

Cynulliad Cenedlaethol Cymru

Pwyllgor Archwilio

The National Assembly for Wales

Audit Committee

Canolfan y Celfyddydau Gweledol

The Centre for Visual Arts

Cwestiynau 184-368

Questions 184-368

Dydd Iau 13 Rhagfyr 2001

Thursday 13 December 2001

Aelodau o'r Cynulliad yn bresennol: Janet Davies (Cadeirydd), Lorraine Barrett, Eleanor Burnham, Alun Cairns, Jocelyn Davies, Alison Halford, David Lloyd, Val Lloyd.

Swyddogion yn bresennol: Syr John Bourn, Archwilydd Cyffredinol Cymru; Lew Hughes, Swyddfa Archwilio Genedlaethol Cymru; Angela Parkes, Swyddfa'r Cwnsler Cyffredinol, Cynulliad Cenedlaethol Cymru; David Powell, Swyddog Cydymffurfio Cynulliad Cenedlaethol Cymru.

Tystion: Emyr Jenkins, Prif Weithredwr Cyngor Celfyddydau Cymru 1993-98; Joanna Weston, Cyfarwyddwr Loteri Cyngor Celfyddydau Cymru 1994-98 a Phrif Weithredwr 1998-2000; Syr Richard Lloyd Jones, Cadeirydd Cyngor Celfyddydau Cymru 1994-99; Robert Edge, Cyfarwyddwr Loteri Cyngor Celfyddydau Cymru 1998-2001; Jon Shortridge, Ysgrifennydd Parhaol, Cynulliad Cenedlaethol Cymru.

Assembly Members present: Janet Davies (Chair), Lorraine Barrett, Eleanor Burnham, Alun Cairns, Jocelyn Davies, Alison Halford, David Lloyd, Val Lloyd.

Officials present: Sir John Bourn, Auditor General for Wales; Lew Hughes, National Audit Office Wales; Angela Parkes, Office of the Counsel General, National Assembly for Wales; David Powell, Compliance Officer, National Assembly for Wales.

Witnesses: Emyr Jenkins, Chief Executive, Arts Council of Wales 1993-98; Joanna Weston, Lottery Director, Arts Council of Wales 1994-98 and Chief Executive 1998-2000; Sir Richard Lloyd Jones, Chairman, Arts Council of Wales 1994-99; Robert Edge, Lottery Director, Arts Council of Wales 1998-2001; Jon Shortridge, Permanent Secretary, National Assembly for Wales.

*Dechreuodd y sesiwn cymryd tystiolaeth am 2 p.m.
The evidence-taking session began at 2 p.m.*

[184] **Janet Davies:** Good afternoon. I welcome everybody here today—witnesses and the others who are present. I will ask the witnesses to introduce themselves formally in a minute. First, I will go through a few housekeeping matters. There are apologies and substitutions. Eleanor Burnham is substituting for Kirsty Williams, Dai Lloyd is substituting for Dafydd Wigley, and Lorraine Barrett is substituting for Janice Gregory. Lorraine will have to leave for part of the meeting. Contributions may be made in either Welsh or English, and translation is available. Coffee will be available for members and witnesses at about 3 p.m.

I will now turn to the first item on the agenda. This is the second evidence-taking session in connection with the National Audit Office report on behalf of the Auditor General for Wales, ‘The Arts Council of Wales: Centre for Visual Arts’, published on 15 November 2001. Members will recall that, at the last meeting, it was decided to invite those responsible at the time for the decisions outlined in the Auditor General’s report to this evidence session. I would like to emphasise that all the witnesses are here by invitation, and that they are not presently in post with the arts council. However, the Committee felt that it was important to enable those who

[184] **Janet Davies:** Prynhawn da. Croesawaf bawb yma heddiw—yn dystion a’r lleill sydd yn bresennol. Gofynnaf i’r tystion gyflwyno’u hunain yn ffurfiol mewn munud. Yn gyntaf, af drwy ychydig o faterion cadw ty. Mae ymddiheuriadau ac eilyddion. Mae Eleanor Burnham yma yn lle Kirsty Williams, mae Dai Lloyd yma yn lle Dafydd Wigley, ac mae Lorraine Barrett yma yn lle Janice Gregory. Bydd yn rhaid i Lorraine ymadael am ran o’r cyfarfod. Gellir gwneud cyfraniadau naill ai yn Gymraeg neu yn Saesneg, ac mae gwasanaeth cyfieithu ar gael. Bydd coffi ar gael i’r aelodau a’r tystion tua 3 p.m.

Trof yn awr at yr eitem gyntaf ar yr agenda. Dyma’r ail sesiwn cymryd tystiolaeth yn gysylltiedig ag adroddiad y Swyddfa Archwilio Genedlaethol ar ran Archwilydd Cyffredinol Cymru, ‘Cyngor Celfyddydau Cymru: Canolfan y Celfyddydau Gweledol’, a gyhoeddwyd ar 15 Tachwedd 2001. Fe gofia’r aelodau y penderfynwyd, yn y cyfarfod diwethaf, wahodd y rheini oedd yn gyfrifol ar y pryd am y penderfyniadau a amlinellwyd yn adroddiad yr Archwilydd Cyffredinol i’r sesiwn tystiolaeth hwn. Hoffwn bwysleisio mai trwy wahoddiad y mae’r holl dystion yma, ac nad ydynt ar hyn o bryd mewn swyddi gyda chyngor y celfyddydau.

made the decisions outlined in the report to have an opportunity to put forward their understanding of events. So this evidence session is a special case, in that we will be hearing from former accounting officers and a former Chair of the arts council. Therefore, I would like to welcome the witnesses, and express the Committee's gratitude for accepting our invitation to attend this evidence session. Would you please introduce yourselves for the formal record? I would like to point out that there will be a verbatim record of this evidence-taking session.

Sir Richard Lloyd Jones: Thank you very much, Chairman. Before I introduce myself, I first must apologise. I have a stinking cold and a cough, so if you cannot hear me, please would you let me know and I will try to speak up. I am Richard Lloyd Jones. I was Permanent Secretary at the Welsh Office from 1985 to 1993, and chairman of the Arts Council of Wales from 1994 to March 1999.

