be completed before leaving the surgery. Then the pharmacist would be free to concentrate on the main duty of preparing medicine correctly, so that he or she does not kill the patients. I do not see why people insist on putting so much emphasis on the pharmacist in this matter. I believe that it would be much easier to transfer the whole responsibility to the doctor, who prepares the prescription initially and who knows the patients better. What do you think of that idea?

**Mr Craig:** Cyfaddefaf, gan fentro cynddeiriogi'r meddygon, fy mod yn cydymdeimlo â hynny i ryw raddau. Fodd bynnag, credaf fod pen draw i'r hyn y gallwch ei ddisgwyl gan feddygon, o ystyried, yn arbennig, er y berthynas glinigol sensitif sydd rhwng y fferyllydd a'r rhai a ddaw at y cownter, fod un y meddyg yn agosach o lawer. Mae'n sicr yn bwysig gennym gynnwys oedran yn llawn, er enghraifft. Pan yw meddygon yn gweld claf, mae'r ddogfennaeth sydd ganddynt o'u blaenau yn nodi oedran a dyddiad geni'r claf

on the front page. That should not be too difficult to do.

A depressing number of scripts that come from doctors do not even have the age on them. Again, I find that slightly baffling to tell you the truth. I do not understand why that cannot be done. Over the next couple of years we are beginning the roll-out of a system of uniform computerised systems in doctors' surgeries. Currently, something like 95 per cent of doctors' surgeries are computerised, but they all have their own systems. In consequence, we cannot be sure that they are all comprehensive. We would like to see them do that. It is not as yet in their terms and conditions of service. It is not a terms of service condition that they write the age on the script, but it does not strike me as unreasonable to expect them to do so.

[32] **Owen John Thomas:** Not at all.

**Mr Craig:** On the medical exemptions, certainly the diagnoses of some of the conditions—and there is quite an interesting list of medical conditions that are exempt—is certainly down to the general practitioner, who will know what the diagnosis is in terms of those diseases that are covered. That is not a particular problem. Involvement of third parties is where it becomes complicated. One thing that we hope to see attacked with the Counter Fraud Operational Services is a more structured relationship with the Benefits Agency. As it currently stands, there are all sorts of things to do, for example, with basic human rights about privacy and such matters, which make free access to the information kept by the Benefits Agency a complex issue that needs to be negotiated very carefully. I think that there is a delicacy in there that needs to be respected to some extent, although that particular area, as I recall it, is costing us the best part of £10 million a year. If we could clarify that, and there are signs that we will have protocols of understanding that would enable us to attack it, then I think that that will be important. Whether the GPs themselves, however, would be happy to include all this stuff in their terms of service, I think is something that we will have to raise with them. So far, they have shown themselves reluctant to, what they see as,

ar y tudalen blaen. Ni ddylai fod yn rhy anodd gwneud hynny.

Mae'r nifer o bresgripsiynau a ddaw oddi wrth feddygon heb hyd yn oed yr oedran arnynt yn peri digalondid. Unwaith eto, mae hynny'n peri penbleth i mi braidd, a dweud y gwir. Ni ddeallaf pam na ellir gwneud hynny. Dros y blynyddoedd nesaf hyn yr ydym yn dechrau ymestyn system o systemau cyfrifiadurol unffurf yn y meddygfeydd. Ar hyn o bryd, mae tua 95 y cant o feddygfeydd wedi eu cyfrifiadurol, ond mae ganddynt oll eu systemau eu hunain. O ganlyniad, ni allwn fod yn sicr eu bod oll yn gynhwysfawr. Hoffem eu gweld yn gwneud hynny. Nid yw yn eu telerau ac amodau gwasanaeth eto. Nid yw'n amod yn eu telerau gwasanaeth eu bod yn ysgrifennu'r oedran ar y presgripsiwn, ond nid yw'n fy nharo fel peth afresymol disgwyl iddynt wneud hynny.

[32] **Owen John Thomas:** Dim o gwbl.

**Mr Craig:** Ynghylch yr eithriadau meddygol, mae diagnosis rhai o'r cyflyrau—ac mae rhestr eithaf diddorol o'r cyflyrau meddygol sydd wedi eu heithrio—yn sicr yn gyfrifoldeb i'r meddyg teulu, a fydd yn gwybod beth yw'r diagnosis yn nhermau'r clefydau sydd wedi eu cynnwys. Nid yw hynny'n peri problem benodol. Daw'n gymhleth pan fydd rhan i drydydd parti. Un peth y gobeithiwn fynd i'r afael ag ef gyda'r Gwasanaethau Gweithredol Gwrth Dwyll yw perthynas fwy trefnus â'r Asiantaeth Buddaliadau. Fel y mae ar hyn o bryd, mae pob math o bethau sydd yn ymwneud, er enghraifft, â hawliau dynol sylfaenol ynghylch preifatrwydd a materion o'r fath, sydd yn peri bod mynediad di-rwystr i wybodaeth a gedwir gan yr Asiantaeth Buddaliadau'n fater cymhleth y mae angen ymdrin yn ofalus iawn ag ef. Credaf fod sensitifrwydd yn y fan honno y mae angen ei barchu i ryw raddau, er bod y maes penodol hwnnw'n costio bron £10 miliwn y flwyddyn i ni, os cofiaf yn iawn. Pe gallem gael gwedd eglurach ar hynny, ac mae arwyddion y bydd gennym brotocolau o gyd-ddealltwriaeth a'n galluogai i fynd i'r afael â hynny, yna credaf y bydd hynny'n bwysig. Fodd bynnag, mae'r cwestiwn ynghylch a fyddai'r meddygon teulu eu hunain yn fodlon cynnwys yr holl bethau hyn yn eu telerau gwasanaeth yn

undermine their clinical relationship with their patients, by going too far into matters outside their clinical needs.

[33] **Owen John Thomas:** A gaf i fynd ar ôl hyn? Mae'n bosibl i gleifion fynd at unrhyw fferylllydd, neu i unrhyw fferyllfa, i gael eu presgripsiynau, fel y gwnânt yn aml. Fodd bynnag, dim ond un meddyg, neu un practis o leiaf, sydd ganddynt, ac mae'r cofnodion ar gyfrifiadur pob meddyg yn y practis hwnnw. Felly, mae'n llawer haws, ac yn llawer mwy rhesymegol i'r meddyg gadw'r cofnodion hyn. A ydych yn fwy ofnus—nid chi yn bersonol, ond fel corff—o Gymdeithas Feddygol Prydain nag ydych o sefydliadau fferyllwyr? Nid ydym yn gwasgu meddygon i wneud y gwaith hwn, a fyddai'n llawer haws iddynt hwy ei wneud. Maent yn adnabod y cleifion, lle nad yw'r fferylllydd.

**Mr Craig:** As I said at the outset, and you detected a certain note of caution, I have a great deal of sympathy with that. I think that we need to feed into our discussions with the medical profession whether and how this could be tidied up. We have a commitment to assist them in improving and standardising the computerisation of the profession. It will take a couple of years to roll-out, because we are dealing with an awful lot of small businesses, and it is a fairly complex process to undertake. I doubt, though, whether we will get very far beyond the age and medical issues, because the benefits system is a much more delicate area in terms of linkages. My worry is how we actually break into that—

[34] **Owen John Thomas:** If a chemist can ask somebody whether they are in or out of work, or whether or not they are receiving payments, what is the difference between that and a doctor, who has signed the Hippocratic oath, and who will not pass the information on to other people, doing it? I cannot see that what is right for the chemist is wrong for the doctor.

**Mr Craig:** Forgive me, I was committing the cardinal crime there of answering a quite

rhywbeth y bydd yn rhaid inni ei godi gyda hwy, yr wyf yn credu. Hyd yma, cafwyd eu bod yn amharod, fel y gwelant hwy, i danseilio eu perthynas glinigol â'u cleifion, drwy fynd yn rhy bell i faterion sydd y tu hwnt i'w hanghenion clinigol.

[33] **Owen John Thomas:** May I pursue this? It is possible for patients to go to any pharmacist, or to any pharmacy, to get their prescriptions, as they often do. However, they only have one doctor, or one practice at least, and the records are on each doctor's computer in that practice. Therefore, it is far easier, and far more logical for the doctor to keep these records. Are you more afraid—not you personally, but as a body—of the British Medical Association than you are of pharmacists' associations? We are not pressurising doctors to do this work, which would be much easier for them to do. They know the patients, where the pharmacist does not.

**Mr Craig:** Fel y dywedais ar y dechrau, a chanfuasoch ryw dinc o rybudd, cydymdeimlaf yn fawr â hynny. Credaf fod angen inni gyflwyno ystyriaeth i'n trafodaethau â'r proffesiwn meddygol ynghylch a ddylid a sut y gellid tacluso hyn. Yr ydym wedi ymrwymo i'w helpu wrth wella a safoni cyfrifiaduro'r proffesiwn. Cymer rai misoedd i'w ymestyn, oherwydd yr ydym yn ymdrin â nifer fawr iawn o fusnesau bach, ac mae'n broses eithaf cymhleth i'w chyflawni. Er hynny, yr wyf yn amau a fyddwn yn mynd lawer pellach na mater oedran a materion meddygol, oherwydd mae'r system fudd-daliadau'n faes llawer mwy tringar o ran cysylltiadau. Pryderaf ynghylch sut yn union y byddwn yn torri i mewn i hynny—

[34] **Owen John Thomas:** Os gall fferylllydd ofyn i rywun a yw mewn gwaith neu'n ddi-waith, neu a yw'n derbyn taliadau ai peidio, beth yw'r gwahaniaeth rhwng hynny ac i feddyg, sydd wedi arwyddo'r llw Hipocratig, ac na fydd yn trosglwyddo'r wybodaeth i eraill, wneud hynny? Ni allaf weld bod yr hyn sydd yn iawn i'r fferylllydd yn anghywir i'r meddyg.

**Mr Craig:** Maddeuwch i mi, yr oeddwn yn cyflawni'r trosedd sylfaenol o ateb cwestiwn

different question from the one that you asked. Let me go back to the beginning. I think that we need to talk to the medical profession about whether we can produce a willingness on their part to play a bigger role in this. In the meantime, however, the conclusion reached in the negotiations that we have had in setting up this system, was that the point at which the question should be asked should be the point at which the payment was made. In consequence, the decision was that the right place at which to decide whether you should be paying for your prescription or not was the point at which you went to pay for it, that is to say, at the pharmacy. That is why it ended up there. The pharmacists themselves were broadly happy with that.

[35] **Owen John Thomas:** The doctor could stamp the script on the back to note that this is a free one, that is not. It is simple job.

[36] **Dafydd Wigley:** A gaf ofyn cwestiwn byr atodol ar yr un trywydd ag yr oedd Owen John Thomas yn ei ddilyn, Gadeirydd? A fyddai'n bosibl i Mr Craig ddod â nodyn yn ôl i'r Pwyllgor hwn ar ôl codi'r mater â'r ochr feddygol i ni wybod yn union lle yr ydym yn sefyll? Mae'n werth edrych i mewn i hyn, o leiaf o safbwynt oedran a chyflwr meddygol. Mae hynny yn rhywbeth gwbl rhesymol ac awtomatig, hyd yn oed os nad ydyw yn bosibl iddynt wneud mwy na hynny. Byddai'r wybodaeth honno yn werthfawr i'r Pwyllgor.

[37] **Alun Cairns:** Madam Cadeirydd, onid mater o bolisi yw hyn ac nid mater o archwilio'r adroddiad hwn?

[38] **Janet Davies:** I think that if Mr Craig is prepared to take a question, he is able to judge whether it is a matter of policy or not. If Members wish to ask those questions, I am quite sure that Mr Craig is capable of saying that it is not within his ambit, if necessary.

**Mr Craig:** I am at risk of appearing to flatter the Chair. If the Chair thinks that it is a reasonable question, there must be a reasonable answer. I will take that away and come back to you one way or another.

cwbl wahanol i'r un a ofynasoch. Gadewch imi fynd yn ôl i'r dechrau. Credaf fod angen inni siarad â'r proffesiwn meddygol ynghylch a allwn greu parodrwydd ar eu rhan hwy i chwarae mwy o ran yn hyn. Yn y cyfamser, fodd bynnag, y casgliad y daethpwyd iddo yn y negodiadau a gawsom wrth sefydlu'r system hon, oedd mai'r pwynt lle y dylid gofyn y cwestiwn oedd y pwynt lle y rhoddid y tâl. O ganlyniad, y penderfyniad oedd mai'r lle iawn ichi benderfynu a ddylech dalu am eich presgripsiwn ai peidio oedd y pwynt yr aethoch iddo i dalu amdano, sef y fferyllfa. Dyna pam y daeth i'r fan honno yn y diwedd. Yr oedd y fferyllwyr eu hunain yn fodlon ar hynny at ei gilydd.

[35] **Owen John Thomas:** Gallai'r meddyg stampio cefn y presgripsiwn i nodi a yw am ddim ai peidio. Mae'n waith syml.

[36] **Dafydd Wigley:** May I ask a brief supplementary question along the same lines as Owen John Thomas was pursuing, Chair? Would it be possible for Mr Craig to bring a note back to this Committee after raising the matter with the medical side for us to know exactly where we stand? It is worth examining this, at least in terms of age and medical condition. That is something completely reasonable and automatic, even if it is not possible for them to do more than that. That information would be valuable to the Committee.

[37] **Alun Cairns:** Madam Chair, is this not a matter of policy and not a matter of examining this report?

[38] **Janet Davies:** Credaf, os yw Mr Craig yn barod i dderbyn cwestiwn, ei fod yn gallu barnu a yw'n fater o bolisi ai peidio. Os dymuna'r Aelodau ofyn y cwestiynau hynny, yr wyf yn gwbl sicr bod Mr Craig yn gallu dweud nad yw o fewn ei gwmpas, os oes angen.

**Mr Craig:** Yr wyf mewn perygl o ymddangos fel pe bawn yn gwenieithio'r Cadeirydd. Os cred y Cadeirydd ei fod yn gwestiwn rhesymol, rhaid bod ateb rhesymol. Af â hynny oddi yma a dof yn ôl atoch naill ffordd neu'r llall.

[39] **Janet Davies:** Alison, do you wish to pursue a topic?

[39] **Janet Davies:** Alison, a ydych yn dymuno codi mater?

[40] **Alison Halford:** Mr Craig, you have two colleagues sitting beside you. Who is actually responsible for the area that we have been discussing with you up to now?

[40] **Alison Halford:** Mr Craig, mae dau gydweithiwr yn eistedd wrth eich ochr. Pwy yn union sydd yn gyfrifol am y maes y buom yn ei drafod â chi hyd yn hyn?

**Mr Craig:** In what sense? The policy responsibility lies with Mr Wilcox.

**Mr Craig:** Ym mha ystyr? Mae'r cyfrifoldeb polisi gan Mr Wilcox.

[41] **Alison Halford:** We have Mr Wilcox who has one title, you have another and Mrs Beaver has another. You have been asked about monitoring and remuneration for pharmacists and so forth. Who actually is the senior manager with hands-on responsibility for managing what we have been discussing?

[41] **Alison Halford:** Mae gennym Mr Wilcox sydd ag un teitl, mae gennych chi un arall ac mae un arall gan Mrs Beaver. Fe'ch holwyd ynghylch monitro â thâl i fferyllwyr ac yn y blaen. Pwy yn union yw'r uwch reolwr sydd yn uniongyrchol gyfrifol am reoli'r hyn y buom yn ei drafod?

**Mr Craig:** Mr Wilcox.

**Mr Craig:** Mr Wilcox.

[42] **Alison Halford:** Right. So you could be forgiven then for not knowing, despite the fact that you have been appointed to a senior post, very much about monitoring or how pharmacists are remunerated.

[42] **Alison Halford:** Iawn. Felly gellid maddau ichi, er gwaethaf y ffaith eich bod wedi'ch penodi i swydd uwch, am beidio â gwybod llawer iawn am fonitro neu'r dull o dalu i fferyllwyr.

**Mr Craig:** I am not sure that that is a question to which I am capable of offering an answer really. What I said earlier about the way in which pharmacists are remunerated, was that the detailed negotiating process underlying it and the fine print of the contractual or other arrangements, were something that I would not wish to venture upon unassisted by Mr Wilcox, who is involved in it. On the monitoring arrangements, I feel that, in so far as they exist, I understand them. My concern this afternoon has been to talk as openly and frankly as possible about the shortcomings.

**Mr Craig:** Nid wyf yn sicr a yw hynny'n gwestiwn y gallaf gynnig ateb iddo, mewn gwirionedd. Yr hyn a ddywedais yn gynharach am y dull o dalu i fferyllwyr oedd na ddymunwn fentro sôn am y broses negodi fanwl sydd yn sylfaen iddo a phrint mân y trefniadau contractiol neu drefniadau eraill heb gymorth Mr Wilcox, sydd yn gysylltiedig â hynny. Ynghylch y trefniadau monitro, teimlaf fy mod yn eu deall, i'r graddau y maent yn bodoli. Yr hyn oedd yn bwysig gennyf y prynhawn yma oedd siarad mor agored a gonest ag y bo modd ynghylch y diffygion.

[43] **Alison Halford:** I think the point that I am rather clumsily making—forgive me for making it so clumsily—is that you have been promoted to an auditing position; that is a promotion.

[43] **Alison Halford:** Credaf mai'r pwynt yr wyf yn ei wneud mewn modd braidd yn drwsgl—maddeuwch i mi am ei wneud mor drwsgl—yw eich bod wedi'ch dyrchafu i swydd archwilio; dyrchafiad yw hynny.