Mr Jenkins: Madam Cadeirydd, diolch am y gwahoddiad. Fy enw i yw Emyr Jenkins. Yr oeddwn yn brif weithredwr Cyngor Celfyddydau Cymru o 1993 tan 1998, pan ymddeolais. A gaf wneud un nodyn bach? Fe hoffwn roi tystiolaeth yn Gymraeg yn y Pwyllgor hwn, ond gan fod y dogfennau y byddwn yn dyfynnu ohonynt yn Saesneg, ac y bydd llawer o'r drafodaeth ar y dogfennau hynny, yr wyf wedi penderfynu rhoi tystiolaeth yn Saesneg. Fodd bynnag, byddaf yn gwbl barod i ateb unrhyw gwestiwn a ofynnir yn Gymraeg trwy gyfrwng y Gymraeg.

Ms Weston: I am Joanna Weston. I was lottery director of the arts council from 1994 until 1998, and chief executive of the arts council from 1998 to 2000.

Fodd bynnag, teimlai'r Pwyllgor ei bod yn bwysig galluogi'r rheini a wnaeth y penderfyniadau a amlinellwyd yn yr adroddiad i gyflwyno'u dealltwriaeth hwy o bethau. Felly mae'r sesiwn tystiolaeth hwn yn achos arbennig, gan y byddwn yn clywed oddi wrth gyn swyddogion cyfrifo a chyn Gadeirydd cyngor y celfyddydau. Felly, hoffwn groesawu'r tystion, a mynegi diolch y Pwyllgor am dderbyn ein gwahoddiad i fynychu'r sesiwn tystiolaeth hwn. A fyddech gystal â chyflwyno'ch hunain er mwyn y cofnod ffurfiol? Hoffwn nodi y bydd cofnod gair-am-air o'r sesiwn cymryd tystiolaeth hwn.

Syr Richard Lloyd Jones: Diolch yn fawr, Gadeirydd. Cyn imi gyflwyno fy hun, rhaid imi yn gyntaf ymddiheuro. Mae annwyd a pheswch ofnadwy arnaf, felly os na allwch fy nghlywed, rhowch wybod imi, ac mi geisiaf godi fy llais. Richard Lloyd Jones wyf fi. Yr oeddwn yn Ysgrifennydd Parhaol yn y Swyddfa Gymreig o 1985 hyd 1993, ac yn gadeirydd Cyngor Celfyddydau Cymru o 1994 hyd Fawrth 1999.

Mr Jenkins: Madam Chair, thank you for the invitation. My name is Emyr Jenkins. I was chief executive of the Arts Council of Wales from 1993 to 1998, when I retired. May I make one brief comment? I would like to give evidence in Welsh in this Committee, but since the documents from which we will be quoting are in English, and since much of the discussion will be on those documents, I have decided to give evidence in English. However, I will be more than willing to answer any question asked in Welsh through the medium of Welsh.

Ms Weston: Joanna Weston wyf fi. Fi oedd cyfarwyddwr loteri cyngor y celfyddydau o 1994 hyd 1998, a phrif weithredwr cyngor y celfyddydau o 1998 hyd 2000.

Mr Edge: I am Robert Edge. I was the lottery director at the arts council from May 1998 until February 2001. I would like to correct one thing in the chair's opening statement—I have never been an accounting officer.

Mr Shortridge: I am Jon Shortridge, Permanent Secretary to the Assembly.

[185] **Janet Davies:** Thank you very much. I think that we need to crack on with this as quickly as possible. I would like to go straight into the first question, which is to all the witnesses, except Mr Shortridge. I would like, before we get into the detail of the Centre for Visual Arts, to ask you to start by telling us about the post that each of you held with the Arts Council of Wales. I know that you have mentioned that briefly, but perhaps you could enlarge slightly on that and on the role in respect of lottery funding by the arts council and, in particular, the Centre for Visual Arts.

Sir Richard Lloyd Jones: As chairman of the arts council, I was concerned particularly with, not the management, but taking the responsibility for chairing the council's meetings. The council, as you know, is a charter body. It had 18 members at the time. I saw my role as very much one of leading the council to taking decisions. Underneath, there was a complex structure of committees. That included art form development committees and other committees. The main one that you need to know about is the lottery board, which scrutinised all lottery applications and, unless they were pretty small in financial value, they all came to the arts council for approval. I think that that was my main role. I could talk for a long time about the responsibilities of a chairman of a body like that but, essentially, it was a voluntary body and a charter body too.

Mr Edge: Robert Edge wyf fi. Fi oedd cyfarwyddwr y loteri yng nghyngor y celfyddydau o Fai 1998 hyd Chwefror 2001. Hoffwn gywiro un peth yn natganiad agoriadol y cadeirydd—ni fûm erioed yn swyddog cyfrifo.

Mr Shortridge: Jon Shortridge, Ysgrifennydd Parhaol y Cynulliad, wyf fi.

[185] **Janet Davies:** Diolch yn fawr. Yr wyf yn meddwl bod angen inni fwrw ymlaen â hyn cyn gynted ag y bo modd. Hoffwn fynd yn syth i mewn i'r cwestiwn cyntaf, a gyfeirir at y tystion i gyd, ac eithrio Mr Shortridge. Hoffwn, cyn inni fynd i mewn i fanylion Canolfan y Celfyddydau Gweledol, ofyn ichi gychwyn drwy ddweud wrthym am y swydd yr oedd pob un ohonoch yn ei dal gyda Chyngor Celfyddydau Cymru. Gwn eich bod wedi cyfeirio at hynny'n fyr, ond efallai y gallech ymhelaethu ychydig ar hynny ac ar y rôl yng nghyswllt grantiau loteri gan gyngor y celfyddydau ac, yn enwedig, yng nghyswllt Canolfan y Celfyddydau Gweledol.