**Mr Craig:** No. I have taken it on until the new director arrives.

**Mr Craig:** Nace. Ymgymerais â hi hyd nes y daw'r cyfarwyddwr newydd.

[44] **Alison Halford:** However, we are being fair to you by actually asking you these questions?

[44] **Alison Halford:** Er hynny, a ydym yn deg â chi wrth ofyn y cwestiynau hyn i chi?



**Mr Craig:** Of course you are.

**Mr Craig:** Ydych, wrth gwrs.

[45] **Alison Halford:** So it is your area of responsibility?

[45] **Alison Halford:** Felly eich cylch cyfrifoldeb chi ydyw?

**Mr Craig:** Yes.

**Mr Craig:** Ie.

[46] **Alison Halford:** Going back to Peter Law's point, should we not feel uneasy that you did not have thoughts about how systems should be monitored and you really did not know how pharmacists were remunerated? Should we not be uneasy about that lack of knowledge on your part? Or am I being unfair?

[46] **Alison Halford:** Gan fynd yn ôl at bwynt Peter Law, oni ddylem deimlo'n bryderus nad oedd gennych unrhyw syniadau ynghylch sut y dylid monitro'r systemau ac nad oeddech yn gwybod, mewn gwirionedd, sut y telir fferyllwyr? Oni ddylem fod yn bryderus ynghylch y diffyg gwybodaeth hwnnw ar eich rhan chi? Ynteu a wyf yn annheg â chi?

**Mr Craig:** I do not think that it is for me to answer the last question.

**Mr Craig:** Ni chredaf mai fy lle i yw ateb y cwestiwn diwethaf.

[47] **Alison Halford:** Why not?

[47] **Alison Halford:** Pam hynny?

**Mr Craig:** Because it is not for me to judge the actions of the Committee. It is free to take any view that it wishes to take and I must respond to that view as positively as I can. My concern about monitoring was that having been presented with this report, within a week or so of taking on the accounting officer responsibility for the national health service, virtually the first set of questions that I asked were about the monitoring procedures, because those are the first question that you ask about matters of this kind. The conclusion that I reached was that they seemed to me, and I never like to rush to judgment on these matters, to raise quite important questions. The NAO itself identified some questions and it certainly raised some issues with me as to why there appeared to be deficiencies in the system of a sort that the NAO had identified, and which we might not otherwise have found out about without doing a similar exercise ourselves. That suggested to me, as the accounting officer, and in consequence rather vulnerable on these matters, that it was not enough.

**Mr Craig:** Oherwydd nid fy lle i yw barnu gweithredoedd y Pwyllgor. Mae'n rhydd i ymgymryd ag unrhyw farn a ddymuno a rhaid imi ymateb i'r farn honno mor gadarnhaol ag y gallaf. Fy mhryder ynghylch monitro wedi imi dderbyn yr adroddiad hwn, o fewn rhyw wythnos ar ôl ymgymryd â chyfrifoldeb y swyddog cyfrifo dros y gwasanaeth iechyd gwladol, oedd bod y set gyntaf bron o gwestiynau a ofynnais yn ymwneud â'r gweithdrefnau monitro, oherwydd dyna'r cwestiynau cyntaf a ofynnwch am faterion o'r math hwn. Y casgliad y deuthum iddo oedd ei bod yn ymddangos i mi, ac ni fyddaf byth yn hoffi rhuthro i farnu ar y materion hyn, eu bod yn codi cwestiynau eithaf pwysig. Nododd y Swyddfa Archwilio Genedlaethol rai cwestiynau ei hun ac, yn sicr, cododd rai materion gyda mi ynghylch pam ei bod yn ymddangos bod diffygion yn y system o'r math a ganfuwyd gan y Swyddfa Archwilio Genedlaethol, ac na fyddem efallai wedi cael gwybod amdanynt fel arall heb gyflawni ymarfer tebyg ein hunain. Yr oedd hynny'n awgrymu i mi, fel y swyddog cyfrifo, ac fel un sydd oherwydd hynny braidd yn glwyfadwy ar y materion hyn, nad oedd yn ddigonol.

[48] **Alison Halford:** Forgive me, but it has been known since 1999 that there were

[48] **Alison Halford:** Maddeuwch i mi, ond mae'n hysbys ers 1999 bod problemau. Yr

problems. We all had to begin to sign our prescriptions at that time. Is that a fair assessment?

**Mr Craig:** It has been known. The processes that are going on now are designed—and things move slowly in these areas, I am afraid—to try to reflect that.

[49] **Alison Halford:** But whose fault is it that they move slowly?

**Mr Craig:** Hmm.

[50] **Peter Law:** Chair, may I say that it is absolutely right for us in this Committee—How do you hold to account—

[51] **Janet Davies:** Alison is going to pursue this, Peter.

[52] **Peter Law:** I am supporting her because if this Committee is to work, we must hold people to account, and you cannot hold to account people who have not been responsible. I would have thought that the former director of the NHS in Wales would have been here today. I have a lot of respect for Mr Craig, I know him as a very good, professional person. He has made the decision to hold the line here today, so he has to take this. However, the fact is that we cannot get to the bottom of things fully, as Alison Halford says, because he does not have the full experience and knowledge of what has happened, no matter what he is prepared to answer today. We cannot ask the people who know. That is this Committee's difficulty.

[53] **Janet Davies:** My understanding has always been that a new director 'inherits', perhaps I can put that in quotation marks, the responsibility of the previous one because—

[54] **Peter Law:** Well, that person is not here.

[55] **Janet Davies:** No, but we have no power to summon him either.

**Mr Craig:** On the day I took on the post, I took on his responsibilities and it is absolutely right that we are here to be held accountable for this. The only point that I

oedd yn rhaid i bob un ohonom ddechrau arwyddo ein presgripsiynau bryd hynny. A yw hynny'n asesiad teg?

**Mr Craig:** Mae'n hysbys. Bwriad y prosesau sydd yn mynd ymlaen yn awr—ac mae pethau'n symud yn araf yn y meysydd hyn, mae arnaf ofn—yw ceisio adlewyrchu hynny.

[49] **Alison Halford:** Ond bai pwy ydyw eu bod yn symud yn araf?

**Mr Craig:** Hm.

[50] **Peter Law:** Gadeirydd, a gaf ddweud ei bod yn gwbl briodol i ni yn y Pwyllgor hwn—Sut yr ydych yn galw i gyfrif—

[51] **Janet Davies:** Bydd Alison yn dilyn hyn, Peter.

[52] **Peter Law:** Yr wyf yn ei chefnogi oherwydd os ydyw'r Pwyllgor hwn i lwyddo, rhaid inni alw pobl i gyfrif, ac ni allwch alw i gyfrif bobl na fuont yn gyfrifol. Byddwn wedi tybio y byddai cyn gyfarwyddwr yr NHS yng Nghymru yma heddiw. Yr wyf yn fawr fy mharch i Mr Craig, yr wyf yn ei adnabod fel rhywun proffesiynol, da iawn. Penderfynodd ddal y lein yma heddiw, felly rhaid iddo gymryd hyn. Fodd bynnag, y ffaith yw na allwn fynd at wraidd pethau'n iawn, fel y dywed Alison Halford, am nad oes ganddo mo'r profiad a'r wybodaeth lawn o'r hyn a ddigwyddodd, ni waeth beth y mae'n barod i'w ateb heddiw. Ni allwn ofyn i'r bobl sydd yn gwybod. Dyna anhawster y Pwyllgor hwn.

[53] **Janet Davies:** Fy nealltwriaeth i erioed yw bod cyfarwyddwr newydd yn 'etifeddu', efallai y caf roi hynny rhwng dyfynodau, gyfrifoldeb yr un blaenorol oherwydd—

[54] **Peter Law:** Wel, nid yw'r person hwnnw yma.

[55] **Janet Davies:** Nac ydyw, ond nid oes gennym bŵer i'w wysio ychwaith.

**Mr Craig:** Ar y diwrnod yr ymgymerais â'r swydd, ymgymerais â'i gyfrifoldebau ef ac mae'n gwbl briodol ein bod yma i'n galw i gyfrif am hyn. Yr unig bwynt y dymunwn ei

would make is that the process that led to the introduction of this system was not a uniquely Welsh one. It was part of an England and Wales system, and we thought that we were advancing together towards introducing a new system in both countries. I think that each of us has learnt from that process, and I am certain that my colleagues in England will look at this report very carefully because there are lessons there for everybody concerned with this system. The decisions that were made, the conclusions that were reached, and the system that was introduced were the result of the knowledge and understanding that were then available concerning what the problem was, and what potential solutions to that problem might be, being brought to bear. We believe that there has been an effect, but it is not as big an effect as everyone at the time had hoped. We and England together—because I think in matters of this sort it is important that we work together—are in the process of introducing a new system. It will be a new, more rigorous approach to detecting, deterring and penalising fraud, which will, in addition to dealing with direct fraud, also address the problem of the inappropriate granting of exemptions and the losses that occur as a result of that.

So it is a process, and it is not a process for which I am proposing to offer you any defence that I do not think would be appropriate to offer. I am just saying that, as things stand, I do not feel happy that the monitoring systems are as they should be. I want to get better ones. The monitoring systems that were established were deemed to be appropriate at the time, and experience suggests that they are not. So we want new and better ones.

[56] **Alison Halford:** I am grateful for that. Obviously it is not fair that you should take the full brunt of my frustration, but for many months now we have spent a great deal of time and money, when you collate it, asking questions of civil servants who clearly have not done the job that the public would expect them to do. That is very frustrating, and that is why we have an Audit Committee. However, it is important that we flag up that civil servants are there to do a job, and we have been fairly badly let down on many

wneud yw nad oedd y broses a arweiniodd at gyflwyno'r system hon yn un unigryw i Gymru. Yr oedd yn rhan o system i Gymru a Lloegr, a chredasom ein bod yn mynd rhagom gyda'n gilydd tuag at gyflwyno system newydd yn y ddwy wlad. Credaf fod pob un ohonom wedi dysgu oddi wrth y broses honno, ac yr wyf yn sicr y bydd fy nghydweithwyr yn Lloegr yn edrych yn ofalus iawn ar yr adroddiad hwn oherwydd mae gwersi yno i bawb sydd yn ymwneud â'r system hon. Yr oedd y penderfyniadau a wnaethpwyd, y casgliadau y daethpwyd iddynt, a'r system a gyflwynwyd yn ganlyniad i gymhwyso'r wybodaeth a'r ddealltwriaeth a oedd ar gael bryd hynny ynghylch beth oedd y broblem, a beth oedd yr atebion posibl i'r broblem honno. Credwn fod effaith wedi bod, ond nid yw'n effaith mor fawr ag y gobeithiai pawb ar y pryd. Yr ydym ni a Lloegr gyda'n gilydd—oherwydd mewn materion o'r math hwn mae'n bwysig inni gydweithio—yn y broses o gyflwyno system newydd. Bydd yn ddull newydd, mwy trwyadl o ganfod, atal a chosbi twyll, a fydd, yn ogystal â delio â thwyll uniongyrchol, yn ymdrin hefyd â phroblem rhoi eithriadau yn amhriodol a'r colledion sydd yn digwydd o ganlyniad i hynny.

Proses ydyw felly, ac nid yw'n broses y bwriadaf gynnig unrhyw amddiffyniad ohoni i chi nad wyf yn credu y byddai'n briodol ei gynnig. Y cwbl a ddywedaf yw, fel y mae pethau, nid wyf yn teimlo'n fodlon bod y systemau monitro fel y dylent fod. Yr wyf am gael rhai gwell. Yr oedd y systemau monitro a sefydlwyd yn cael eu hystyried yn rhai priodol ar y pryd, ac mae profiad yn awgrymu nad ydynt. Felly dymunwn gael rhai newydd a gwell.

[56] **Alison Halford:** Yr wyf yn ddiolchgar am hynny. Mae'n amlwg nad yw'n deg ichi ddwyn holl faich fy rhwystredigaeth, ond ers misoedd lawer bellach treuliasom lawer iawn o amser ac arian, pan rowch y rheini at ei gilydd, yn gofyn cwestiynau i weision sifil y mae'n amlwg nad ydynt wedi cyflawni'r gwaith y byddai'r cyhoedd yn disgwyl iddynt ei wneud. Mae hynny'n peri rhwystredigaeth, a dyna pam y mae gennym Bwyllgor Archwilio. Fodd bynnag, mae'n bwysig inni ddatgan bod gweision sifil yno i gyflawni

occasions, and that worries me. I will now move on to the questions that I have been scheduled to ask, which hopefully will be a little less aggressive than the previous one.

Paragraph 68, which talks about the new Counter Fraud Operations Services, states that it has an important role in maximising income from prescriptions, in addition to the other bodies involved, that is, the Assembly, Health Solutions Wales, and the five health authorities. Do you know what their respective responsibilities are? What arrangements are in place to ensure practical collaboration between these bodies? Clearly we do not want to waste time and effort duplicating responsibility.

**Mr Craig:** Yes, I could not agree more with that. One of the things that the development that led to the establishment of this service has taught us is that, as in so many other areas, fraud is a highly specialised field where scarce skills need to be focused and where a specialised kind of training is necessary. The idea of having this service is that, in addition to doing direct work itself in detecting, pursuing and deterring fraud, it will also offer substantive training for a new group of people who will be situated around the NHS in all health authorities—it is also our aim to get people into trusts—who are trained to develop systems, will have support in developing those systems, and will be well able to implement systems to look after fraud of all sorts. Prescription fraud is only one part of it. There are other areas where fraud is taking place.

I myself have no doubts about where responsibility lies in these areas for the different components, starting with the general practitioner and the pharmacist at one end; I know what their responsibilities are. Health Solutions Wales has information that the health service, as the people who ultimately pay the contractors, has the opportunity and the responsibility to follow up. At present, it is not being followed up. To refer back to earlier questions, one thing that I want to form a significant component of my conversations with health authority directors of finance and others is why that is so and

gwaith, ac yr ydym wedi'n siomi'n eithaf gwael ar lawer achlysur, ac mae hynny'n ofid i mi. Symudaf ymlaen yn awr at y cwestiynau y trefnwyd imi eu gofyn, a fydd, gobeithio, ychydig yn llai ymosodol na'r un blaenorol.

Mae paragraff 68, sydd yn sôn am y Gwasanaethau Gweithredol Gwrth Dwyll newydd, yn nodi bod iddo rôl bwysig wrth fwyhau'r incwm oddi wrth bresgripsiynau, yn ogystal â'r cyrff eraill sydd yn gysylltiedig, sef y Cynulliad, Health Solutions Wales, a'r pum awdurdod iechyd. A wyddoch beth yw eu priod gyfrifoldebau? Pa drefniadau a sefydlwyd i sicrhau cydweithio ymarferol rhwng y cyrff hyn? Mae'n amlwg na ddymunwn wastraffu amser ac ymdrech yn dyblygu cyfrifoldeb.

**Mr Craig:** Cytunaf yn llwyr â hynny. Un o'r pethau y mae'r datblygu a arweiniodd at sefydlu'r gwasanaeth hwn wedi ei ddysgu i ni, fel mewn cynifer o feysydd eraill, yw bod twyll yn faes arbenigol iawn lle y mae angen canolbwyntio medrau a lle y mae angen math arbenigol o hyfforddiant. Y bwriad o gael y gwasanaeth hwn yw y bydd, yn ogystal â gwneud gwaith uniongyrchol ei hun wrth ganfod, dilyn ac atal twyll, yn cynnig hyfforddiant sylweddol hefyd i grŵp newydd o bobl a leolir ar hyd a lled yr NHS ym mhob awdurdod iechyd—mae hefyd yn nod gennym gael pobl mewn ymddiriedolaethau—sydd wedi eu hyfforddi i ddatblygu systemau, a gaiff gymorth wrth ddatblygu'r systemau hynny, ac a fydd yn abl iawn i roi systemau ar waith i ofalu am dwyll o bob math. Nid yw twyll presgripsiynau ond yn un rhan ohono. Mae meysydd eraill lle y mae twyll yn digwydd.

Nid oes gennyf fi unrhyw amheuan ynghylch lle y mae'r cyfrifoldeb yn y meysydd hyn dros y gwahanol rannau, gan ddechrau â'r meddyg teulu a'r fferyllydd yn un pen; gwn beth yw eu cyfrifoldebau. Mae Health Solutions Wales yn meddu ar wybodaeth y mae gan y gwasanaeth iechyd, fel y bobl sydd yn talu i'r contractwyr yn y pen draw, gyfle a chyfrifoldeb i'w dilyn. Ar hyn o bryd, nis dilynir. Gan gyfeirio'n ôl at gwestiynau cynharach, un peth yr wyf am iddo fod yn elfen bwysig yn fy sgysiau â chyfarwyddwyr cyllid awdurdodau iechyd ac eraill yw pam ei bod felly a pha mor fuan y gall dilyn y maes

how soon following up on this substantial area of lost revenue can be a significant part of what they do.

On the introduction of these experts outside, there is no doubt about what their role is. I do not think that there is any lack of clarity about it. It will be a role that is clearer when they are more numerous on the ground. At the moment, we have a unit that is going to be set up. We have not yet started it. The adverts went out today—I saw them in *The Western Mail* this morning—to set up a unit of five people. It will serve Wales by giving on-the-ground support, in the way that I have just described. We hope that these people will serve as shock troops, as it were, against the broad issue of fraud in the NHS.