Syr Richard Lloyd Jones: Fel cadeirydd cyngor y celfyddydau, yr oeddwn i'n ymwneud yn arbennig nid â rheoli, ond â chymryd y cyfrifoldeb am gadeirio cyfarfodydd y cyngor. Mae'r cyngor, fel y gwyddoch, yn gorff siarter. Yr oedd ganddo 18 o aelodau ar y pryd. Gwelwn mai fy rôl i yn anad dim oedd arwain y cyngor i wneud penderfyniadau. Oddi tanodd, yr oedd adeiledd cymhleth o bwyllgorau. Yr oedd hynny'n cynnwys pwyllgorau datblygu ffurfiau celfyddydol a phwyllgorau eraill. Y prif un y mae angen i chi wybod amdano yw bwrdd y loteri, a archwiliai bob cais loteri, ac oni bai eu bod yn weddol fychan o ran gwerth ariannol, deuai pob un at gyngor y celfyddydau i'w gymeradwyo. Yr wyf yn meddwl mai dyna oedd fy mhrif rôl i. Gallwn siarad yn faith am gyfrifoldebau cadeirydd corff fel hwnnw ond, yn ei hanfod, yr oedd yn gorff gwirfoddol ac yn

gorff siarter hefyd.

Mr Jenkins: I had a dual role in a way, Madam Chairman, without wanting to confuse the Committee. I was appointed in 1993, when it was the Welsh Arts Council, not the Arts Council of Wales. The Welsh Arts Council was a sub-committee of the Arts Council of Great Britain. Therefore, I was employed for the first year of my employment with the arts council by the Arts Council of Great Britain as the director of the Welsh Arts Council. Then, of course, there was cultural devolution in 1994, where each national arts council devolved from the Arts Council of Great Britain and I became chief executive of the Arts Council of Wales, working directly to the Welsh Office rather than working to the then Department of National Heritage. It is a little complicated, but there was that dual role. In that role, then, from 1994 onwards, when Sir Richard became chairman, I was chief executive up until the end of March 1998. So, I will have to confine my remarks, Madam Chairman, to the period of the initial decision to go ahead with the CVA up until just before the third application.

Ms Weston: I was employed by the arts council in September 1994. That was before the lottery had started; it started in November 1994. My first task was to set up the lottery unit, as it was then, from nothing, from a blank sheet of paper. The framework that I worked within was made up of Government directions, which were issued by the Welsh Office but originated from the Department of National Heritage; the finance directions, which were quite detailed instructions on financial systems; and some very helpful and detailed guidelines, which the National Audit Office issued for all of the 11 lottery distributors,

Mr Jenkins: Yr oedd gennyf fi rôl ddeuol mewn ffordd, Madam Cadeirydd, heb fod eisiau drysu'r Pwyllgor. Fe'm penodwyd yn 1993, pan elwid y Cyngor, yn Saesneg, yn *Welsh Arts Council*, ac nid yn *Arts Council of Wales*. Yr oedd Cyngor Celfyddydau Cymru yn is-bwyllgor i Gyngor Celfyddydau Prydain Fawr. Felly, fe'm cyflogwyd i am flwyddyn gyntaf fy nghyflogaeth gyda chyngor y celfyddydau gan Gyngor Celfyddydau Prydain Fawr fel cyfarwyddwr Cyngor Celfyddydau Cymru. Wedyn, wrth gwrs, cafwyd datganoli diwylliannol yn 1994, pryd y datganolwyd pob cyngor celfyddydau cenedlaethol oddi wrth Gyngor Celfyddydau Prydain Fawr ac y deuthum i'n brif weithredwr y Cyngor Celfyddydau Cymru newydd, yn gweithio'n uniongyrchol i'r Swyddfa Gymreig yn hytrach nag i'r Adran Dreftadaeth Genedlaethol fel yr oedd. Y mae ychydig yn gymhleth, ond yr oedd y rôl ddeuol honno'n bodoli. Yn y rôl honno, felly, o 1994 ymlaen, pan ddaeth Syr Richard i'r gadair, yr oeddwn i'n brif weithredwr hyd ddiwedd Mawrth 1998. Felly, bydd yn rhaid imi gyfyngu fy sylwadau, Madam Cadeirydd, i gyfnod y penderfyniad gwreiddiol i fynd ymlaen â Chanolfan y Celfyddydau Gweledol hyd at ychydig cyn y trydydd cais.

Ms Weston: Fe'm cyflogwyd i gan gyngor y celfyddydau ym Medi 1994. Yr oedd hynny cyn dechrau'r loteri; dechreuodd honno ym mis Tachwedd 1994. Fy ngorchwyl cyntaf oedd sefydlu'r uned loteri, fel yr oedd bryd hynny, o ddim byd, oddi ar ddalen wag o bapur. Yr oedd y fframwaith y gweithiwn ynddo wedi'i lunio o gyfarwyddiadau'r Llywodraeth, a gyhoeddwyd gan y Swyddfa Gymreig ond a darddai o'r Adran Dreftadaeth Genedlaethol; y cyfarwyddiadau cyllid, a oedd yn gyfarwyddiadau eithaf manwl ar systemau ariannol; a rhai canllawiau buddiol a manwl iawn, a gyhoeddwyd gan y Swyddfa

on how they should develop their systems. Those guidelines ranged from staff policies to disaster recovery procedures to having an application system with application forms that answered the questions that needed to be answered and so forth. We needed to get what was known then as a statement of fitness from the Department of National Heritage, and that had to be signed off by the NAO before we could do that, confirming that we were working within our regulatory framework and so on. When we did, we were the first arts council of the four in the UK to be given the statement of fitness and we started distribution in March 1995. So, the grant to the CVA, as I think members know, was actually in the first round of grants that were made. I do not know if you want me to go on into my role as chief executive; I suspect that that would be a waste of time.

[186] **Janet Davies:** I think that is fine, thank you very much. Mr Edge?