[57] **Alison Halford:** We did not know about this unit. Could you quickly tell us again what its function is?

**Mr Craig:** It has aims and functions. Its function is to develop protocols on the basis of which fraud can be identified and dealt with. Among those protocols will be things such as how do we have an appropriate functioning relationship with the Benefits Agency for checks—one of the delicate areas on which we touched earlier. It will be doing that. It is also concerned with raising public awareness of fraud. The idea that it is a somehow harmless pursuit to take money out of the NHS in this way is one that it wants to fight very hard. The idea that we would get these professionals doing that is very important. So it wants to raise awareness. It also wants to introduce an anti-fraud culture. It wants people in the NHS to be more aware of fraud. I think that, until recent years, there was a reluctance to accept that, in an organisation that was so patently focused on public service as the NHS, there could be such a thing as fraud. That is not so. There is such a thing, and people need to be aware of it and to be constantly vigilant about it because of the ill effects that it can have. So those are its three main aims. Its functions will be, in addition to doing individual work, in terms of investigating particular issues, to develop training materials, support materials and to offer material help to people on the ground in the health service who are working

sylweddol hwn o refeniw coll ddod yn rhan bwysig o'r hyn a wnânt.

Ynghylch cyflwyno'r arbenigwyr hyn y tu allan, nid oes amheuaeth am eu rôl. Ni chredaf fod unrhyw ddiffyg eglurdeb yn ei chylch. Mae'n rôl a fydd yn eglurach pan geir mwy ohonynt yn y maes. Ar hyn o bryd, mae gennym uned sydd i'w sefydlu. Nid ydym wedi ei chychwyn eto. Aeth yr hysbysebion allan heddiw—fe'u gwelais yn *The Western Mail* y bore yma—i sefydlu uned o bump o bobl. Bydd yn gwasanaethu Cymru drwy ddarparu cymorth yn y maes, yn y modd yr wyf newydd ei ddisgrifio. Gobeithiwn y bydd y bobl hyn yn gwasanaethu fel cyrchfilwyr, fel petai, yn erbyn mater cyffredinol twyll yn yr NHS.

[57] **Alison Halford:** Ni wyddem am yr uned hon. A allwch ddweud wrthym yn gyflym eto beth yw ei swyddogaeth?

**Mr Craig:** Mae ganddi nodau a swyddogaethau. Ei swyddogaeth yw datblygu protocolau i fod yn sail i allu dynodi twyll ac ymdrin ag ef. Ymysg y protocolau hyn fydd pethau fel sut y byddwn yn cael perthynas weithredol briodol â'r Asiantaeth Budd-daliadau ar gyfer gwiriadau—un o'r meysydd sensitif y cyfeiriasom ato'n gynharach. Bydd yn gwneud hynny. Mae'n ymwneud hefyd â hybu ymwybyddiaeth o dwyll ymysg y cyhoedd. Bydd am ymladd yn galed iawn yn erbyn y syniad bod cymryd arian oddi wrth yr NHS fel hyn yn weithgaredd diniwed rywsut. Mae'r syniad y byddem yn cael y gweithwyr proffesiynol hyn i wneud hynny yn bwysig iawn. Felly mae am hybu ymwybyddiaeth. Mae hefyd yn dymuno cyflwyno diwylliant gwrth-dwyll. Mae am i bobl yn yr NHS fod yn fwy ymwybodol o dwyll. Credaf fod amharodrwydd, tan y blynyddoedd diwethaf hyn, i dderbyn y gellid cael y fath beth â thwyll mewn corff a oedd yn canolbwyntio mor eglur ar wasanaeth cyhoeddus fel yr NHS. Nid yw hynny'n wir. Mae'r fath beth yn bod, ac mae angen i bobl fod yn ymwybodol ohono a bod yn gyson wyliadwrus yn ei gylch oherwydd ei ddrwg effeithiau posibl. Felly dyna'i thair prif nod. Ei swyddogaethau, yn ogystal â chyflawni gwaith unigol, o ran ymchwilio i faterion penodol, fydd datblygu deunyddiau

to combat and reduce fraud.

hyfforddi, deunydd cynorthwyol a chynnig cymorth sylweddol i bobl yn y maes yn y gwasanaeth iechyd sydd yn gweithio i ymladd a lleihau twyll.

[58] **Alison Halford:** So it is the Assembly's unit to link with all the other organisations?

[58] **Alison Halford:** Felly hon yw uned y Cynulliad i gysylltu â'r holl gyrff eraill?

**Mr Craig:** It is ours but it is a joint enterprise. The First Minister announced earlier this year, with Mr Milburn, that this was to be a joint enterprise. I think that that is right. Fraud does not know any boundaries and this system must work across boundaries. We will have our own unit in Wales, based in Gwent, but it will be part of an England and Wales service.

**Mr Craig:** Ni biau hi ond mae'n fenter ar y cyd. Cyhoeddodd Prif Weinidog Cymru'n gynharach eleni, gyda Mr Milburn, y byddai'n fenter ar y cyd. Credaf fod hynny'n iawn. Nid yw twyll yn cadw o fewn ffiniau a rhaid i'r system hon weithio ar draws ffiniau. Bydd gennym ein huned ein hunain yng Nghymru, â'i chanolfan yng Ngwent, ond bydd yn rhan o wasanaeth i Gymru a Lloegr.

[59] **Alison Halford:** Is this the one to which the First Minister signed up in April or something like that?

[59] **Alison Halford:** Ai hon yw'r un y cytunodd Prif Weinidog Cymru arni yn Ebrill neu rywbryd felly?

**Mr Craig:** It was in the spring, yes.

**Mr Craig:** Yr oedd yn y gwanwyn, oedd.

[60] **Alison Halford:** The report says that it was in April.

[60] **Alison Halford:** Dywed yr adroddiad mai yn Ebrill yr ydoedd.

**Mr Craig:** I will take your word for that.

**Mr Craig:** Cymeraf eich gair am hynny.

[61] **Alison Halford:** I know that you will take my word for it. I am not trying to be difficult, but is this unit doing the job that, quite frankly, you people should have done before? I do not want you to take that in an uncharitable way, but I would like an answer.

[61] **Alison Halford:** Gwn y byddwch yn derbyn fy ngair am hynny. Nid wyf yn ceisio bod yn anodd, ond a yw'r uned hon yn gwneud y gwaith y dylech chi, mewn gwirionedd, fod wedi ei wneud o'r blaen? Nid wyf am ichi gymryd hynny'n angharedig, ond hoffwn gael ateb.

**Mr Craig:** I think that, like so many other things, this is about doing better, and doing in a way that reflects current circumstances, a job that has been around and needed to be done for a long time and which was done in different ways and at different levels in the past. It is not the only area where we are discovering that, as the world moves on, we need to do things in a more professional and focused way. Everything these days seems to need particular professional skills, and this is another area where it is becoming increasingly clear that if the professionals do not do it, it will not be done right. Our objective is to get a professional level of skill and a professional approach to doing this in a way. In the past it has simply been seen as part of the corporate responsibility of the

**Mr Craig:** Credaf fod hyn, fel cynifer o bethau eraill, yn ymwneud â chyflawni'n well, a chyflawni mewn modd sydd yn adlewyrchu'r amgylchiadau sydd ohoni, swydd sydd yn bod ac y mae angen ei gwneud ers talwm ac a wneid drwy ddulliau gwahanol ac ar lefelau gwahanol yn y gorffennol. Nid hwn yw'r unig faes lle'r ydym yn darganfod, wrth i'r byd symud yn ei flaen, fod angen inni wneud pethau mewn modd mwy proffesiynol a phenodol. Ymddengys bod angen medrau proffesiynol penodol ar gyfer popeth y dyddiau hyn, a dyma faes arall lle y mae'n fwyfwy amlwg, os na wnaiff y rhai proffesiynol mohono, na chaiff ei wneud yn iawn. Ein nod yw cael lefel fedruswydd broffesiynol a dull proffesiynol o wneud hyn. Yn y gorffennol

organisation discharged through the contracts section of the finance directorate.

[62] **Alison Halford:** Yes or no?

**Mr Craig:** It is a 'possibly'.

[63] **Alison Halford:** It is a definite maybe is it?

I have a couple more questions. Sir John is giving me black looks—[*Laughter.*] I must be careful. I get nervous.

Paragraph 11 of the report refers to point of dispensing checks. It states that the aim is that point of dispensing checks for age-related reasons should be covered by computer systems once they are up and running in general practices, bearing in mind that these are the main reasons for which exemptions are made. What target are you setting for these computers to come on line and to achieve this particular check?

**Mr Craig:** There are two targets. The first is that when this system is fully operational, then anything significantly less than 100 per cent would be difficult to justify, because all the systems will therefore have it in them to automatically print the date of birth on the form. They will all have it and it will be there. As to the target for when it will come in, our current best guess is that it will take two or three years for it to get everywhere, because you can actually hit the most populous and most accessible areas very quickly with this. I am already in discussion with some colleagues in health authorities on how fast it can be rolled out so that we hit as many people as we can, as soon as we can. However, as I said earlier, getting this out into the surgeries of all of the independent contractors who provide general practice in Wales is quite a complex issue. So my guess is that the system will be fully effective in about three years' time.

[64] **Alison Halford:** Paragraph 26 refers to details of age or date of birth already included on some prescription forms. Thus a

nis gwelwyd ond fel rhan o gyfrifoldeb corfforaethol y corff a gyflawnid drwy is-adran y gyfarwyddiaeth gyllid.

[62] **Alison Halford:** Ie neu na?

**Mr Craig:** 'O bosibl' ydyw.

[63] **Alison Halford:** Efallai pendant yw hynny, aie?

Mae gennyf un neu ddau o gwestiynau ychwanegol. Mae Syr John yn edrych yn ddu arnaf—[*Chwerthin.*] Rhaid imi gymryd pwyll. Byddaf yn mynd yn nerfus.

Mae paragraff 11 yr adroddiad yn cyfeirio at wiriadau wrth ddsbarthu. Dywed mai'r nod yw gofalu am wiriadau wrth ddsbarthu am resymau sydd yn ymwneud ag oed drwy systemau cyfrifiadur pan fyddant ar waith mewn meddygfeydd teulu, gan gadw mewn cof mai'r rhain yw'r prif resymau dros eithriadau. Pa darged yr ydych yn ei osod ar gyfer rhoi'r cyfrifiaduron hyn ar waith a chyflawni'r gwiriad penodol hwn?

**Mr Craig:** Mae dau darged. Y cyntaf yw, pan fydd y system hon yn llwyr weithredol, y bydd dim sydd yn is o lawer na 100 y cant yn anodd ei gyfiawnhau, oherwydd bydd y gallu gan yr holl systemau i argraffu'r dyddiad geni ar y ffurflen yn awtomatig. Bydd hyn gan bob un ohonynt a bydd yno. O ran y targed ar gyfer ei gyflwyno, yr amcan gorau sydd gennym ar hyn o bryd yw y bydd yn cymryd dwy neu dair blynedd i gyrraedd pob man, oherwydd ni allwch gyrraedd yr ardaloedd mwyaf poblog a hygyrch yn gyflym iawn â hyn. Yr wyf eisoes yn trafod gyda rhai o'm cydweithwyr mewn awdurdodau iechyd pa mor gyflym y gellir ei ymestyn fel ein bod yn cyrraedd cynifer o bobl ag y bo modd, cyn gynted ag y gallwn. Fodd bynnag, fel y dywedais yn gynharach, mae mynd â hyn i feddygfeydd yr holl gontractwyr annibynnol sydd yn darparu meddygaeth deulu yng Nghymru'n fater eithaf cymhleth. Felly dyfalaf y bydd y system yn llwyr weithredol ymhen tua thair blynedd.

[64] **Alison Halford:** Cyfeiria paragraff 26 at fanylion oed neu ddyddiad geni sydd eisoes wedi eu cynnwys ar rai ffurflenni

simple check by pharmacists could generate £1.2 million a year if they simply checked on the details of age and date of birth already provided for them. We have discussed the monitoring system, but, again, I must ask what you plan to do to ensure that these simple checks bring in the sum of money that is due to the service?

**Mr Craig:** I have to see that as the easiest—if that is the word I am looking for—but certainly the most obvious and immediate target for us to ensure that that is checked. That is certainly going to be at the top of my list of priorities when I talk to the professions about this, because—as I think I have said on a number of occasions this afternoon—it does seem to me that there is much less excuse for not adequately completing the simple straightforward questions. It is a simple, straightforward issue to check whether a person is that age or not.

[65] **Alison Halford:** My last question relates to paragraph 53, which mentions the failures of Health Solutions Wales. Its failures have failed to recover £740,000 from payments to pharmacists. Do you have a plan in future to stop this sort of thing from happening and to ensure that this money is not lost?

**Mr Craig:** I have discussed that with Health Solutions Wales and we are looking very closely at it. I have been in dialogue with the health authority that is the host for Health Solutions Wales—

[66] **Alison Halford:** If Mr Wilcox wants to answer the question, I have no objection at all. It will take some of the pressure off you. You are smiling at the moment, Mr Craig. We do not want that to stop.

**Mr Craig:** It is a smile of despair and not of anything else. [*Laughter.*]

We did talk to the health authority about it, because it seems to me to be another soft area—if ‘soft’ is quite the word I am looking for. I want to talk to a couple of health authorities and Health Solutions Wales together to see whether we cannot just shut

presgripsiwn. Felly gallai gwiriad syml gan fferyllwyr greu £1.2 miliwn y flwyddyn pe baent ond yn gwirio'r manylion oed a dyddiad geni a ddarperir iddynt eisoes. Trafodasom y system fonitro, ond, unwaith eto, rhaid imi ofyn i chi beth y bwriadwch ei wneud i sicrhau bod y gwiriadau syml hyn yn dod â'r swm o arian sydd yn ddyledus i'r gwasanaeth?

**Mr Craig:** Rhaid imi weld gwirio hynny fel y targed hawsaf—os hwnnw yw'r gair yr wyf yn chwilio amdano—ond yn sicr yr un cyntaf ac amlycaf. Bydd hynny'n sicr o fod ar ben fy rhestr o flaenoriaethau pan siaradaf â'r proffesiynau am hyn, oherwydd—fel y dywedais sawl gwaith y prynhawn yma, yr wyf yn meddwl—ymddengys i mi fod llai o esgus o lawer dros beidio â chwblhau'r cwestiynau syml yn ddigonol. Mater syml yw gwirio oedran rhywun.

[65] **Alison Halford:** Mae fy nghwestiwn olaf yn ymwneud â pharagraff 53, sydd yn sôn am fethiannau Health Solutions Wales. Drwy ei fethiannau, methwyd ag adfer £740,000 o daliadau i fferyllwyr. A oes gennych gynllun i atal pethau fel hyn rhag digwydd yn y dyfodol a sicrhau na chollir yr arian hwn?

**Mr Craig:** Yr wyf wedi trafod hynny â Health Solutions Wales ac yr ydym yn edrych yn fanwl iawn arno. Bûm mewn deialog â'r awdurdod iechyd sydd yn gartref i Health Solutions Wales—

[66] **Alison Halford:** Os dymuna Mr Wilcox ateb y cwestiwn, nid oes gennyf wrthwynebiad o gwbl. Bydd yn dwyn rhai o'r pwysau oddi arnoch chi. Yr ydych yn gwenu ar hyn o bryd, Mr Craig. Nid ydym am weld diwedd ar hynny.

**Mr Craig:** Gwên o anobaith ydyw a dim arall. [*Chwerthin.*]

Siaradasom â'r awdurdod iechyd yn ei gylch, oherwydd ymddengys i mi ei fod yn faes meddal arall—os ‘meddal’ yw'r union air yr wyf yn chwilio amdano. Dymunaf siarad ag ychydig o awdurdodau iechyd a Health Solutions Wales gyda'i gilydd i weld a allwn



that one down. The first thing that I want to get is an altogether more accurate—and this is not meant to be in any way offensive to the NAO—and clearer picture from it of exactly what the composition of that is and how it works and then see how we can get into the issue. However, that again seems somewhere near the top of the list as one that we should be able to get at fairly early and fairly readily.

[67] **Alison Halford:** Does Mr Wilcox agree with you?

**Mr Wilcox:** I do.

[68] **Janet Davies:** We will now take a look at the impact of all this on patients and pharmacists. Owen John, you have some questions on this?

[69] **Owen John Thomas:** Mae paragraffau 28 a 44 yn adroddiad yr Archwilydd Cyffredinol yn awgrymu bod cryn ansicrwydd ymhlith cleifion, a fferyllwyr hefyd o bosibl, ynglŷn â'r meini prawf sydd yn sicrhau eithriad rhag taliadau presgripsiwn. Ymddengys bod hyn yn ei dro yn adlewyrchu pa mor gymhleth yw'r meini prawf hynny. A oes modd symleiddio'r trefniadau hyn er mwyn sicrhau eu bod yn fwy hwylus i'r defnyddwyr?