Mr Edge: Jo Weston has already outlined the original role of the lottery director. I became the lottery director in May 1998, as I have already said, which was shortly before the National Lottery Act 1998 got Royal Assent. In that role, I had to implement the changes that were in the 1998 Act that were not in the original 1993 Act. We were told to be more strategic, to have a strategic plan, and there were other changes in the policy directions, and the financial directions had also been rewritten. My role, essentially, was to put those changes in place, to continue with the good work that had been maintained to keep the systems in order, to make sure that all our systems and decisions were watertight as per the annual National Audit Office check. I also had to keep our staff up to speed because, at that stage,

Archwilio Genedlaethol i bob un o'r 11 dosbarthwr loteri, ar sut y dylent ddatblygu'u systemau. Amrywiai'r canllawiau hynny o bolisiau staff i weithdrefnau adfer argyfwng, i gael system geisiadau â ffurflenni cais a atebai'r cwestiynau yr oedd angen eu hateb, ac ati. Yr oedd angen inni gael yr hyn a elwid bryd hynny yn ddatganiad addasrwydd oddi wrth yr Adran Dreftadaeth Genedlaethol, ac yr oedd yn rhaid i hwnnw gael ei lofnodi gan y Swyddfa Archwilio Genedlaethol cyn y gallem wneud hynny, i gadarnhau ein bod yn gweithio o fewn ein fframwaith rheoleiddiol ac yn y blaen. Pan wnaethom hynny, ni oedd y cyntaf o'r pedwar cyngor celfyddydau yn y DU i gael y datganiad addasrwydd a dechreuasom ddsbarthu ym Mawrth 1995. Felly yr oedd y grant i'r ganolfan, fel y tybiaf y gwyr yr aelodau, mewn gwirionedd yn y cylch cyntaf o grantiau a wnaethpwyd. Ni wn a ydych am imi fynd ymlaen i sôn am fy rôl fel prif weithredwr; yr wyf yn amau mai gwastraff amser fyddai hynny.

[186] **Janet Davies:** Yr wyf yn meddwl fod hynny'n iawn, diolch yn fawr. Mr Edge?

Mr Edge: Mae Jo Weston eisoes wedi amlinellu rôl wreiddiol y cyfarwyddwr loteri. Deuthum i'n gyfarwyddwr y loteri ym Mai 1998, fel y dywedais eisoes, sef ychydig cyn i Ddeddf Loteri Genedlaethol 1998 gael Cydsyniad Brenhinol. Yn y rôl honno, yr oedd yn rhaid imi weithredu'r newidiadau a oedd yn Neddf 1998 ond nad oedd yn Neddf wreiddiol 1993. Dywedwyd wrthym am fod yn fwy strategol, am gael cynllun strategol, ac yr oedd newidiadau eraill yn y cyfarwyddiadau polisi, ac yr oedd y cyfarwyddiadau ariannol wedi'u hailysgrifennu hefyd. Fy rôl i, yn ei hanfod, oedd gwneud y newidiadau hynny, parhau â'r gwaith da a wnaethpwyd i gadw'r systemau mewn trefn, a gwneud yn siwr fod ein holl systemau a phenderfyniadau yn dal dwr yn unol ag

before I left, we had made certainly over 2,000 lottery grants and had committed over £80 million.

[187] **Janet Davies:** Thank you. Mr Shortridge, would you like to enlarge a little on your role, as the Assembly's Permanent Secretary, with Assembly sponsored public bodies such as the arts council?

Mr Shortridge: As the departmental accounting officer, I have to work closely with the accounting officers of all the Assembly sponsored public bodies. There is a letter from me, as the formal accounting officer, which sets out the nature of the relationship, which is defined in more detail in the appointment letter that goes from me to the accounting officers concerned. Basically, my role is to satisfy myself that they have all the necessary systems in place to secure regularity, propriety and value for money for the public funds for which they are responsible.

The Committee also needs to know that, from 25 September 2000 to 30 September 2001, I acted as accounting officer for the Arts Council of Wales because, at that time, it did not have an accounting officer of its own and I stepped in to fill that role.

[188] **Janet Davies:** Thank you. I think we needed to get all that on the record. I would like to address a question to Mr Jenkins and to Miss Weston. If we turn to the actual project of the Centre for Visual Arts, the first lottery award of £2 million was made in early 1995. Could you give us any information on how the project came to be assessed as highly recommended for lottery funding?

archwiliad blynyddol y Swyddfa Archwilio Genedlaethol. Yr oedd yn rhaid imi sicrhau hefyd fod ein staff o gwmpas eu pethau oherwydd, bryd hynny, cyn imi ymadael, yr oeddem yn ddi-os wedi rhoi dros 2,000 o grantiau loteri, ac wedi ymrwymo dros £80 miliwn.

[187] **Janet Davies:** Diolch. Mr Shortridge, a hoffech chi ymhelaethu ychydig ar eich rôl chi, fel Ysgrifennydd Parhaol y Cynulliad, gyda chyrrff cyhoeddus a noddir gan y Cynulliad, fel cyngor y celfyddydau?

Mr Shortridge: Fel y swyddog cyfrifo adrannol, mae'n rhaid i mi weithio'n agos gyda swyddogion cyfrifo pob corff cyhoeddus a noddir gan y Cynulliad. Mae llythyr oddi wrthyf fi, fel y swyddog cyfrifo ffurfiol, sydd yn amlinellu natur y berthynas, a ddiffinnir yn fanylach yn y llythyr penodi a anfonir gennyf fi at y swyddogion cyfrifo perthnasol. Yn y bôn, fy rôl i yw bodloni fy hun fod gan bob un ohonynt y systemau angenrheidiol yn eu lle i sicrhau rheoleidd-dra, priodoldeb a gwerth am arian gyda'r arian cyhoeddus y maent yn gyfrifol amdano.

Mae angen i'r Pwyllgor wybod hefyd y gweithredais fel swyddog cyfrifo i Gyngor Celfyddydau Cymru o 25 Medi 2000 hyd 30 Medi 2001 oherwydd nad oedd ganddo, bryd hynny, ei swyddog cyfrifo ei hun, a chamais innau i mewn i lanw'r rôl honno.