**Mr Craig:** I hope that there is. It is particularly problematic in some of the clinical areas where, I think it is fair to say, both doctors and patients occasionally worry that there are anomalies in the system. It is not for me to attack or justify the system, because the system is the system. The system has developed over years as a result of the policy of successive governments. Simplifying and clarifying and, above all, enabling people to have more direct and speedy access to explanations as to whether they are recipients of particular benefits and whether those benefits are such as to entitle them to exemption, and being quite clear as to what diseases people have, is an issue. For example, there are two kinds of diabetes, one of which is exempt and one of which is not. Clarification of that sort of thing so that people know where they stand seems to me to be very important. In a sense it is an

roi terfyn ar hynny. Y peth cyntaf y dymunaf ei gael yw darlun cywirach—ac nid oes bwriad i hyn dramgwyddo'r Swyddfa Archwilio Genedlaethol o gwbl—a chliriach o lawer o union gyfansoddiad hynny a sut y mae'n gweithio a gweld wedyn sut y gallwn ymdrin â'r mater. Fodd bynnag, mae hynny hefyd yn ymddangos ei fod rywle'n agos i ben y rhestr fel rhywbeth y dylem allu ei gyflawni yn weddol gynnar ac yn weddol rwydd.

[67] **Alison Halford:** A yw Mr Wilcox yn cytuno â chi?

**Mr Wilcox:** Ydwyf.

[68] **Janet Davies:** Edrychwn yn awr ar effaith hyn oll ar y cleifion a'r fferyllwyr. Owen John, mae gennych gwestiynau ar hyn, onid oes?

[69] **Owen John Thomas:** Paragraphs 28 and 44 of the Auditor General's report suggest that there is considerable uncertainty among patients, and possibly pharmacists also, about the criteria which secure exemption from prescription payments. It appears that this in turn reflects the complexity of those criteria. Is there any way of simplifying these arrangements to ensure that they are more convenient for the consumers?

**Mr Craig:** Gobeithiaf fod. Mae'n arbennig o broblematig mewn rhai o'r meysydd clinigol lle, credaf mai teg yw dweud, y mae'r meddygon a'r cleifion yn pryderu weithiau fod anghysonderau yn y system. Nid fy lle i yw ymosod ar y system neu ei chyfiawnhau, oherwydd y system yw'r system. Datblygodd y system dros y blynyddoedd o ganlyniad i bolisi'r naill lywodraeth ar ôl y llall. Mae symleiddio ac egluro ac, yn fwy na dim, galluogi pobl i gael mynediad cyflymach a mwy uniongyrchol i esboniadau ynghylch a ydynt yn derbyn budd-daliadau penodol ac a yw'r budd-daliadau hynny'n gyfryw fel eu bod yn rhoi hawl i eithriad iddynt, a bod yn gwbl glir ynghylch pa glefydau sydd gan bobl, yn destun trafod. Er enghraifft, mae dau fath o glefyd siwgwr, un sydd wedi ei eithrio ac un nad yw. Ymddengys i mi fod egluro peth felly, fel y gŵyr pobl lle y maent yn sefyll, yn bwysig iawn. Ar un ystyr mae'n

extension of our earlier conversation. I would very much like to have a conversation with the medical profession about how we can in some way get much more clarity on its part, frankly, as well as on the part of patients, about what the exemption system is in relation to the list of diseases and in keeping people up to date with what the benefit system is.

[70] **Owen John Thomas:** Pa bosibiliadau sydd ar gyfer gwella safon yr wybodaeth sydd ar gael i bobl Cymru ynglŷn â'r meini prawf ar gyfer eithriad rhag taliadau presgripsiwn?

**Mr Craig:** I am hoping that one of the things that we might find is that the advice that we get from the Counter Fraud Operational Services will help us with that. All the pharmacies that I have visited over the last couple of weeks have had notices displayed telling people about the system and had literature available explaining it. Indeed, many doctor's surgeries have that as well. The problem is that, particularly in the health field, publicity is quite a complex issue. You will know yourselves—many of you spend more time in doctor's surgeries than I do for other reasons than your health, for the interests of your constituents—how much stuff there is and how difficult it is to get people to take an interest in it. So some way of registering and, in fact, building up the kind of cultural climate to which I referred earlier, that makes people aware both of the dangers and also of their position in the system, is one of the nuts that I would quite like to see cracked because conventional publicity has got us only so far and I think that there is more to be done to clarify the system. It is a complicated system; there is no denying that.

[71] **Owen John Thomas:** Pa wybodaeth a chynghor pellach y mae'r Cynulliad yn ystyried eu rhoi i fferyllwyr er mwyn eu helpu i gyflawni'r gwiriadau wrth ddosbarthu yn fwy cywir ac effeithiol?

**Mr Craig:** That is one of the things that I want to talk to pharmacists about. I will say to them, this is what we have done to date,

estyniad o'n sgwrs gynharach. Byddai'n dda iawn gennyf gael sgwrs â'r proffesiwn meddygol ynghylch sut y gallwn gael llawer mwy o eglurder ar ei ran ef rywfodd, a dweud y gwir, yn ogystal ag ar ran y cleifion, ynghylch beth yw'r system eithrio mewn perthynas â'r rhestr o glefydau ac wrth roi'r wybodaeth ddiweddaraf i bobl am beth yw'r system fudd-daliadau.

[70] **Owen John Thomas:** What possibilities exist for improving the standard of information available to the people of Wales concerning these criteria for exemptions from prescription charges?

**Mr Craig:** Gobeithiaf mai un o'r pethau y byddwn efallai yn ei ddarganfod yw y bydd y cyngor a gawn gan y Gwasanaethau Gweithredol Gwrth Dwyll yn ein helpu â hynny. Yr oedd pob un o'r fferyllfeydd yr ymwelais â hwy dros yr wythnosau diwethaf hyn yn arddangos rhybuddion yn dweud wrth bobl am y system ac yr oedd deunydd darllen ar gael ganddynt yn ei hegluro. Yn wir, ceir hynny mewn llawer o feddygfeydd hefyd. Y broblem yw bod cyhoeddusrwydd yn fater eithaf cymhleth, yn enwedig ym maes iechyd. Gwyddoch eich hunain—mae llawer ohonoch yn treulio mwy o amser mewn meddygfeydd nag a wnaif fi am resymau heblaw am eich iechyd, er budd eich etholwyr—faint o ddeunydd sydd yno a pha mor anodd yw gwneud i bobl ymddiddori ynddo. Felly un o'r pethau y byddwn yn eithaf hoff o weld eu cyflawni yw cael rhyw ddull o gofrestru ac, mewn gwirionedd, datblygu'r math o hinsawdd ddiwylliannol y cyfeiriais ati'n gynharach, sydd yn peri bod pobl yn ymwybodol o'r peryglon a hefyd o'u lle yn y system oherwydd nid yw cyhoeddusrwydd confensiynol ond wedi mynd â ni ran o'r ffordd a chredaf fod mwy i'w wneud i roi gwedd eglurach ar y system. Mae'n system gymhleth; ni ellir gwadu hynny.

[71] **Owen John Thomas:** What information and further advice is the Assembly considering giving to pharmacists to help them to carry out dispensing checks more accurately and effectively?

**Mr Craig:** Dyna un o'r pethau y dymunaf siarad â'r fferyllwyr yn ei gylch. Byddaf yn dweud wrthynt, dyma'r hyn a wnaethom hyd

this is what you, the pharmacists, and we thought would be adequate when we started this system. This is the result. What more can we do and what more is likely to be effective? As I said, the pharmacists themselves are anxious to make a concerted attack on the consciousness of their profession. However, whether there is more that we can do is one of the questions that I will certainly want to ask them because we are thinking about that, as I said. I would like to think that those pharmacists who are rigorously and effectively implementing this system—and there are some—would have lessons to teach those who may not be. We may be able to learn from them why and how it works for them and does not seem necessarily to work as well for others.

[72] **Janet Davies:** I wondered—Alun Cairns will speak in a minute—but, first, could you give me any idea of the timetable for when you think that we might begin to see some results of action? Is it at all possible to estimate that?

**Mr Craig:** Let me tell you about the parts where I think we can, because with things like the GP computer system, we are talking two or three years. In terms of more rigorous advice and a general encouragement—if that is the word I am looking for—to the profession to do this more rigorously, I would hope that we can get on with that within the next couple of months. Certainly, the professional representatives whom I talked to this week will talk to their members within the next few weeks. I would hope that any impact that might have would take place immediately.

Our conversations with the health authorities will take place, as I said, in January. The first one will be with the directors of finance, and I would certainly expect, and will be looking to them to come back very early after that discussion with firm, practical proposals showing how—in terms of what business sense it made—they propose to take this forward. It is my aim, if there are new processes for the health authorities, a new

yn hyn, dyma'r hyn yr oeddech chi'r fferyllwyr a ninnau'n meddwl ei fod yn ddigonol pan gychwynasom y system hon. Dyma'r canlyniad. Beth y gallwn ei wneud ar ben hyn a beth ar ben hyn sydd yn debygol o fod yn effeithiol? Fel y dywedais, mae'r fferyllwyr eu hunain yn awyddus i gydymosod ar ymwybyddiaeth eu proffesiwn. Fodd bynnag, un o'r cwestiynau y byddaf yn sicr o'u gofyn iddynt yw a oes rhagor y gallwn ei wneud oherwydd yr ydym yn meddwl am hynny, fel y dywedais. Charwn feddwl bod gwersi gan y fferyllwyr hynny sydd yn gweithredu'r system hon yn drwyadl ac yn effeithiol—ac mae rhai—i'w dysgu i'r rhai nad ydynt o bosibl yn gwneud hynny. Efallai y byddwn yn gallu dysgu oddi wrthynt pam a sut y mae'n gweithio iddynt hwy a pham y mae'n ymddangos nad yw o reidrwydd yn gweithio cystal i eraill.

[72] **Janet Davies:** Tybed—bydd Alun Cairns yn siarad ymhen munud—ond, yn gyntaf, a allech roi rhyw syniad i mi o'r amserlen o bryd y credwch y gallem ddechrau gweld rhai o ganlyniadau'r camau gweithredu? A oes modd amcangyfrif hynny o gwbl?

**Mr Craig:** Gadewch imi ddweud wrthyhych am y rhannau lle y credaf y gallwn, oherwydd yn achos pethau fel system gyfrifiadur y meddygon teulu, yr ydym yn sôn am ddwy neu dair blynedd. O ran cyngor mwy trwyadl ac anogaeth gyffredinol—os hwnnw yw'r gair yr wyf yn chwilio amdano—i'r proffesiwn i wneud hyn yn fwy trwyadl, gobeithiaf y gallwn fynd ymlaen â hynny o fewn yr ychydig fisoedd nesaf. Yn sicr, bydd cynrychiolwyr y proffesiwn y siaredais â hwy yr wythnos hon, yn siarad â'u haelodau o fewn yr wythnosau nesaf hyn. Gobeithiaf y bydd unrhyw effaith bosibl yn digwydd ar unwaith.

Bydd ein sgysiau â'r awdurdodau iechyd yn digwydd, fel y dywedais, yn Ionawr. Bydd yr un gyntaf â'r cyfarwyddwyr cyllid, a byddwn yn sicr yn disgwyl ac yn edrych ymlaen at eu gweld yn dychwelyd yn fuan iawn ar ôl y drafodaeth honno gyda chynigion pendant, ymarferol fydd yn dangos sut—yn nhermau'r synnwyr busnes a wnai—y bwriadant fwrw ymlaen â hyn. Fy nod i, os oes prosesau newydd ar gyfer yr awdurdodau iechyd,

system and a more systematic approach to this whole thing for the health authorities, to get that into action by the middle of next year. That involves a number of things. There are things going on that we must change and we might need to look again at the accounting officer's directions from us and the system whereby we monitor and set targets for authorities. We need to look at that as well. There are areas other than the direct one here through which we can monitor whether they are doing the right thing in all kinds of areas, of which this is one. I would hope to see some results early next year, more results in terms of a change of system by the middle of next year and the outcome in terms of reducing these numbers beginning to flow from that.

system newydd a dull mwy systematig o ymdrin â'r holl beth ar gyfer yr awdurdodau iechyd, yw rhoi hynny ar waith erbyn canol y flwyddyn nesaf. Mae hynny'n cynnwys nifer o bethau. Mae pethau'n mynd ymlaen y mae'n rhaid inni eu newid ac efallai y bydd angen inni edrych eto ar gyfarwyddiadau'r swyddog cyfrifo oddi wrthym ni a'r system a ddefnyddiwn i fonitro a gosod targedau i'r awdurdodau. Mae angen inni edrych ar hynny hefyd. Mae meysydd heblaw am yr un uniongyrchol sydd yma y gallwn eu defnyddio i fonitro a ydynt yn gwneud y peth iawn ym mhob math o feysydd, y mae hwn yn un ohonynt. Gobeithiaf weld rhai canlyniadau'n gynnar y flwyddyn nesaf, mwy o ganlyniadau o ran newid yn y system erbyn canol y flwyddyn nesaf a'r canlyniad o ran lleihau'r niferoedd hyn yn dechrau dod o hynny.

[73] **Janet Davies:** Have you any idea of what kind of impact you might have on the amount of revenue generated in Wales by prescription charges? I realise that that is a difficult question to answer.

[73] **Janet Davies:** A oes gennych unrhyw syniad am y math o effaith a gaech ar swm y refeniw a greir yng Nghymru drwy daliadau presgripsiwn? Sylweddolaf fod hynny'n gwestiwn anodd ei ateb.

**Mr Craig:** We have a number. The number—whatever it is; the number in this report is £15 million—is too high and we must get it down. I would not like to say at this moment that I will have reduced that by 30 per cent in a year's time. I do not think that it would be reasonable for me to commit anybody to that. However, we have had a number of discussions this afternoon about monitoring systems, and one of the things that one needs to do is to get a systematic and quantified input to the process. Let us agree on the levels of monitoring and the level of detail monitoring systems should work at. From that, we can seek to develop some clearer idea of—at least indicatively—what the outcomes of that should be. If we are unsure of the outcomes, we cannot make a sensible decision about what inputs to make.

**Mr Craig:** Mae gennym ffigur. Mae'r ffigur—beth bynnag ydyw; y ffigur yn yr adroddiad hwn yw £15 miliwn—yn rhy uchel a rhaid inni ei leihau. Ni hoffwn ddweud ar hyn o bryd y byddaf wedi lleihau hynny o 30 y cant ymhen blwyddyn. Ni chredaf y byddai'n rhesymol imi rwymo neb i hynny. Fodd bynnag, cawsom nifer o drafodaethau'r prynhawn yma ynghylch systemau monitro, ac un o'r pethau y mae angen i rywun ei wneud yw cael mewnbwn systematig a mesuredig i'r broses. Gadewch inni gytuno ar y lefelau monitro ac ar ba lefel manylder y dylai'r systemau monitro weithio. Wedi hynny, gallwn geisio datblygu syniad eglurach—awgrym o hynny o leiaf—o ba ganlyniadau a ddylai ddeillio o hynny. Os ydym yn ansicr o'r canlyniadau, ni allwn wneud penderfyniad synhwyrol ynghylch y mewnbynnau i'w rhoi.

[74] **Janet Davies:** Alun, I am not sure where your question fits in, but I will bring you in here, since I forgot about you about 10 minutes ago.

[74] **Janet Davies:** Alun, nid wyf yn sicr ymhle y mae'ch cwestiwn yn ffitio, ond dof â chi i mewn yma, gan imi anghofio amdanoch tua 10 munud yn ôl.

[75] **Alun Cairns:** I want to return to something that was touched on previously.

[75] **Alun Cairns:** Dymunaf ddychwelyd at rywbeth y cyfeiriwyd ato yn gynharach.

This report is based on sharing of information between agencies—the Benefits Agency and the War Pensions Agency and so on. What powers do you have to use the information that other Government departments hold?

**Mr Craig:** As things stand, we have no powers to use that. Sharing information between Government departments is a delicate matter for all kinds of reasons involving people's human rights and so on. We are trying to establish a means whereby we can introduce protocols that enable us to have access to appropriate information in appropriate circumstances. When somebody has claimed a benefit it is by no means unreasonable to check whether that claim is accurate. Blanket information about who receives benefit is a more delicate matter. One of the things that the Counter Fraud Operational Services will be doing, as I think that I said earlier, will be negotiating protocols with the Benefits Agency, the War Pensions Agency and others about how we can effectively, economically and in a way that does not bring them grinding to a halt—because, like everybody else, they are fairly hard-pressed—have access to information that enables us to carry out appropriate checks in order to deal with this issue. It is about establishing protocols whereby we can, by agreement, have access to information to which we have a right. The information to which we have a right is that which the individual has, more or less, given us permission to have access to by claiming an exemption. Even as I said that, it sounded horribly complicated, but I hope that it made some sense.

[76] **Alun Cairns:** In the private sector, there are different credit reference agencies that share information between different organisations that are wholly unrelated. Would it be reasonable for you to gain the information from government agencies, possibly the Inland Revenue or the National Insurance Contributions Office, which I think is in Newcastle, to help you prevent fraud—

**Mr Craig:** The answer to that question is

Mae'r adroddiad hwn yn seiliedig ar rannu gwybodaeth rhwng asiantaethau—yr Asiantaeth Budd-daliadau a'r Asiantaeth Pensiynau Rhyfel ac yn y blaen. Pa bwerau sydd gennych i ddefnyddio'r wybodaeth a ddelir gan adrannau Llywodraeth eraill?

**Mr Craig:** Fel y mae pethau, nid oes gennym bwerau i ddefnyddio honno. Mae rhannu gwybodaeth rhwng adrannau Llywodraeth yn fater sensitif am bob math o resymau sydd yn ymwneud â hawliau dynol ac yn y blaen. Yr ydym yn ceisio sefydlu dull o gyflwyno protocolau a fydd yn ein galluogi i gael mynediad i wybodaeth briodol o dan amgylchiadau priodol. Pan yw rhywun wedi hawlio budd-dal nid yw'n afresymol o gwbl gwirio a yw'r hawliad hwnnw'n gywir. Mae gwybodaeth gyffredinol ynghylch pwy sydd yn derbyn budd-daliadau'n fater mwy sensitif. Un o'r pethau y bydd y Gwasanaethau Gweithredol Gwrth Dwyll yn ei wneud, fel y dywedais yn gynharach yr wyf yn credu, yw negodi protocolau â'r Asiantaeth Budd-daliadau, yr Asiantaeth Pensiynau Rhyfel ac eraill ynghylch sut y gallwn gael mynediad i wybodaeth, mewn modd effeithiol, darbodus nad yw'n peri iddynt arafu a sefyll yn eu hunfan—oherwydd, fel pawb arall, mae pwysau eithaf mawr arnynt—sydd yn ein galluogi i gyflawni gwiriadau priodol er mwyn delio â'r mater hwn. Mae'n ymwneud â sefydlu protocolau a fydd yn ein galluogi i gael mynediad i wybodaeth, drwy gytundeb, y mae gennym hawl i'w gweld. Yr wybodaeth y mae gennym hawl i'w gweld yw honno y mae'r unigolyn wedi rhoi'r caniatâd inni ei gweld, fwy neu lai, drwy hawlio eithriad. Hyd yn oed wrth imi ddweud hynny, yr oedd yn swnio'n ofnadwy o gymhleth, ond gobeithiaf ei fod yn gwneud rhywfaint o synnwyr.

[76] **Alun Cairns:** Yn y sector preifat, mae gwahanol asiantaethau cyfeirio credyd sydd yn rhannu gwybodaeth rhwng gwahanol gyrff sydd yn gwbl anghysylltiedig. A fyddai'n rhesymol ichi gael yr wybodaeth oddi wrth asiantaethau'r llywodraeth, Cyllid y Wlad o bosibl neu'r Swyddfa Cyfraniadau Yswiriant Gwladol, sydd yn Newcastle yr wyf yn credu, i'ch helpu i atal twyll—

**Mr Craig:** Yr ateb i'r cwestiwn hwnnw yw

'yes'. That is a much better answer altogether, and that is what we will be doing.

'byddai'. Mae hynny'n well ateb o lawer, a dyna'r hyn y byddwn yn ei wneud.

[77] **Janet Davies:** I suggest that, before we go on to look at the impacts of the new developments that are proposed, we have a coffee break. Witnesses and Committee members will be served separately, for obvious reasons.

[77] **Janet Davies:** Awgrymaf, cyn inni fynd ymlaen i ystyried effeithiau'r datblygiadau newydd a gynigir, ein bod yn cael egwyl goffi. Gweinir ar y tystion ac aelodau'r Pwyllgor ar wahân, am resymau amlwg.

[*Cynhaliwyd egwyl goffi rhwng 3.22 a 3.42 p.m.*]

[*A coffee break was held between 3.22 and 3.42 p.m.*]

[78] **Janet Davies:** I would like to go on to look at the impact of new developments. Paragraph 69 of the report refers to the introduction in Wales, early next year, of point of treatment exemption checks for dental services and point of service exemption checks for optical services. How much will these new checks cost the Assembly and how much extra revenue will they generate?

[78] **Janet Davies:** Hoffwn fynd ymlaen i ystyried effaith y datblygiadau newydd. Mae paragraff 69 yr adroddiad yn cyfeirio at gyflwyno yng Nghymru, yn gynnar y flwyddyn nesaf, wiriadau eithrio wrth roi triniaeth ar gyfer gwasanaethau deintyddol a gwiriadau eithrio wrth gyflwyno gwasanaeth ar gyfer gwasanaethau optegol. Beth fydd cost y gwiriadau newydd hyn i'r Cynulliad a faint o refeniw ychwanegol y byddant yn ei greu?

**Mr Craig:** We are talking in each case about start-up costs, in terms of sending around initial publicity, and then ongoing costs. In both cases, the cost is substantially less than £100,000 per year. If you bear with me, I will try to find the number. For the general dental service, the full year costs will be £46,000, and the start-up costs £91,000, which relates to providing training for practice staff. In the case of the ophthalmic service, the figure is £52,000 for the checks and the start-up costs are £45,000 for staff training. In both cases, those costs are supplemented by the initial literature that we are putting out along with posters and so on, which, certainly in the case of dental checks, is around £21,000.

**Mr Craig:** Yr ydym yn sôn yn y ddau achos am gostau cychwyn, yn nhermau dosbarthu cyhoeddusrwydd dechreuol, ac wedyn costau cyfredol. Yn y ddau achos, mae'r gost yn is o lawer na £100,000 y flwyddyn. Os byddwch yn amyneddgar â mi, ceisiaf ddod o hyd i'r ffigur. Ar gyfer y gwasanaeth deintyddol cyffredinol, costau'r flwyddyn gyfan fydd £46,000, a'r costau cychwyn fydd £91,000, sydd yn ymwneud â darparu hyfforddiant i staff practisiau. Yn achos y gwasanaeth ophthalmig, y ffigur yw £52,000 am y gwiriadau a'r costau cychwyn yw £45,000 ar gyfer hyfforddi staff. Yn y ddau achos, ychwanegir at y costau hynny gan y deunydd darllen dechreuol yr ydym yn ei ddsbarthu ynghyd â phosteri ac yn y blaen, sydd, yn sicr yn achos gwiriadau deintyddol, tua £21,000.

[79] **Janet Davies:** Have you any idea of how much extra revenue that that might generate or how much you hope that it will generate?

[79] **Janet Davies:** A oes gennych unrhyw syniad ynghylch pa faint o refeniw ychwanegol y gallai hynny ei greu neu faint yr ydych yn gobeithio y bydd yn ei greu?

**Mr Craig:** Again, I do not have a target for that because I am not sure that we understand sufficiently the dynamics of the relationship between the checks. We are confident that these checks will generate significantly more than they are costing. I also think that they

**Mr Craig:** Unwaith eto, nid oes gennyf darged ar gyfer hynny oherwydd nid wyf yn sicr a oes gennym ddigon o ddealltwriaeth o ddynmeg y berthynas rhwng y gwiriadau. Yr ydym yn ffyddiog y bydd y gwiriadau hyn yn creu llawer mwy na'u cost. Credaf hefyd y

will be more effective for a couple of very obvious reasons. First, the volume of people going through these systems is much smaller. Secondly, most encounters between patients and dentists or opticians involve more than one event, so the opportunities for people to be told about the system and to be required to produce the evidence without inconvenience to themselves will be greater. So, I have high hopes that these checks will be effective, but I do not have in mind a particular target for them. Although, to be perfectly frank, one of the things that I have learnt this afternoon is that it would be a very good idea to talk to those concerned before these checks are introduced to see whether there is scope for setting a particular target. In the light of this report and this afternoon's meeting, I will also talk to those concerned about whether the checks and follow-up processes—which are different for each of these as the relationship involves the health authority in one case and a central organisation for England and Wales in the other—could be made more rigorous in order not to put us in the same position that we are in with these checks in pharmacies that we are discussing this afternoon.

[80] **Janet Davies:** So you are looking at the weaknesses that have been identified in the point of dispensing checks and you will take those on board. Will you be putting any additional checks or controls in place to supplement those?

**Mr Craig:** That is the aim of the conversations, particularly with the health authorities, which have a particular role with opticians. At present, we have what seems to us, and certainly to the NAO, an incomplete loop in the generation of the charge or the dispensing of the prescription, and the checking subsequently of whether an exemption was appropriately given. There does not seem to be a sufficiently strong link between the information that might give rise to a check and that check actually being made. My concern here is that the loop be closed on dental and optical charges in such a way that the checks made at the sharp end are themselves more rigorous and, where information suggests that there is a question

byddant yn fwy effeithiol am un neu ddau o resymau amlwg iawn. Yn gyntaf, mae nifer y bobl sydd yn mynd drwy'r systemau hyn yn llai o lawer. Yn ail, mae'r rhan fwyaf o gysylltiadau rhwng cleifion a deintyddion neu optegwyr yn cynnwys mwy nag un digwyddiad, felly bydd mwy o gyfle i ddweud wrth bobl am y system a mynnu eu bod yn dangos y dystiolaeth heb beri anhwylystod iddynt. Felly, yr wyf yn obeithiol iawn y bydd y gwiriadau hyn yn effeithiol, ond nid oes gennyf darged penodol ar eu cyfer mewn golwg. Er hynny, a bod yn gwbl onest, un o'r pethau a ddysgais y prynhawn yma yw y byddai'n syniad da iawn siarad â'r rhai sydd yn gysylltiedig cyn cyflwyno'r gwiriadau hyn i weld a oes cyfle i bennu targed penodol. Yng ngoleuni'r adroddiad hwn a'r cyfarfod hwn y prynhawn yma, byddaf hefyd yn siarad â'r rhai sydd yn gysylltiedig ynghylch a ellid gwneud y gwiriadau a'r prosesau dilynol—sydd yn wahanol ar gyfer y ddau beth hyn gan fod y berthynas yn cynnwys yr awdurdod iechyd mewn un achos a chorff canolog i Gymru a Lloegr yn y llall—yn fwy trwyadl er mwyn peidio â'n rhoi yn yr un sefyllfa ag yr ydym yn ei wynebu gyda'r gwiriadau mewn fferyllfeydd yr ydym yn eu trafod y prynhawn yma.

[80] **Janet Davies:** Felly yr ydych yn edrych ar y gwendidau a ganfuwyd yn y gwiriadau wrth ddsbarthu a byddwch yn eu hystyried. A fyddwch yn rhoi unrhyw wiriadau neu reolaethau ychwanegol ar waith i ategu'r rheini?

**Mr Craig:** Dyna nod y sgysiau, yn enwedig y rhai â'r awdurdodau iechyd, sydd â rôl benodol â'r optegwyr. Ar hyn o bryd, mae gennym yr hyn sydd yn ymddangos i ni, ac yn sicr i'r Swyddfa Archwilio Genedlaethol, yn gylch anghyflawn wrth gynhyrchu'r tâl neu ddsbarthu'r presgripsiwn, a gwirio wedyn a oedd yr eithriad wedi ei roi'n briodol. Nid ymddengys fod cyswllt digon cryf rhwng yr wybodaeth a allai arwain at wiriad a chyflawni'r gwiriad hwnnw. Yr hyn sydd yn bwysig i mi yma yw cwblhau'r cylch ar daliadau deintyddol ac optegol yn y fath fodd fel bod y gwiriadau yn y pen blaen yn fwy trwyadl a, lle y mae gwybodaeth yn awgrymu bod cwestiwn i'w ofyn, bod dull systematig o ofyn y cwestiwn hwnnw fel yr

to be asked, that there is a systematic way of asking that question so that the right people are approached. For example, we will certainly bring the staff of the Counter Fraud Operational Services, which I mentioned earlier, into that. These two charges—optical and dental—will be part of the agenda for my meeting in January.

[81] **Janet Davies:** I am personally very relieved about this counter fraud agency, because it came up in April when we looked at the aggregated accounts, and I was very concerned at that point that nothing seemed to be happening in Wales on it. I will move on to the issue of the operational problems that Health Solutions Wales has been experiencing. Paragraphs 60 to 65 of the report describe where it stands at the moment. Why was the situation allowed to deteriorate to the point where it was not possible to price fully the prescriptions issued in Wales, and what has been done to address that?

**Mr Craig:** The initial cause was the lack of availability of certain common generic drugs. The pricing process is done by highly skilled people who take the best part of six months to train, and a lot longer to become fully operational. They get through a phenomenal number of scripts in a day, but they do it at top speed on the basis of having a lot of information in their heads. When the more common drugs ceased to be available, they were denied the opportunity to use the codes in their heads and had to move to others, which required them to refer to other reference works that they keep by their workstations. That simply slowed them down. It happened here and it happened in England, which has an identical problem.

As that process happened, so a backlog just built up—they could not push the things through. As soon as we became aware of it, we were in touch with Health Solutions Wales. We discussed the nature of the problem with it. That was at the back end of last year. We also discussed and agreed that it would be right to put more resources into this, and so we have made extra resources available to Health Solutions Wales to hire extra staff. It has been taking this staff on.

eir at y bobl iawn. Er enghraifft, byddwn yn sicr yn cynnwys staff y Gwasanaethau Gweithredol Gwrth Dwyll, a grybwyllais yn gynharach, yn hynny. Bydd y ddau dâl hyn—yr un optegol a'r un deintyddol—yn rhan o'r agenda ar gyfer fy nghyfarfod yn Ionawr.

[81] **Janet Davies:** Teimlaf ryddhad mawr fy hun ynghylch yr asiantaeth wrth-dwyll hon, oherwydd cododd yn Ebrill pan ystyriasom y cyfrifon cyfansymiol, a phryderwn yn fawr bryd hynny ei bod yn ymddangos nad oedd dim yn digwydd yng Nghymru yn ei chylch. Symudaf ymlaen at fater y problemau gweithredol y mae Health Solutions Wales wedi eu profi. Mae paragraffau 60 i 65 yr adroddiad yn disgrifio ei sefyllfa ar hyn o bryd. Pam y gadawyd i'r sefyllfa ddirywio nes ei bod yn amhosibl prisio'n llawn y presgripsiynau a roddir yng Nghymru, a beth a wnaethpwyd i roi sylw i hynny?

**Mr Craig:** Yr achos dechreuol oedd diffyg argaeledd rhai cyffuriau generig cyffredin. Cyflawnir y broses brisio gan bobl fedrus iawn y mae'n cymryd bron chwe mis i'w hyfforddi, a llawer hwy iddynt ddod yn llwyr weithredol. Trafodant nifer ryfeddol o bresgripsiynau mewn diwrnod, ond gwnânt hynny mor gyflym â phosibl am fod ganddynt lawer o wybodaeth ar eu cof. Pan beidiodd y cyffuriau mwy cyffredin â bod ar gael, nid oedd ganddynt mo'r cyfle i ddefnyddio'r codau a oedd ar eu cof ac yr oedd yn rhaid iddynt droi at rai eraill, a olygai eu bod yn gorfod cyfeirio at gyfeiriaduron eraill y maent yn eu cadw wrth eu gweithfannau. Yr oedd hynny'n eu harafu. Digwyddodd yma a digwyddodd yn Lloegr, sydd â phroblem o'r un fath yn union.

Wrth i'r broses honno ddigwydd, yr oedd ôl-groniad yn datblygu—ni allent wthio'r pethau drwodd. Cyn gynted ag y cawsom wybod am hyn, cysylltasom â Health Solutions Wales. Trafodasom natur y broblem ag ef. Yr oedd hynny ddiwedd y flwyddyn ddiwethaf. Trafodasom a chytunasom hefyd mai priodol fyddai rhoi mwy o adnoddau ar gyfer hyn, ac felly darparasom adnoddau ychwanegol i Health Solutions Wales i gyflogi staff ychwanegol.



We are talking about some 30 staff, which represents a substantial proportion of the people at the sharp end pricing, where you are talking about maybe 60 to 70 people in total. It is slightly complicated to actually tell you how many they come to in full-time equivalents, because there are several part-timers and there is a high turnover of staff, it has to be said. It took on staff as fast as its training system could cope, and those staff are beginning to come on stream. They are being used, first of all, to do more simple tasks, such as completing basic entry of information. Eventually, early in the new year, all these 30-odd new staff, we hope, will be fully effective and can then begin to eat into the backlog.

Arrangements have now been made that have dealt with the processing problems that have arisen, and the staff output is on its way back to what could be considered to be normal levels at which they can begin to eat into the backlog. Health Solutions Wales has a plan to do this, which we have approved. I need hardly tell you, on the basis of this report, that we have been in discussion with it about this plan and are having it fairly rigorously appraised at the moment, to be quite sure what is in it and whether its components are robust.

[82] **Janet Davies:** Do you feel fairly confident that it will be up-to-date by around about the middle of next year?

**Mr Craig:** I certainly hope so. As I say, I have only been looking at this closely for the last two or three weeks. I will wait and see what everybody says about it. What I do know is that the plan that everyone concerned accepted was robust, points to that. Until I have seen the evidence of it, I would rather not offer a view on it. However, I certainly have high hopes that the plan is a robust one.

[83] **Janet Davies:** Paragraph 63 sets out the interim arrangements for the payments to pharmacists arising out of the problems that have been experienced. What risks do you

Mae wedi bod yn cymryd y staff ymlaen. Yr ydym yn sôn am tua 30 o staff, sydd yn gyfran sylweddol o'r rhai sydd yn prisio yn y pen blaen, lle'r ydych yn sôn am 60 i 70 o bobl at ei gilydd efallai. Braidd yn gymhleth yw dweud wrthy ch faint yn union sydd ohonynt o ran y nifer sydd yn cyfateb i weithwyr llawn amser, oherwydd mae sawl gweithiwr rhan amser a throsiant staff uchel, rhaid dweud. Cymerodd staff ymlaen mor gyflym ag y gallai'r system hyfforddi ymdopi, ac mae'r staff hynny'n dechrau dod yn weithredol. Fe'u defnyddir, yn gyntaf oll, i gyflawni tasgau symlach, fel cofnodi sylfaenol o wybodaeth. Yn y pen draw, yn gynnar yn y flwyddyn newydd, gobeithiwn y bydd pob un o'r 30, fwy neu lai, o staff newydd yn llwyr weithredol ac y gallwn wedyn ddechrau lleihau'r ôl-groniad.