[188] **Janet Davies:** Diolch. Yr oedd angen inni gael hynny i gyd i lawr ar gof a chadw, yn fy marn i. Hoffwn ofyn cwestiwn i Mr Jenkins a Miss Weston. Os trown at brosiect Canolfan y Celfyddydau Gweledol ei hun, gwnaethpwyd y dyfarniad loteri cyntaf o £2 filiwn yn gynnar yn 1995. A allech roi unrhyw wybodaeth inni ar sut y darfu i'r prosiect gael ei asesu fel un a gâi ei argymell yn gryf ar gyfer cael arian loteri?

Mr Jenkins: Yes. May I ask Jo to come in and tell you? When you say it was assessed as highly recommended, that was the result of an assessor's report. I think that it might be interesting for the Committee to know how that assessor was appointed, because there was some discussion of that in the last Audit Committee meeting. Would you be willing for me to transfer that question initially across to Miss Weston?

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

Ms Weston: Thank you, Chair. I think that it is important to understand the process. I was saying that my first task was to set up the systems of the lottery division, and one of those setting up of systems was to appoint a pool of external assessors. That is the same as what all the other 10 lottery distributors did at that time. I arranged for an advertisement to be placed in the manner of a normal advertisement for a job in the usual publications that the arts council used. It was asked that responses be made straight to Coopers and Lybrand, which I had commissioned to run the entire process on behalf of the arts council. Having consulted with Emyr, as chief executive, and the finance director of the arts council, we thought that, clearly, it was not something that we should do in-house. Draft guidance notes for assessors on what the process would be were sent to the firm of auditors. Applications went to them. They interviewed in most cases. I think that they did an initial sift and then interviewed all the other applicants. They then presented us with their list of approved assessors, grouped into different disciplines: architects, quantity surveyors, arts consultants and that sort of thing. We held a public meeting (1), following that, for all the assessors who had been appointed so that we could share information, so that I could present the issues, as I saw them, and so that

Mr Jenkins: Gallwn. A gaf fi ofyn i Jo ddod i mewn a dweud wrthyich? Pan ddywedwch iddo gael ei asesu fel un a gâi ei argymell yn gryf, canlyniad adroddiad aseswr oedd hynny. Yr wyf yn meddwl efallai y byddai o ddiddordeb i'r Pwyllgor wybod sut y penodwyd yr aseswr hwnnw, oherwydd yr oedd rhywfaint o drafod ar hynny yng nghyfarfod diwethaf y Pwyllgor Archwilio. A fyddech yn fodlon imi drosglwyddo'r cwestiwn hwnnw yn y lle cyntaf drosodd at Miss Weston?

[189] **Janet Davies:** Byddwn.

Ms Weston: Diolch, Gadeirydd. Yr wyf yn meddwl ei bod yn bwysig deall y broses. Dywedais mai fy ngorchwyl cyntaf oedd sefydlu systemau adran y loteri, ac un o'r camau hynny i sefydlu systemau oedd penodi cronfa o aseswyr allanol. Mae hynny yr un peth ag a wnaeth pob un o'r 10 dosbarthwr loteri arall bryd hynny. Trefnais i osod hysbyseb ar ffurf hysbyseb arferol am swydd yn y cyhoeddiadau arferol a ddefnyddid gan gyngor y celfyddydau. Gofynnai am ymateb yn uniongyrchol i Coopers and Lybrand, a gomisiynwyd gennyf fi i redeg yr holl broses ar ran cyngor y celfyddydau. Wedi ymgynghori ag Emyr, fel prif weithredwr, a chyfarwyddwr cyllid cyngor y celfyddydau, yr oeddem o'r farn glir nad oedd hyn yn rhywbeth y dylem ei wneud yn fewnol. Anfonwyd at y cwmni archwilwyr ganllawiau drafft i aseswyr yn amlinellu beth fyddai'r broses. Aeth ceisiadau atynt hwy. Cynaliasant gyfweiliadau yn y rhan fwyaf o achosion. Yr wyf yn meddwl iddynt chwynnu i ddechrau ac wedyn cyfweld pob ymgeisydd arall. Wedyn cyflwynasant inni eu rhestr o aseswyr cymeradwy, wedi'u grwpio'n wahanol ddisgyblaethau: penseiri, maintfesurwyr, ymgynghorwyr celf a'r math yna o beth. Cynhaliwyd cyfarfod cyhoeddus (1) wedyn i'r holl aseswyr a benodwyd er mwyn inni allu rhannu gwybodaeth, er mwyn i mi allu

other lottery officers could explain the background to the issues, and we took it from there.

When the application for the CVA came in, we had already been through that process. The then senior capital projects officer, who had the task of appointing an assessor, appointed McCann Matthews Millman to assess this project. I have no doubt that she would have consulted me at the time because we were a small staff; we were just at the starting point. I am sure that she would have done, although I do not particularly remember it. I was aware that McCann Matthews Millman was one of the highest regarded professional arts marketing consultancies in the UK. That was just general background knowledge that I had, having worked in theatre for about 30 years.

I am not aware of what other arts marketing specialists we had on the books at the time. I do not think that there is anything that I can add to the background, unless you want to ask me any questions.

Mr Jenkins: May I follow on from that, Madam Chairman, and say that the National Audit Office report suggests that we did not go against the advice of the assessor. I think that you have heard how that assessor was appointed, that it was an external process and that we had a list of assessors recommended to us. That assessor then took both the application and had interviews with COLT, the Cardiff Old Library Trust, and submitted a report to us, and it is that report that underlined the value of this project—a project, incidentally, that had been discussed both with Cardiff City Council and with other interested parties for almost 10 years.

cyflwyno'r prif faterion, fel y'u gwelwn, ac er mwyn i swyddogion loteri eraill allu egluro'r cefndir i'r materion, ac aethom ymlaen o'r fan honno.

Pan ddaeth y cais i mewn ar gyfer y ganolfan, yr oeddem eisoes wedi bod drwy'r broses honno. Penodwyd McCann Matthews Millman i asesu'r prosiect hwn gan yr uwch swyddog prosiectau cyfalaf ar y pryd, a oedd yn gyfrifol am benodi asesydd. Nid wyf yn amau y buasai hi wedi ymgynghori â mi ar y pryd oherwydd yr oeddem yn staff bach; dim ond dechrau yr oeddem. Yr wyf yn siwr y buasai hi wedi gwneud, er nad oes gennyf gof arbennig o'r peth. Yr oeddwn yn ymwybodol fod McCann Matthews Millman yn un o'r cwmnïau ymgynghori proffesiynol uchaf ei barch yn y DU ym maes marchnata'r celfyddydau. Dim ond gwybodaeth gefndir gyffredinol a oedd gennyf oedd hynny, a minnau wedi gweithio ym myd y theatr am ryw 30 mlynedd.

Ni wn pa arbenigwyr marchnata celfyddydau eraill a oedd gennym ar y llyfrau ar y pryd. Nid wyf yn meddwl fod dim y gallaf ei ychwanegu at y cefndir, oni bai yr hoffech ofyn unrhyw gwestiynau imi.

Mr Jenkins: A gaf i ddilyn hynny, Madam Cadeirydd, drwy ddweud fod adroddiad y Swyddfa Archwilio Genedlaethol yn awgrymu nad aethom yn groes i gyngor yr asesydd. Yr wyf yn meddwl eich bod wedi clywed sut y penodwyd yr asesydd hwnnw, mai proses allanol ydoedd ac yr argymhellwyd rhestr o aseswyr inni. Wedyn cymerodd yr asesydd hwnnw y cais, a chynnal cyfweiliadau gyda COLT, sef Ymddiriedolaeth Hen Lyfrgell Caerdydd, gan gyflwyno adroddiad wedyn i ni, a'r adroddiad hwnnw a danlinellodd werth y prosiect hwn—prosiect, gyda llaw, a oedd wedi'i drafod gyda Chyngor Dinas Caerdydd a gyda chyrrff eraill oedd â diddordeb ers bron 10 mlynedd.

[190] **Janet Davies:** Ten years is certainly a long time.

Mr Jenkins: I am giving that as a measure of the length of time. I cannot give exact dates on this, but certainly from the 1980s this had been a project that had been seen as highly desirable, both from the city council's point of view, and from the Arts Council of Wales's point of view. It was a big hole in the arts provision in Wales, not just in the capital city, but in Wales, and this seemed to us to be the culmination of our attempt to fill that hole.

[191] **Janet Davies:** Right. Again, Mr Jenkins and Miss Weston, you had been having these long years of discussions, and we were then facing local government reorganisation, which was taking effect in April 1996. Clearly, there was time pressure being imposed at that point. Could you explain how the arts council managed to deal with that pressure, and whether it did have any impact upon the adequacy of the assessment of the application? Did you feel that you had to rush things a bit then?

Mr Jenkins: The whole lottery process itself was new. There was no experience in any lottery distributor. It is important, I think, for the Committee to realise that point. Every lottery distributor was inexperienced at that stage. Jo has said that this application came in the first round. It was a big application. There was time pressure on the arts council, and the time pressure was also on the Old Library trust. I would dispute very strongly that the process was rushed or skimped in any way; we did go through that process with a fine toothed comb. We went through all the procedures that were set out at the time, and I think that that is another important point. Procedures have changed later in the light of experience, yes, but at the time we went through all the procedures that were required of

[190] **Janet Davies:** Mae 10 mlynedd yn sicr yn amser maith.

Mr Jenkins: Yr wyf yn rhoi hynny fel mesur o hyd yr amser. Ni allaf roi union ddyddiadau ar hyn, ond yn sicr oddi ar yr 1980au yr oedd hwn yn brosiect a oedd wedi'i weld yn un hynod o ddeniadol, o safbwynt cyngor y ddinas a Chyngor Celfyddydau Cymru ill dau. Yr oedd bwlch mawr yn narpariaeth y celfyddydau yng Nghymru, nid yn unig yn y brifddinas, ond yng Nghymru, ac ymddangosai i ni mai dyma ben draw ein hymgais i lanw'r bwlch hwnnw.

[191] **Janet Davies:** Iawn. Eto, Mr Jenkins a Miss Weston, yr oeddech wedi cael y blynyddoedd maith hyn o drafod, ac yr oeddem ar y pryd yn wynebu ad-drefnu llywodraeth leol, a oedd yn dod i rym yn Ebrill 1996. Yn amlwg, yr oedd pwysau amser yn drwm ar y pryd. A allech chi egluro sut y llwyddodd cyngor y celfyddydau i ddelio â'r pwysau hynny, ac a gafodd y pwysau unrhyw effaith ar ddigonolrwydd asesiad y cais? A deimlech fod yn rhaid ichi ruthro pethau braidd bryd hynny?

Mr Jenkins: Yr oedd holl broses y loteri ei hun yn newydd. Nid oedd dim profiad gan unrhyw ddosbarthwr loteri. Mae'n bwysig, mi gredaf, i'r Pwyllgor sylweddoli hynny. Yr oedd pob dosbarthwr loteri'n ddibrofiad bryd hynny. Dywedodd Jo i'r cais hwn ddod yn y cylch cyntaf. Yr oedd yn gais mawr. Yr oedd pwysau amser ar gyngor y celfyddydau, ac yr oedd y pwysau amser ar ymddiriedolaeth yr Hen Lyfrgell hefyd. Byddwn i'n gwadu'n gryf iawn i'r broses gael ei rhuthro neu nad oedd yn drwyadl mewn unrhyw ffordd; fe aethom drwy'r broses honno gyda chrib fân. Aethom drwy'r holl weithdrefnau a oedd wedi'u pennu ar y pryd, ac yr wyf yn meddwl fod hynny'n bwynt pwysig arall. Mae gweithdrefnau wedi newid yn ddiweddarach yng ngoleuni profiad, do, ond ar y

us.