Gwnaethpwyd trefniadau bellach sydd wedi delio â'r problemau prosesu a gododd, ac mae cynnyrch y staff yn dechrau cyrraedd lefelau y gellid eu hystyried yn rhai arferol lle y gallant ddechrau turio i mewn i'r ôl-groniad. Mae gan Health Solutions Wales gynllun i wneud hyn, a gymeradwywyd gennym. Prin bod angen imi ddweud wrthy ch, ar sail yr adroddiad hwn, ein bod wedi trafod y cynllun hwn ag ef ac yn peri iddo gael ei werthuso'n eithaf trwyadl ar hyn o bryd, i fod yn gwbl sicr o'r hyn sydd ynddo ac a yw ei elfennau'n gadarn.

[82] **Janet Davies:** A ydych yn teimlo'n eithaf ffyddiog y bydd wedi cael gwared â'r ôl-groniad erbyn tua chanol y flwyddyn nesaf?

**Mr Craig:** Gobeithiaf hynny'n wir. Fel y dywedais, nid wyf ond yn edrych yn fanwl ar hyn ers dwy neu dair wythnos. Arhosaf i weld beth y bydd pawb yn ei ddweud amdano. Yr hyn a wn yw bod y cynllun yr oedd pawb sydd yn gysylltiedig wedi derbyn ei fod yn gadarn, yn awgrymu hynny. Hyd nes y gwelaf dystiolaeth o hynny, byddai'n well gennyf beidio â chynnig barn arno. Fodd bynnag, yr wyf yn sicr yn obeithiol iawn bod y cynllun yn un cadarn.

[83] **Janet Davies:** Mae paragraff 63 yn nodi'r trefniadau dros dro ar gyfer y taliadau i fferyllwyr sydd yn codi o'r problemau a brofwyd. Pa beryglon a allai fod yn y

see that those arrangements may contain for the Assembly?

**Mr Craig:** Our hope and belief, on the basis of the extensive work that we have done on it, is that the arrangements should not contain a risk and that we should actually know what the balance of cost is between the various approaches. We were very reluctant to rush into this. We wanted to be quite clear about it. So, we have gone for what, on balance, seems to us to be a fair deal for the Assembly. I think that it is fair to say that Mr Wilcox did much of the work on this. It is a deal that does not carry with it any real risk of loss to the Assembly. The anxiety we have is to be fair to the pharmacists, but also to be vigilant about public money and to get this thing sorted out because of its knock-on effects.

[84] **Janet Davies:** I think that you will understand that the Committee is probably quite worried about this because clearly there have been all sorts of problems.

**Mr Craig:** Yes.

[85] **Janet Davies:** If you are paying a certain amount up-front and a certain amount afterwards, it does seem to me that it is a rather risky situation. So, you do not feel that there would be substantial under or over payments?

**Mr Craig:** Not overall, no. There will be a certain amount of swings and roundabouts within it, but the calculation that concerns us is that the global system works effectively and the balance of interest between us and the pharmacists is appropriate and protects the Assembly's interests.

[86] **Janet Davies:** Peter, would you like to ask some questions on this?

[87] **Peter Law:** I was just thinking, Chair, about Health Solutions Wales, which you discussed earlier. That was very interesting to me because we had a situation where this contract was awarded for a computer system to be up and running by December 1999 to be year 2000 compliant, and it is not expected to be fully implemented until the end of January 2001. Everybody has difficulties with these

trefniadau hynny i'r Cynulliad, yn eich barn chi?

**Mr Craig:** Ein gobaith a'n cred, ar sail y gwaith helaeth a wnaethom arno, yw na ddylai'r trefniadau gynnwys perygl ac y dylem wybod yn union beth yw cydbwysedd y costau rhwng y gwahanol ddulliau gweithredu. Yr oeddem yn amharod iawn i ruthro i hyn. Yr oeddem am fod yn gwbl glir yn ei gylch. Felly dewisasom yr hyn sydd yn ymddangos i ni, rhwng pob dim, yn fargen deg i'r Cynulliad. Credaf mai teg yw dweud mai Mr Wilcox a wnaeth lawer o'r gwaith ar hyn. Mae'n fargen nad yw'n cynnwys unrhyw berygl gwirioneddol o golled i'r Cynulliad. Yr ydym yn awyddus i fod yn deg â'r fferyllwyr, ond hefyd i fod yn wylidwrus ynghylch arian cyhoeddus a datrys hyn oherwydd ei effeithiau cynyddol.

[84] **Janet Davies:** Credaf y byddwch yn deall bod y Pwyllgor yn eithaf pryderus am hyn, yn ôl pob tebyg, oherwydd mae'n amlwg y bu pob math o broblemau.

**Mr Craig:** Do.

[85] **Janet Davies:** Os ydych yn talu swm penodol ymlaen llaw a swm penodol wedyn, ymdengys i mi ei bod yn sefyllfa eithaf peryglus. Felly, nid ydych yn teimlo y byddai tandaliadau neu ordaliadau sylweddol?

**Mr Craig:** Nid yn gyffredinol, nac ydwyf. Bydd rhywfaint o golli ac ennill oddi mewn iddi, ond yr ystyriaeth sydd o bwys i ni yw bod y system gyfan yn gweithio'n effeithiol a bod cydbwysedd y buddiannau rhyngom ni a'r fferyllwyr yn briodol ac yn amddiffyn buddiannau'r Cynulliad.

[86] **Janet Davies:** Peter, a hoffech ofyn cwestiynau ar hyn?

[87] **Peter Law:** Yr oeddwn yn meddwl, Gadeirydd, am Health Solutions Wales, yr oeddech yn ei drafod yn gynharach. Yr oedd hynny'n ddiddorol iawn i mi oherwydd yr oedd gennym sefyllfa lle y dyfarnwyd y contract hwn am system gyfrifiadur a oedd i fod yn weithredol erbyn Rhagfyr 1999 i fod yn gyson â gofynion y flwyddyn 2000, ac ni ddisgwylir iddi gael ei chwblhau'n llawn tan

things; I understand that. What have you done as far as ensuring that this has been fully investigated and all pressure has been put on the contractors to actually get this up and running?

**Mr Craig:** The priority we have had has been, as you say, to put as forceful a pressure as we can, through the health authorities and Health Solutions Wales, on the contractors to deliver. The main concern of everyone concerned is to get this system delivered. How we might thereafter consider the matter with the contractors, I think that we will consider when the thing is actually running. When a project of this sort is underway, there comes a point when all one can do is constantly press the contractors, which is what HSW has been doing and so have we. Bro Taf Health Authority has invited an external auditor (PricewaterhouseCoopers) in and the external auditor has accepted its invitation. The external auditor is now looking at this project with a view to sorting the thing out to see how the problem arose, how it can be dealt with and responded to afterwards.

[88] **Peter Law:** Are you satisfied that you have done everything to monitor Health Solutions Wales to get this thing moving in the way it should have been, bearing in mind that it has cost us, what is it, £740,000 in additional expenditure, and it has not actually complied with the procedure?

**Mr Craig:** It is difficult to see how much closer we could have got to HSW on all of this without actually getting involved at a level that is inappropriate. So, we have been very close to it and have pressed it very hard and it is difficult to see how much harder we could have pressed it, frankly.

[89] **Peter Law:** What is a level that is inappropriate?

**Mr Craig:** A level that is inappropriate is one where we begin to interfere in—and I would not suggest for a second that we would wish to do that—its day-to-day management of its business. However, we have been in

ddiwedd Ionawr 2001. Caiff pawb drafferthion â'r pethau hyn; deallaf hynny. Beth a wnaethoch o ran sicrhau bod ymchwiliad llawn wedi bod i hyn a bod pwysau wedi ei roi ar y contractwyr i'w rhoi ar waith?

**Mr Craig:** Y flaenoriaeth sydd wedi bod gennym, fel y dywedasoeh, yw rhoi cymaint o bwysau ag y gallwn, drwy'r awdurdodau iechyd a Health Solutions Wales, ar y contractwyr i gyflawni'r gwaith. Yr hyn sydd yn bwysicaf gan bawb sydd yn gysylltiedig yw cwblhau'r system hon. Credaf y byddwn yn ystyried sut y gallem drafod y mater gyda'r contractwyr ar ôl hynny pan fydd y peth yn rhedeg. Pan fo prosiect o'r math hwn yn mynd rhagddo, daw adeg pan mai'r cwbl y gellir ei wneud yw pwyso'n gyson ar y contractwyr, a dyna a wnaeth Health Solutions Wales a ninnau. Mae Awdurdod Iechyd Bro Taf wedi gwahodd archwilydd allanol (PricewaterhouseCoopers) i ddod i mewn ac mae'r archwilydd allanol wedi derbyn ei wahoddiad. Mae'r archwilydd allanol yn edrych ar y prosiect hwn yn awr gyda golwg ar ddatrys pethau i weld sut y cododd y broblem, sut y gellir delio â hi ac ymateb iddi wedyn.

[88] **Peter Law:** A ydych yn fodlon eich bod wedi gwneud popeth i fonitro Health Solutions Wales i wneud i hyn symud fel y dylai, gan gofio ei fod wedi costio, beth ydyw, £740,000 mewn gwariant ychwanegol i ni, ac nad yw wedi cydymffurfio â'r weithdrefn mewn gwirionedd?

**Mr Craig:** Mae'n anodd gweld faint yn agosach at Health Solutions Wales y gallasem fod wedi mynd ynghylch hyn oll heb fynd yn gysylltiedig ar lefel sydd yn amhriodol. Felly, buom yn agos iawn ato ac yr ydym wedi pwyso arno'n galed iawn ac anodd yw gweld sut y gallem fod wedi pwyso'n galetach arno, a dweud y gwir.

[89] **Peter Law:** Beth yw lefel sydd yn amhriodol?

**Mr Craig:** Lefel sydd yn amhriodol yw un lle'r ydym yn dechrau ymyrryd—ac nid awgrymwn am eiliad y dymunem wneud hynny—yn ei reolaeth o'i fusnes o ddydd i ddydd. Fodd bynnag, buom mewn cysylltiad

touch with it regularly on a very frequent basis, monitoring the situation, talking to HSW, keeping in touch with it, asking questions and ensuring that the plan is there and being pursued. However, we have also in mind that once we get the external auditor's report, we will also see whether there is more that we can do in the short term and, indeed, in the longer term, to get this sorted out. However, in the period between the time when this should have been delivered and now, I think that it is fair to say that we have been extremely close to it.

[90] **Peter Law:** So you are saying that you are satisfied that you could not have done more—

**Mr Craig:** I do not, as of now, see what more we could have done to make the computer system introduction more effective than it was. If someone can produce other actions that we can take, then we will take them. However, for the time being, I do not think that there is much more that we could have done, and we have looked at every effort that we could make to get this up and running.

[91] **Peter Law:** I see that we will be having a more in-depth report from the National Audit Office on this. Paragraph 65 of this report refers to developments on e-prescribing. I would be interested to hear what benefits you are hoping to achieve from the initiative of e-prescribing, and what progress has been made on it. If progress has been made, when do you expect to be able to decide whether it can be more widely implemented, bearing in mind that it was a pilot scheme?

**Mr Craig:** A fully effective e-prescribing system actually has most of the checks that one would want built into it. Therefore, the benefit of an e-prescribing system would be that we would take a substantial chunk of the potential for human and other error out of this system, if it could be made to work. There are parts of the world where there are systems that look like what we want, operating.

What do we want e-prescribing to do? We want e-prescribing to get together all the

ag ef yn rheolaidd ac yn aml, gan fonitro'r sefyllfa, siarad â Health Solutions Wales, cadw mewn cysylltiad ag ef, gofyn cwestiynau a sicrhau bod y cynllun yno ac y caiff ei ddilyn. Fodd bynnag, yr ydym yn cadw mewn cof hefyd, pan gawn adroddiad yr archwilydd allanol, y byddwn yn gweld a oes mwy y gallwn ei wneud yn y tymor byr ac, yn wir, yn y tymor hwy, i ddatrys hyn. Fodd bynnag, credaf mai teg yw dweud inni fod yn agos iawn iddo rhwng yr adeg pan ddylai hyn fod wedi ei gwblhau a'r awr hon.

[90] **Peter Law:** Felly yr ydych yn dweud eich bod yn fodlon na allech fod wedi gwneud mwy—

**Mr Craig:** Ar hyn o bryd, ni welaf beth y gallem fod wedi ei wneud yn ychwanegol i gael cyflwyno'r system gyfrifiadur yn fwy effeithiol nag a wnaethpwyd. Os gall rhywun ddangos camau eraill y gallwn eu cymryd, yna fe'u cymerwn. Fodd bynnag, am y tro, ni chredaf fod llawer mwy y gallem fod wedi ei wneud, ac ystyriasom bob ymdrech a fyddai'n bosibl i ni i roi hwn ar waith.

[91] **Peter Law:** Gwelaf y byddwn yn cael adroddiad manylach ar hyn gan y Swyddfa Archwilio Genedlaethol. Mae paragraff 65 yr adroddiad hwn yn cyfeirio at ddatblygiadau ar ragnodi electronig. Byddai o ddiddordeb imi glywed pa fanteision yr ydych yn gobeithio eu sicrhau o'r fenter rhagnodi electronig, a pha gynnydd a gafwyd arni. Os bu cynnydd, pa bryd y disgwyliwch allu penderfynu a ellir ei weithredu'n ehangach, o gofio mai cynllun peilot oedd hwn?

**Mr Craig:** Mae system rhagnodi electronig gwbl effeithiol yn cynnwys y rhan fwyaf o'r gwiriadau y byddai ar rywun eu hangen, mewn gwirionedd. Felly, mantais system rhagnodi electronig yw y byddem yn tynnu rhan helaeth o'r posibiladau o gamgymeriadau dynol ac eraill o'r system hon, os gellid ei rhoi ar waith. Mae rhannau o'r byd lle y gweithredir systemau sydd yn ymddangos fel yr hyn y dymunwn ei gael.

Beth y dymunwn i ragnodi electronig ei wneud? Dymunwn i ragnodi electronig

information that one needs in order to make an appropriate assessment of such things as exemptions. It will have other effects as well; it will tighten up the linkages between pharmacies and general practice and it will give us better management information about the system and so forth. However, in terms of this inquiry this afternoon, it would certainly close an awful lot of the loopholes that we see here.

Where things currently stand is that there are efforts being made in England—and we are looking at similar efforts here in parallel with them—to set up pilot schemes. Those pilots are being considered in consultation with potential contractors who would carry them out. Therefore, setting up pilots just to see if it can be made to work somewhere—and the report refers to pilots in paragraph 65—is the stage that we are currently at.

Those pilots would have to be set up and given a certain amount of time to run. If they work and if it were deemed that they were effective in the way that I have just described, there would be a process of rolling them out into both general practices and pharmacies, establishing such linkages with other sources of information as one would hope could be done—and I discussed with Mr Cairns earlier the possibility of linkages to benefit systems and matters of that sort—and getting appropriate linkages back into Health Solutions Wales and/or health authorities, because health authorities have to be included in this as well. Given the complexity of that, I would be very surprised indeed if it happened in less than four or five years. I just do not think that it would be realistic for me to suggest that it could be done quicker than that. It is going to take a while to do this.

[92] **Peter Law:** I am grateful for your honesty in that response. It is something for which we will have to wait a little longer. When was this pilot scheme announced?

**Mr Craig:** I cannot remember when it was announced that we were actually going to do pilots. There was an earlier attempt at pilots earlier this year, I understand. The process

gasglu'r holl wybodaeth y mae ar rywun ei hangen er mwyn gwneud asesiad priodol o bethau fel eithriadau. Caiff effeithiau eraill hefyd; bydd yn tynhau'r cysylltiadau rhwng fferyllfeydd a meddygaeth deulu a bydd yn rhoi gwell gwybodaeth reoli i ni am y system ac yn y blaen. Fodd bynnag, yn nhermau'r ymchwiliad hwn y prynhawn yma, byddai'n sicr o gau llawer iawn o'r bylchau a welwn yma.

Y sefyllfa ar hyn o bryd yw bod ymdrechion yn Lloegr—ac yr ydym yn ystyried ymdrechion tebyg yma ochr yn ochr â hwy—i sefydlu cynlluniau peilot. Ystyrir y rhagbrofion hyn mewn ymgynghoriad â chontractwyr posibl a fyddai'n eu cyflawni. Felly, sefydlu rhagbrofion i weld a ellir gwneud iddynt weithio yn rhywle—ac mae'r adroddiad yn cyfeirio at ragbrofion ym mharagraff 65—yw'r cam lle'r ydym ar hyn o bryd.

Byddai'n rhaid sefydlu'r rhagbrofion hynny a rhoi cyfnod amser penodol iddynt redeg. Os llwyddant ac os bernid eu bod yn effeithiol yn y modd a ddisgrifiais gynnau, byddai proses o'u hymestyn i feddygfeydd teulu ac i fferyllfeydd, gan sefydlu hynny o gysylltiadau â ffynonellau gwybodaeth eraill ag y byddai rhywun yn gobeithio eu bod yn bosibl—a thrafodais â Mr Cairns yn gynharach y posibiliad o gysylltiadau â systemau budd-daliadau a materion o'r math hwnnw—ac ailsefydlu cysylltiadau priodol yn Health Solutions Wales ac/neu awdurdodau iechyd, oherwydd rhaid cynnwys awdurdodau iechyd hefyd. O ystyried mor gymhleth yw hynny, synnwn yn fawr iawn pe digwyddiai ymhen llai na phedair neu bum mlynedd. Ni chredaf y byddai'n realistig o gwbl imi awgrymu y gellid ei wneud yn gynt na hynny. Cymer gryn amser i wneud hyn.