However, the pressure, of course, was, as you quite rightly say Madam Chairman, the onset of local government reorganisation. We had been advised by a senior member of the council that, unless we had this project, unless the city council got matching funding—and this was quite clear—in time to put this project and its £3.1 million into the 1995-96 budget, then the whole process would have to go to the shadow authority, which had yet to be elected. There have been comments that the shadow authority covered the same area as the Cardiff City Council; that is true, but there was no way of telling who the members of that shadow authority would be, there was no way of telling whether that shadow authority would want to impose its own priorities on that money, and we were also, in the arts, facing three years of complete standstill central funding—£14.189 million for 1995-96, 1996-97 and 1997-98. We had been warned by the Welsh Office that that was our total. The arts were facing the uncertainties of local government reorganisation—we all know of the problems in Theatr Clwyd caused by local government reorganisation—and there was an uncertain feeling. Therefore, there was huge pressure on all parties—the trust, the city council and the arts council—to get this together by the 1995-96 budget, for that was the last budget that the city council was deciding upon.

Having said all that, one of the things that we made as absolutely cast iron as we could was that this pressure would not lead us to skimp the assessment process, and I do not believe that I have seen any evidence that suggests that we have.

pryd fe aethom drwy'r holl weithdrefnau yr oedd gofyn inni eu dilyn.

Fodd bynnag, y pwysau, wrth gwrs, fel y dywedasoch yn gwbl gywir, Madam Cadeirydd, oedd dyfodiad ad-drefnu llywodraeth leol. Yr oedd aelod uwch o'r cyngor wedi'n hysbysu pe na byddai'r prosiect hwn gennym, pe na bai cyngor y ddinas yn cael arian cyfatebol—ac yr oedd hyn yn gwbl glir—mewn pryd i roi'r prosiect hwn a'i £3.1 miliwn i mewn i gyllideb 1995-96, yna y byddai'n rhaid i'r holl broses fynd i'r darpar awdurdod, nad oedd wedi'i ethol eto. Clywais sylwadau fod y darpar awdurdod yn ymdrin â'r un maes â Chyngor Dinas Caerdydd; mae hynny'n wir, ond nid oedd unrhyw ffordd o ddweud pwy fyddai aelodau'r darpar awdurdod hwnnw, nid oedd modd dweud a fyddai'r darpar awdurdod hwnnw eisiau gosod ei flaenoriaethau ei hun ar yr arian hwnnw, ac yr oeddem hefyd, yn y celfyddydau, yn wynebu tair blynedd o ddim cynnydd o gwbl yn ein cyllid canolog—£14.189 miliwn ar gyfer 1995-96, 1996-97 ac 1997-98. Yr oedd y Swyddfa Gymreig wedi'n rhybuddio mai dyna oedd ein cyfanswm. Yr oedd y celfyddydau'n wynebu ansicrwydd ad-drefnu llywodraeth leol—gwyddom i gyd am y problemau a achoswyd yn Theatr Clwyd gan ad-drefnu llywodraeth leol—ac yr oedd teimlad o ansicrwydd. Felly, yr oedd pwysau enfawr ar bawb—yr ymddiriedolaeth, cyngor y ddinas a chyngor y celfyddydau—i roi hyn yn ei le erbyn cyllideb 1995-96, am mai honno oedd y gyllideb olaf y byddai cyngor y ddinas yn penderfynu arni.

Wedi dweud hynny i gyd, un o'r pethau a wnaethom mor gwbl haearnaidd ag y gallem oedd na fyddai'r pwysau hyn yn ein harwain i arbed o gwbl ar y broses asesu, ac ni chredaf fy mod wedi gweld unrhyw dystiolaeth sydd yn awgrymu inni wneud hynny.

[192] **Janet Davies:** Thank you. Could you just give an indication of the date, Mr Jenkins, when these decisions were being taken? Was it in 1994 or early 1995?

Ms Weston: Could I answer that, please, Chairman?

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

Ms Weston: There is quite an important error in the report in front of you. It is paragraph 2.33. I just wanted to point out one of the errors. That point is a year out. It was actually in March 1995 that the decision was taken. Also, March 1995 was the deadline for the then city council to have its matching funding in place. It was to do with the shadow authority not having the power to bind its successor. So, the decision to grant the application from the Centre for Visual Arts was actually taken in March 1995.

[194] **Janet Davies:** Thank you. That is very helpful.

[195] **Alun Cairns:** May I cut across briefly? I wanted to respond to Ms Weston's statement that there are a number of errors in the report. Obviously, that concerns me in terms of the accuracy of the report that we have. If there are errors in the document as we go through it, would you be kind enough to highlight them and also give them to us in writing so that they can be taken into consideration when the Committee makes its deliberations?

Ms Weston: Thank you for the opportunity.

[192] **Janet Davies:** Diolch. A allech roi rhyw syniad o'r dyddiad, Mr Jenkins, pryd y gwnaethpwyd y penderfyniadau hyn? A oedd yn 1994 neu'n gynnar yn 1995?

Ms Weston: A allaf i ateb hynny, os gwelwch yn dda, Gadeirydd?

[193] **Janet Davies:** Cewch.

Ms Weston: Mae camgymeriad eithaf pwysig yn yr adroddiad o'ch blaen; sef paragraff 2.33. Dim ond eisiau nodi un o'r camgymeriadau yr oeddwn. Mae'r pwynt hwnnw flwyddyn allan ohoni. Ym mis Mawrth 1995 y gwnaethpwyd y penderfyniad hwnnw mewn gwirionedd. Hefyd, Mawrth 1995 oedd y dyddiad olaf i gyngor y ddinas ar y pryd sicrhau ei gyllid cyfatebol. Yr oedd a wnelo hyn â bod y darpar awdurdod heb y grym i rwymo'i olynnydd. Felly, ym Mawrth 1995 mewn gwirionedd y gwnaethpwyd y penderfyniad i ganiatáu'r cais gan Ganolfan y Celfyddydau Gweledol.

[194] **Janet Davies:** Diolch. Mae hynny o gymorth mawr.

[195] **Alun Cairns:** A gaf fi dorri ar draws yn fyr? Yr oedd arnaf eisiau ymateb i osodiad Ms Weston fod nifer o gamgymeriadau yn yr adroddiad. Yn amlwg, mae hynny'n fy mhoeni o ran cywirdeb yr adroddiad sydd gennym. Os oes camgymeriadau yn y ddogfen wrth inni fynd drwyddi, a fyddech gystal â thynnu sylw atynt a hefyd eu rhoi inni mewn ysgrifen fel y gellir eu cymryd i ystyriaeth pan fydd y Pwyllgor yn trafod y mater?