[92] **Peter Law:** Yr wyf yn ddiolchgar am eich gonestrwydd yn yr ymateb hwnnw. Mae'n rhywbeth y byddwn yn gorfod disgwyl ychydig yn hwy amdano. Pa bryd y cyhoeddwyd y cynllun peilot hwn?

**Mr Craig:** Ni allaf gofio pa bryd y cyhoeddwyd y byddem yn cyflawni rhagbrofion. Bu cynnig ar ragbrofion yn gynharach eleni, yr wyf yn deall. Mae'r

towards e-prescribing has been going on for a long time. Perhaps Mr Wilcox can tell me more precisely?

**Mr Wilcox:** It was in 1999 that we first started.

**Mr Craig:** Was it in the White Paper?

**Mr Wilcox:** Yes.

**Mr Craig:** There was mention of it in the White Paper last year.

[93] **Peter Law:** It was mentioned in the White Paper, but we have not found one yet.

**Mr Craig:** We have not been able to get a viable pilot up and running since then. That may well be a measure of the complexity of it.

[94] **Peter Law:** Therefore, it could be some years before we get a pilot set up?

**Mr Craig:** Yes.

[95] **Peter Law:** We have already had a year or so—

**Mr Craig:** We hope not, but it could be. There is no point faffing about that. It is perfectly possible that it will take a while yet to get a viable set of pilots up and running so that we can see on more than one model whether this works.

[96] **Peter Law:** So it is a something and nothing situation in some respects, at the present time. It would be right if we could fulfil this. It would be very important. However, at the moment, it is probably five years away, at least.

**Mr Craig:** It will be something when we get it, but it is nothing at the moment.

[97] **Peter Law:** Can you tell us what progress has been made on the Assembly's initiative to become a partner with the Directorate of Counter Fraud Services in the Counter Fraud Operational Services? The First Minister announced that in, I think, May. When will these arrangements be fully

broses o symud at ragnodi electronig yn digwydd ers amser hir. Efallai y gall Mr Wilcox ddweud wrthyf yn fwy manwl?

**Mr Wilcox:** Yn 1999 y dechreusom gyntaf.

**Mr Craig:** A oedd yn y Papur Gwyn?

**Mr Wilcox:** Oedd.

**Mr Craig:** Yr oedd sôn amdano yn y Papur Gwyn y llynedd.

[93] **Peter Law:** Yr oedd sôn amdano yn y Papur Gwyn, ond ni ddaethom o hyd i un eto.

**Mr Craig:** Ni lwyddasom i roi rhagbrawf ymarferol ar waith ers hynny. Mae'n ddigon posibl bod hynny'n arwydd o'i gymhlethdod.

[94] **Peter Law:** Felly, gallai fod yn rhai blynyddoedd cyn y byddwn yn sefydlu rhagbrawf?

**Mr Craig:** Gallai.

[95] **Peter Law:** Cawsom flwyddyn, fwy neu lai, eisoes—

**Mr Craig:** Gobeithiwn nad felly y bydd, ond gallai fod. Nid oes diben anwladu am hynny. Mae'n gwbl bosibl y cymer gryn amser eto i roi set o ragbrofion ymarferol ar waith fel y gallwn weld a yw hyn yn gweithio mewn mwy nag un model.

[96] **Peter Law:** Felly mae'n sefyllfa o rywbeth neu ddim i ryw raddau, ar hyn o bryd. Byddai'n iawn pe gallem gyflawni hyn. Byddai'n bwysig iawn. Fodd bynnag, ar hyn o bryd, mae'n bum mlynedd i ffwrdd o leiaf, yn ôl pob tebyg.

**Mr Craig:** Bydd yn rhywbeth pan gawn ef, ond nid yw'n ddim ar hyn o bryd.

[97] **Peter Law:** A allwch ddweud wrthym ba gynnydd a gafwyd ar ymgais y Cynulliad i ddod yn bartner â Chyfarwyddiaeth y Gwasanaethau Gwrth-dwyll yn y Gwasanaethau Gweithredol Gwrth Dwyll? Cyhoeddodd Prif Weinidog Cymru hynny ym Mai, yr wyf yn credu. Pa bryd y gwelwn y

operational in Wales, if they are to go ahead, and what proportion of this anti-fraud effort would be likely to be focused on prescription fraud?

**Mr Craig:** They are already working in the sense that we have an officer in the Counter Fraud Operational Services who is devoted to Welsh interests. We already have at least one of its regional teams giving assistance to one health authority in Wales, and we are, as I said earlier, advertising today for the team of five people to be in post as soon as is practicable, so that we have our own on-site team. So, in terms of the practical implementation of it, that is where we have reached.

[98] **Peter Law:** So we do not know yet what proportion will be—

**Mr Craig:** I am sorry, I forgot the last part of your question. No, I do not know the proportion. That is one of the things on which we will have to take its advice. What do we focus on first is a good question for us to ask those people when they arrive.

[99] **Peter Law:** I understand that. That is fair.

[100] **Christine Chapman:** I have a short question following on from the e-prescribing issue. Have you had any resistance from GPs, for example? I understand that a number of GPs' practices are quite resistant to this idea because their computer systems are not always networked because there is a fear of patient confidentiality being breached. I wondered whether you were able to tackle this in this pilot scheme.

**Mr Craig:** I think 'resistance' overstates it. There is a certain caution on their part about the confidentiality and security of the system and we are talking to them closely about it. However, I think that in principle they like the idea because it will make their lives better and put them in a better position to serve their patients. So I do not think it is fair to say that they are resisting it. However, they do want to get it right.

trefniadau hyn yn llwyr weithredol yng Nghymru, os byddant yn mynd ymlaen, a pha gyfran o'r ymdrech wrth-dwyll hon a fyddai'n debygol o ganolbwyntio ar dwyll presgripsiynau?

**Mr Craig:** Maent eisoes ar waith yn yr ystyr bod gennym swyddog yn y Gwasanaethau Gweithredol Gwrth Dwyll sydd wedi ei neilltuo i ofalu am fuddiannau Cymru. Mae gennym o leiaf un o'i dimau rhanbarthol eisoes yn rhoi cymorth i un awdurdod iechyd yng Nghymru, ac yr ydym, fel y dywedais yn gynharach, yn hysbysebu heddiw am dîm o bump i fod yn eu swyddi gynted ag y bo modd, fel y bydd gennym ein tîm ei hunain yn y fan a'r lle. Felly, o ran ei weithredu'n ymarferol, aethom mor bell â hynny.

[98] **Peter Law:** Felly ni wyddom eto beth fydd y gyfran—

**Mr Craig:** Mae'n ddrwg gennyf, anghofiais ran olaf eich cwestiwn. Na, ni wn beth fydd y gyfran. Dyna un o'r pethau y bydd yn rhaid inni dderbyn ei gyngor arno. Mae mater yr hyn y dylem ganolbwyntio arno'n gyntaf yn gwestiwn da inni ei ofyn i'r bobl hynny pan gyrhaeddant.

[99] **Peter Law:** Deallaf hynny. Mae hynny'n deg.

[100] **Christine Chapman:** Mae gennyf gwestiwn byr sydd yn dilyn mater rhagnodi electronig. A gawsoch unrhyw wrthwynebiad gan feddygon teulu, er enghraifft? Deallaf fod nifer o bractisiau meddygon teulu'n eithaf gwrthwynebus i'r syniad hwn am nad yw eu systemau cyfrifiadur bob amser ar rwydwaith am fod ofn y torrir cyfrinachedd cleifion. Yr oeddwn yn meddwl tybed a oes modd ichi fynd i'r afael â hynny yn y cynllun peilot hwn.

**Mr Craig:** Credaf fod 'gwrthwynebu' yn gor-ddweud. Mae rhywfaint o ofal ar eu rhan hwy ynghylch cyfrinachedd a diogelwch y system ac yr ydym yn siarad â hwy'n fanwl am hynny. Fodd bynnag, credaf eu bod yn hoffi'r syniad mewn egwyddor am y bydd yn gwella eu bywydau ac yn eu rhoi mewn gwell sefyllfa i wasanaethau eu cleifion. Felly ni chredaf ei bod yn deg dweud eu bod yn ei gwrthwynebu. Fodd bynnag, maent am ei

chael yn iawn.

[101] **Alun Cairns:** Staying with 'e-prescribing' as it has been described, to your best knowledge, what is the cost of developing such a system?

**Mr Craig:** I hesitate to infuriate you, but it depends. It depends on how comprehensive it is and it depends on what basis it is done, because there are various means of introducing systems of this sort in terms of partnerships with various people.

[102] **Alun Cairns:** From what to what? Give me a range.

**Mr Craig:** Twenty million pounds, at one end.

[103] **Alun Cairns:** Is that the bottom or the top?

**Mr Craig:** It is about the middle, I should think. If somebody were to ask to me what this is going to cost, and I was not going on record in the Audit Committee, then I would say £22 to £25 million would not be a million miles from it in terms of present day prices. It is an expensive thing to do.

[104] **Alun Cairns:** So it would potentially pay for itself in two years, bearing in mind the sort of figures that we have talked about?

**Mr Craig:** If it killed off all this stuff, yes.

[105] **Alun Cairns:** If it were sufficiently robust?

**Mr Craig:** Yes.

[106] **Alun Cairns:** So we could save this fraud within a couple of years' time with the will and the necessary finance. You mentioned five years as a timescale for that. Given the speed with which technology is developing, I do not think that we can predict what the technology will be in five years' time, so on what basis do you make that judgment?

**Mr Craig:** To tell you the truth, there is only one way to make that judgment, and that is

[101] **Alun Cairns:** Gan aros â 'rhagnodi electronig' fel y'i disgrifiwyd, hyd y gwyddoch, beth fydd cost datblygu system o'r fath?

**Mr Craig:** Petrusaf rhag eich gwylltio, ond mae'n dibynnu. Mae'n dibynnu ar ba mor gynhwysfawr ydyw ac mae'n dibynnu ar ba sail y'i gwneir, oherwydd mae gwahanol ddulliau o gyflwyno systemau o'r math hwn yn nhermau partneriaethau â gwahanol bobl.

[102] **Alun Cairns:** Rhwng beth a beth? Rhowch amrediad i mi.

**Mr Craig:** Ugain miliwn o bunnoedd yn un pen.

[103] **Alun Cairns:** Ai'r pen isaf neu'r uchaf yw hwnnw?

**Mr Craig:** Mae tua'r canol, gredwn i. Pe bai rhywun yn gofyn imi beth fydd ei gost, ac os nad oedd fy ngeiriau'n cael eu cofnodi yn y Pwyllgor Archwilio, dywedwn na fyddai rhwng £22 a £25 miliwn ymhell iawn ohoni yn ôl prisiau heddiw. Mae'n beth drud i'w wneud.

[104] **Alun Cairns:** Felly gallai dalu amdano'i hun ymhen dwy flynedd, o gofio'r math o ffigurau yr ydym wedi sôn amdanynt?

**Mr Craig:** Pe bai'n dileu'r holl bethau hyn, gallai.

[105] **Alun Cairns:** Pe bai'n ddigon cadarn?

**Mr Craig:** Ie.

[106] **Alun Cairns:** Felly gallem arbed y twyll hwn ymhen ychydig o flynyddoedd gyda'r ewyllys a'r cyllid angenrheidiol. Soniasoch am bum mlynedd fel amserlen ar gyfer hynny. O ystyried ar ba gyflymder y mae technoleg yn datblygu, ni chredaf y gallwn ragweld beth fydd y dechnoleg ymhen pum mlynedd, felly ar ba sail yr ydych yn dyfarnu felly?

**Mr Craig:** A dweud y gwir wrthyich, nid oes ond un modd i wneud y dyfarniad hwnnw,



on experience. There are two issues about that. The first is that all computer systems take longer and are more difficult to implement than anyone thought that they would be. Secondly, technological advance, as you say, is moving forward by a really quite frightening multiplier. There is a serious issue that if you start designing a system too soon, by the time that it is implemented it is obsolete. So, purely on the basis of my experience and what the conversations that I have had with those in the profession tell me, I feel that it would be imprudent of me to suggest that it would take less than five years to design, test, implement and get effective a system that will be as complex as this is, because it is a very complex system. In a single organisation, it would be quite a big task. Among all these diffuse organisations it will be very complicated indeed.

[107] **Alun Cairns:** I accept that, but if we had started developing a system, say, two years or so ago, we could well be saving the actual cost of that system by now, bearing in mind that the annual fraud could be up to £30 million a year.

**Mr Craig:** If we had that system now and the system worked—I have to add my own ‘if’ in this—and if it did all the things that are claimed for it, then that would be true, yes.

[108] **Alun Cairns:** Do you want me to continue with my questions, Chair?

[109] **Janet Davies:** Yes.

[110] **Alun Cairns:** Unfortunately, you must stay with me for the next few questions, Mr Craig. Paragraph 69 of the report relates to the point of treatment exemption checks for dental services that were introduced recently in England. The paragraph states that the target date for the introduction of these checks in Wales is 1 January 2001. When exactly were they introduced in England?

**Mr Craig:** I think it was November. It was November. Sorry, I wanted to check that with Mrs Beaver. They were introduced in

sef ar sail profiad. Mae dau fater ynghylch hynny. Y cyntaf yw bod pob system gyfrifiadur yn cymryd mwy o amser ac yn fwy anodd i’w rhoi ar waith nag y credai neb. Yn ail, mae cynnydd technolegol, fel y dywedasoch, yn symud ymlaen gan luosogi’n eithaf arswydus. Un ystyriaeth ddifrifol yw os dechreuwch ddylunio system yn rhy gynnar, erbyn ei rhoi ar waith, bydd wedi mynd o arfer. Felly, yn gyfan gwbl ar sail fy mhrofiad a’r hyn a ddywedwyd wrthyf mewn sgysiau â rhai yn y proffesiwn, teimlaf y byddai’n annoeth imi awgrymu y cymerai lai na phum mlynedd i ddylunio, profi, gweithredu ac effeithioli system a fydd mor gymhleth â hyn, oherwydd mae’n system gymhleth iawn. Mewn un corff, byddai’n dasg eithaf mawr. Ymysg yr holl gyrff gwasgaredig hyn bydd yn gymhleth dros ben.

[107] **Alun Cairns:** Derbyniaf hynny, ond pe baem wedi dechrau datblygu system ryw ddwy flynedd yn ôl, dyweder, mae’n bosibl iawn y byddem yn arbed cost wirioneddol y system honno erbyn hyn, gan gofio y gallai’r twyll fod yn gymaint â £30 miliwn y flwyddyn.

**Mr Craig:** Pe bai’r system honno gennym yn awr a’r system honno’n gweithio—rhaid imi ychwanegu fy ‘os’ fy hun yn hyn—ac os gwnâi’r holl bethau a haerid, byddai hynny’n wir.

[108] **Alun Cairns:** A ydych yn dymuno imi barhau â’r cwestiynau, Gadeirydd?

[109] **Janet Davies:** Ydwyf.

[110] **Alun Cairns:** Yn anffodus, rhaid ichi aros gyda mi am yr ychydig gwestiynau nesaf, Mr Craig. Mae paragraff 69 yr adroddiad yn ymwneud â’r gwiriadau eithrio wrth roi triniaeth ar gyfer gwasanaethau deintyddol a gyflwynwyd yn ddiweddar yn Lloegr. Noda’r paragraff mai’r dyddiad targed ar gyfer cyflwyno’r gwiriadau hyn yng Nghymru yw 1 Ionawr 2001. Pa bryd yn union y’u cyflwynwyd yn Lloegr?

**Mr Craig:** Credaf mai yn Nhachwedd yr oedd hynny. Tachwedd oedd hi. Mae’n ddrwg gennyf, yr oeddwn am wirio hynny

November of this year.

gyda Mrs Beaver. Fe'u cyflwynwyd ym mis Tachwedd eleni.

[111] **Alun Cairns:** So Wales is a short number of months behind England. What were the reasons for the delay? How much will that delay potentially cost the taxpayer?

[111] **Alun Cairns:** Felly mae Cymru ychydig fisoedd ar ôl Lloegr. Beth oedd y rhesymau am yr oedi? Faint y gallai'r oedi hwnnw ei gostio i'r trethdalwr?

**Mr Craig:** I do not know the answer to your second question. On the first question, among other things, we have different arrangements these days for doing secondary legislation. In order to get it properly scrutinised by the Assembly, we have to put it through processes that, for the time being, cause a certain time lag. As time goes on and we get ourselves more independent, we will reduce these lags.

**Mr Craig:** Ni wn yr ateb i'ch ail gwestiwn. Ynghylch y cwestiwn cyntaf, ymysg pethau eraill, mae gennym drefniadau gwahanol y dyddiau hyn ar gyfer gwneud deddfwriaeth eilaidd. Er mwyn cael ei harchwilio'n iawn gan y Cynulliad, rhaid inni ei rhoi drwy brosesau sydd, am y tro, yn achosi rhywfaint o oedi. Wrth i amser fynd heibio ac i ninnau dyfu'n fwy annibynnol, byddwn yn lleihau'r oedi hwn.

[112] **Alun Cairns:** So the legislative process actually costs the taxpayer money. Is that what you are saying?

[112] **Alun Cairns:** Felly mae'r broses ddeddfwriaethol yn costio arian i'r trethdalwr mewn gwirionedd. Ai hynny yr ydych yn ei ddweud?

**Mr Craig:** It has added time to this process.

**Mr Craig:** Mae wedi ychwanegu amser at y broses hon.

[113] **Alun Cairns:** Thank you. Remaining with point of exemption checks and also point of treatment checks, how are they being implemented by the Assembly?

[113] **Alun Cairns:** Diolch. Gan aros gyda'r gwiriadau wrth eithrio a hefyd y gwiriadau wrth roi triniaeth, sut y mae'r Cynulliad yn eu gweithredu?

**Mr Craig:** First of all, by issuing guidance instructions to dentists, by giving them supportive literature and by giving them materials with which they can train themselves and their staff to implement the checks. I think that I mentioned earlier that one of the things that we will be doing straight after this hearing is looking at whether those materials, which are modelled on the ones we prepared for prescription exemptions, are sufficiently robust and whether we need to think about extending and deepening the nature of what is going on here. It is also important to recognise that the professional bodies are undertaking their own professional training about this. It is one of the things that, they having negotiated it, they are themselves issuing guidance to offer support and encouragement to their members to do it. I will be taking away from this the need to look very carefully at whether what we are doing is enough in light of what we have learnt about the prescription experience.

**Mr Craig:** Yn gyntaf oll, drwy ddsbarthu cyfarwyddiadau arweiniad i ddeintyddion, drwy roi deunydd darllen cynorthwyol iddynt a drwy roi deunyddiau iddynt y gallant eu defnyddio i'w hyfforddi eu hunain a'u staff i weithredu'r gwiriadau. Credaf imi sôn yn gynharach mai un o'r pethau y byddwn yn ei wneud yn syth ar ôl y gwrandawriad hwn fydd ystyried a yw'r deunyddiau hynny, sydd wedi eu patrymu ar y rhai a baratoasom ar gyfer eithriadau presgripsiwn, yn ddigon cadarn ac a oes angen inni ystyried ehangu a dyfnhau natur yr hyn sydd yn digwydd yma. Mae hefyd yn bwysig cydnabod bod y cyrff proffesiynol yn ymgymryd â'u hyfforddiant proffesiynol eu hunain ynghylch hyn. Mae'n un o'r pethau, ar ôl iddynt hwy eu negodi, eu bod hwy eu hunain yn cyhoeddi arweiniad er mwyn cynnig cymorth ac anogaeth i'w haelodau i wneud hyn. Byddaf yn mynd oddi yma â'r angen i ystyried yn ofalus iawn a ydym yn gwneud digon yng ngoleuni'r hyn a ddysgasom am y profiad â phresgripsiynau.

[114] **Alun Cairns:** That relates to my next question. What guarantees can you give the Committee that, once implemented, the arrangements of these new exemption checks will operate effectively and will maximise income for the Assembly from both these sources?

**Mr Craig:** All that I can offer in respect of that is that we will be talking to the people who will be implementing the checks in light of the experience of this report and seeking to assure ourselves, and to generate in them a desire to assure themselves, that we manage this system as tightly as possible to manage it within the restrictions that may be upon it. I think that that comes down to best endeavours, but best endeavours in the light of this experience.

[115] **Alun Cairns:** My penultimate question relates again to paragraph 69 of the report, which involves the introduction of penalty charges where exemption has been claimed fraudulently. Can you tell me more about the penalty charges and how they will operate in practice?

**Mr Craig:** At the moment, authorities are only entitled to reclaim the cost of the prescription from an individual. Under the penalty charges, they will be able to reclaim the cost of the prescription plus either five times the cost of the prescription or £100, whichever is less. Therefore, we will have a more substantial sum of money, which makes it more worthwhile to pursue and, in consequence, gives an additional dimension of incentive to follow up individual cases, because it will matter now. These sums are more viable for authorities, for example, to take to law than small sums such as £6. It is unlikely that they would get much of a return on that, even if it was possible to take up court time with it. The idea is that there are bigger sums of money: a bigger disincentive, on the one hand, for people to misuse the system and a bigger incentive for those administering the system to pursue people who have apparently abused it.

[116] **Alun Cairns:** This is my final question. The first ever meeting of the Audit Committee discussed the budget of the Office

[114] **Alun Cairns:** Mae hynny'n berthnasol i'm cwestiwn nesaf. Pa sicrwydd y gallwch ei roi i'r Pwyllgor y bydd trefniadau'r gwiriadau eithrio newydd hyn, ar ôl eu gweithredu, yn gweithio'n effeithiol ac yn mwylhau incwm i'r Cynulliad o'r ddwy ffynhonnell hyn?

**Mr Craig:** Y cwbl y gallaf ei gynnig mewn perthynas â hynny yw y byddwn yn siarad â'r bobl a fydd yn gweithredu'r gwiriadau yng ngoleuni profiad yr adroddiad hwn ac yn ceisio bod yn sicr, a chreu ynddynt hwy'r awydd i fod yn sicr, ein bod yn rheoli'r system hon mor dynn ag y gellir o fewn y cyfyngiadau a allai fod arni. Credaf mai gwneud ein gorau glas yw ystyr hynny yn y bôn, ond gwneud ein gorau glas yng ngoleuni'r profiad hwn.

[115] **Alun Cairns:** Mae fy nghwestiwn olaf ond un yn ymwneud eto â pharagraff 69 yr adroddiad, sydd yn ymwneud â chyflwyno taliadau cosb lle yr hawliwyd eithriad drwy dwyll. A allwch ddweud rhagor wrthyf am y taliadau cosb a sut y byddant yn gweithio'n ymarferol?

**Mr Craig:** Ar hyn o bryd, nid oes gan yr awdurdodau ond yr hawl i adfer cost y presgripsiwn oddi ar unigolyn. O dan y taliadau cosb, byddant yn gallu adfer cost y presgripsiwn ynghyd ag un ai pum gwaith cost y presgripsiwn neu £100, pa un bynnag yw'r lleiaf. Felly, bydd gennym swm mwy sylweddol o arian, sydd yn ei gwneud yn fwy buddiol mynd ar ôl hyn ac, o ganlyniad, yn rhoi anogaeth â dimensiwn ychwanegol i ganlyn achosion unigol, oherwydd bydd hynny'n bwysig yn awr. Mae'n fwy ymarferol i awdurdodau, er enghraifft, fynd i gyfraith ynghylch y symiau hyn na symiau bach fel £6. Mae'n annhebygol y caent lawer o elw o hynny, hyd yn oed pe bai modd mynd ag amser y llys â hynny. Y syniad yw bod symiau mwy o arian: gwrthanogaeth fwy, ar un llaw, i bobl gamddefnyddio'r system a mwy o anogaeth i'r rhai sydd yn gweinyddu'r system i fynd ar ôl pobl y mae'n ymddangos eu bod wedi ei chamddefnyddio.

[116] **Alun Cairns:** Hwn yw fy nghwestiwn olaf. Yng nghyfarfod cyntaf un y Pwyllgor Archwilio trafodwyd cyllideb Swyddfa

of the Auditor General for Wales, where we sought to establish what savings would come from potential investigations. Can you be quite specific as to how much we can expect to save in relation to prescription fraud as a result of this investigation?

**Mr Craig:** The simple answer to that is 'no'. I cannot be certain of the particular amount that I am going to save. I seem to recall saying in answer to an earlier question that one of the questions that I will be asking during my conversations with various people concerned with how we tighten the system up, is how do we balance anticipated savings against the resources devoted to recovering them. As part of that, I would hope to get some sort of sight on how much we should hope to be able to recover and how soon. If we are just going into this blind, which I am reluctant to do, I do not think that we will get anywhere. We should either have some idea what our targets are, and what are we going to come out of this with, or we should have a very good reason why that is not a very sensible thing to do. For the time being, I am pretty much of the view that we ought to set ourselves some target, even an arbitrary one, which gives people something to aim for. Just saying 'do it better' is seldom as effective as saying 'here is a target; go for it'. I would much rather do that, to tell you the truth, but that is a temperamental thing.

[117] **Alun Cairns:** My final comment then is that I would be concerned about an arbitrary target. We have the interests of the taxpayer at heart, and the interests of the health service in Wales. This, in my mind, is a way of increasing spending on direct medical services significantly, purely through the funds that are being used at the moment.

[118] **Janice Gregory:** I want to take Mr Craig back to something that he touched on in Alun's penultimate question. Perhaps the question should be directed to the Counter Fraud Operational Services team when it is in place. However, as it is not, and you are here, I will ask you. At the moment, it appears to me, having read the report, that it was not possible—or perhaps it was not even thought

Archwilydd Cyffredinol Cymru, lle y ceisiasom ganfod pa arbedion a ddeuai o archwiliadau posibl. A allwch fod yn gwbl benodol ynghylch faint y gallwn ddisgwyl ei arbed mewn perthynas â thwyll presgripsiynau o ganlyniad i'r archwiliad hwn?

**Mr Craig:** Yr ateb syml i hynny yw 'na allaf'. Ni allaf fod yn sicr o'r union swm y byddaf yn ei arbed. Yr wyf fel petawn yn cofio dweud wrth ateb cwestiwn cynharach mai un o'r cwestiynau y byddaf yn eu gofyn yn ystod fy sgysiau â gwahanol bobl sydd yn ymwneud â sut y byddwn yn tynhau'r system hon yw ym mha fodd y byddwn yn cydbwyso'r arbedion a ragwelir yn erbyn yr adnoddau a neilltuir i'w hadfer. Fel rhan o hynny, gobeithiwn gael rhyw fath o olwg ar faint y dylem obeithio gallu ei adfer a pha mor fuan. Os awn i mewn i hyn yn ddall, ac yr wyf yn amharod i wneud hynny, ni chredaf y byddwn yn mynd i unman. Dylem un ai gael rhyw syniad o'n targedau, a'r hyn a fydd gennym ar y diwedd, neu dylem fod â rheswm da iawn dros gredu nad yw hyn yn beth synhwyrol iawn i'w wneud. Am y tro, yr wyf yn credu'n eithaf cryf y dylem osod rhyw darged i ni'n hunain, hyd yn oed un mympwyol, sydd yn rhoi rhywbeth y gall pobl anelu ato. Anaml y bydd dweud 'gwnewch hyn yn well' mor effeithiol â dweud 'dyma darged; ewch amdani'. Byddai'n llawer gwell gennyf wneud hynny, a dweud y gwir, ond mater o anian yw hynny.

[117] **Alun Cairns:** Fy sylw olaf felly yw y byddwn yn bryderus ynghylch targed mympwyol. Yr ydym yn ymboeni ynghylch buddiannau'r trethdalwr, a buddiannau'r gwasanaeth iechyd yng Nghymru. Fel y gwelaf fi hyn, mae hyn yn fodd i gynyddu'n sylweddol y gwariant ar wasanaethau meddygol uniongyrchol, yn gyfan gwbl drwy'r cyllid a ddefnyddir ar hyn o bryd.

[118] **Janice Gregory:** Dymunaf fynd â Mr Craig yn ôl at rywbeth y cyfeiriodd ato yng nghwestiwn olaf ond un Alun. Efallai y dylid gofyn y cwestiwn i dîm y Gwasanaethau Gweithredol Gwrth Dwyll pan fydd ar waith. Fodd bynnag, gan nad ydyw, a chan eich bod chi yma, gofynnaf i chi. Ar hyn o bryd, ymddengys i mi, ar ôl darllen yr adroddiad, na fu modd—neu efallai na feddyliwyd

of—to identify repeat offenders. As I said to you—perhaps you remember—at the beginning, some of this was error of judgment and some of it was blatant fraud. Were repeat offenders identified? If they were, has action been taken against them? Will that be the responsibility of the counter fraud team?

**Mr Craig:** Let me take that backwards, as it were. I will take the last bit first. One of the things that we would look for the counter fraud organisation to advise us on is how to attack issues of that kind systematically. At the moment, there is no agreed and universal system for doing so. One of the things that health authorities do—and, as I said, the one that I visited yesterday does this—is to take batches and go through them. One of the first things it looks for is repeat offending and patterns, and whether the pattern turns out to be the same person turning up in a way that draws attention. That is one of the things that the authority will be looking for. Patterns are what lead to most of the detection. Patterns in terms of contractor fraud is again one of the things that it will follow up.

The second half of your question contains the answer to the first. I am not sure that we have an answer as to how we can cost-effectively identify and follow those up. We will look to the counter fraud service to help us to do that.

[119] **Janice Gregory:** If we are to send out a message that this is the public purse, as Alun said, taxpayers' money—when people habitually re-offend, it may only be £6 each time, but if you add it up we already know that it is a minimum of £15 million—are we not going to go down the road of making an example of certain people? That is definitely going to happen. Does it currently happen?

**Mr Craig:** It does happen, but not on a major scale.

[120] **Janice Gregory:** And it will happen?

**Mr Craig:** One of the reasons for the penalty system is that—and this is one of the things that the Counter Fraud Operational Services

amdano hyd yn oed—ddynodi ail droseddwy. Fel y dywedais wrthyh—efallai eich bod yn cofio—ar y dechrau, yr oedd rhywfaint o hyn yn gamfarn a rhywfaint yn dwyll noeth. A ddynodwyd ail droseddwy? Os dynodwyd hwy, pa gamau a gymerwyd yn eu herbyn? A fydd hynny'n gyfrifoldeb i'r tîm gwrth-dwyll?

**Mr Craig:** Gadewch imi gymryd hynny'r tu ôl ymlaen, fel petai. Cymeraf y rhan olaf yn gyntaf. Un o'r pethau y byddem yn disgwyl i'r corff gwrth-dwyll ein cynghori yn ei glych yw sut i fynd i'r afael â materion o'r math hwnnw'n systematig. Ar hyn o bryd, nid oes system gytunedig a chyffredinol i wneud hynny. Un o'r pethau a wnaiff awdurdodau iechyd—ac, fel y dywedais, mae'r un yr ymwelais ag ef yn gwneud hyn—yw cymryd sypiau a mynd drwyddynt. Un o'r pethau cyntaf y mae'n chwilio amdano yw aildroseddu a phatrymau, ac ai'r hyn a welir yn y patrwm yw'r un person yn dod i'r amlwg mewn modd sydd yn tynnu sylw. Dyna un o'r pethau y bydd yr awdurdod yn chwilio amdano. Patrymau yw'r hyn sydd yn arwain at y rhan fwyaf o'r canfyddiadau. Patrymau yn nhermau twyll gan gcontractwyr yw un o'r pethau y bydd yn eu dilyn hefyd.

Mae ail hanner eich cwestiwn yn cynnwys yr ateb i'r cyntaf. Nid wyf yn sicr a wyddom sut y gallwn ddynodi'r rheini a'u dilyn yn gost-effeithiol. Byddwn yn disgwyl i'r gwasanaeth gwrth-dwyll ein helpu i wneud hynny.

[119] **Janice Gregory:** Os ydym i anfon neges allan mai'r pwrs cyhoeddus yw hwn, arian y trethdalwyr, fel y dywedodd Alun—pan yw pobl yn aildroseddu'n gyson, gallai fod ond £6 y tro, ond os adiwch hynny at ei gilydd gwyddom eisoes ei fod o leiaf £15 miliwn—oni fyddwn yn mynd i'r cyfeiriad o wneud esiampl o rai pobl? Bydd hynny'n sicr o ddigwydd. A yw'n digwydd ar hyn o bryd?

**Mr Craig:** Mae'n digwydd, ond nid ar raddfa eang.

[120] **Janice Gregory:** Ac a fydd yn digwydd?

**Mr Craig:** Un o'r rhesymau am y system gosb—a dyma un o'r pethau y mae'r Gwasanaethau Gweithredol Gwrth Dwyll yn

speaks of as part of its creating an anti-fraud climate—people are seen to be caught and confronted.

[121] **Janet Davies:** I would like to comment on that. Of course, you clearly must have a balance here. While it is very important to deal with this blatant fraud, on the other hand we would not want to see some vulnerable person being pursued when he or she has made a mistake. There must be a balance there.

You will probably be pleased to know that we have come to the end of our questions to you. I would like to thank you for your full and helpful answers to the questions. A draft transcript will be sent to you so that you can check it for factual accuracy before it is published as part of the minutes. When the Committee publishes its report, the transcript will be included as an annex.

sôn amdanynt fel rhywbeth sydd yn rhan o greu hinsawdd wrth-dwyll ganddo—yw y gwelir pobl yn cael eu dal a'u hwynebu.

[121] **Janet Davies:** Hoffwn wneud sylw am hynny. Wrth gwrs, mae'n amlwg y bydd yn rhaid ichi gael cydbwysedd yn y fan hyn. Er ei bod yn bwysig iawn delio â'r twyll noeth hwn, ar y llaw arall ni ddymunem weld rhywun agored i niwed yn cael ei ddilyn pan yw ef neu hi wedi gwneud camgymeriad. Rhaid cael cydbwysedd yn y fan honno.

Mae'n debyg y byddwch yn falch o wybod ein bod wedi dod i ddiwedd ein cwestiynau i chi. Hoffwn ddiolch i chi am eich atebion llawn a chymwynasgar i'r cwestiynau. Anfonir trawsgrifiad drafft atoch fel y gallwch ei wirio o ran ei gywirdeb ffeithiol cyn ei gyhoeddi yn rhan o'r cofnodion. Pan fydd y Pwyllgor yn cyhoeddi ei adroddiad, cynhwysir y trawsgrifiad fel atodiad.

*Daeth y sesiwn gymryd tystiolaeth i ben am 4.16 p.m.  
The evidence-taking session ended at 4.16 p.m.*