Ms Weston: Diolch am y cyfle.

Sir Richard Lloyd Jones: Chairman, I think the answer is that we would very much like to do that. We were not consulted at all during the preparation of this report and we believe that, if we had been, we could have helped materially with the deployment of the facts before you, so much so that I rather think that, if we undertook to tell you all our concerns about this report, we would be here until tomorrow. That is perhaps putting it a bit strongly, but—

[196] **Alun Cairns:** With the greatest respect, Sir Richard Lloyd Jones, we are in this position now and we want to make the best of the situation we are in—

Sir Richard Lloyd Jones: Yes. We do want to help you with that.

[197] **Alun Cairns:** —so there is no point going over old ground. We are in these circumstances. We all understand the reasons behind that and we should use the information that we have, but obviously if we are questioning you on incorrect information, then you need to advise us.

Sir Richard Lloyd Jones: Yes, we will need to warn you. We will try to keep it as short as possible, but we will, I fear, have to flag up some of our concerns.

[198] **Janet Davies:** I will just ask Sir John Bourn to comment, and then Mr Jenkins.

Syr Richard Lloyd Jones: Gadeirydd, tybiaf mai'r ateb yw y byddem yn falch iawn o wneud hynny. Nid ymgynghorwyd â ni o gwbl yn ystod paratoi'r adroddiad hwn a chredwn, petai hynny wedi digwydd, y gallasem roi cymorth ymarferol gyda'r modd y defnyddiwyd y ffeithiau ger eich bron, yn gymaint felly nes fy mod yn tueddu i feddwl, pe ymgymereim i ddweud wrthych am ein holl bryderon ynghylch yr adroddiad hwn, y byddem yma tan yfory. Efallai fod hynny'n ddweud mawr, ond—

[196] **Alun Cairns:** Gyda'r parch mwyaf, Syr Richard Lloyd Jones, yr ydym yn y sefyllfa yma yn awr ac am wneud y gorau o'r sefyllfa yr ydym ynddi—

Syr Richard Lloyd Jones: Ydym. Yr ydym yn awyddus i'ch helpu gyda hynny.

[197] **Alun Cairns:** —felly nid oes diben mynd dros hen dir. Yr ydym yn yr amgylchiadau hyn. Yr ydym i gyd yn deall y rhesymau y tu ôl i hynny a dylem ddefnyddio'r wybodaeth sydd gennym, ond yn amlwg os ydym yn eich holi chi ar wybodaeth anghywir, yna mae angen ichi ddweud wrthym.

Syr Richard Lloyd Jones: Bydd, bydd angen i ni'ch rhybuddio. Ceisiwn gadw'r peth mor fyr ag sydd yn bosibl, ond mae arnaf ofn y bydd yn rhaid inni leisio rhai o'n pryderon.

[198] **Janet Davies:** Yr wyf am ofyn am sylwadau Syr John Bourn, ac wedyn Mr Jenkins.

Sir John Bourn: Thank you, Chair. I would like to make the point, in reference to what has been said about errors, that this report is the external auditor; it was prepared according to the usual arrangements, that is to say, by our access to the books and records of the body that we audited. The current accounting officer was consulted and agreed entirely with the facts as stated and the interpretations of them. So, I would just like to register the point that the responsible person was properly consulted and signed the report.

Mr Jenkins: We fully recognise the convention that Sir John Bourn has mentioned, but I must add my voice to Sir Richard's and say that, in this instance, the convention has not served this Committee well. There are material mistakes in this report and we have already brushed past one when I said that we had conformed, in our initial assessment of the application, to all the directions and regulations that were current at the time. On page 20 of your report are policy directions issued to the Arts Council of Wales under section 26 (1) of the National Lottery etc. Act 1993. That was commented on in the last hearing. I draw your attention to paragraph 1 in the directions:

'in these Directions, any reference to a section is a reference to a section of the National Lottery etc. Act 1993 as amended by the National Lottery Act 1998.'

Therefore, these are not the directions under which we were operating at the time, in 1995. That is one example, which Mr Cairns asked us to point out. I hope that you will accept that it needed to be pointed out.

Syr John Bourn: Diolch, Gadeirydd. Hoffwn wneud y pwynt, gan gyfeirio at yr hyn a ddywedwyd am gamgymeriadau, mai'r adroddiad hwn yw'r archwilydd allanol; fe'i paratowyd yn unol â'r trefniadau arferol, hynny yw, trwy'n gwaith ar lyfrau a chofnodion y corff yr oeddem yn ei archwilio. Ymgynghorwyd â'r swyddog cyfrifo cyfredol a chytunodd yntau'n llwyr â'r ffeithiau fel y'u nodwyd a'r ffordd y'u dehonglwyd. Felly, hoffwn yn syml gofnodi'r pwynt yr ymgynghorwyd yn y modd priodol â'r person cyfrifol ac y llofnodwyd yr adroddiad ganddo.

Mr Jenkins: Yr ydym yn cydnabod yn llawn y confensiwn a grybwyllwyd gan Syr John Bourn, ond rhaid imi ychwanegu fy llais i at un Syr Richard a dweud nad yw'r confensiwn, yn yr achos hwn, wedi gwasanaethu'r Pwyllgor hwn yn dda. Mae camgymeriadau o sylwedd yn yr adroddiad ac yr ydym eisoes wedi ysgubo heibio i un pan ddywedais ein bod wedi cydymffurfio, yn ein hasesiad cychwynol o'r cais, â'r holl gyfarwyddiadau a rheoliadau a oedd mewn grym ar y pryd. Ar dudalen 20 yn eich adroddiad ceir cyfarwyddiadau polisi a roddwyd i Gyngor Celfyddydau Cymru dan adran 26 (1) Deddf y Loteri Genedlaethol ayyb. 1993. Gwnaethpwyd sylw ynglyn â hynny yn y gwrandawriad diwethaf. Tynnaf eich sylw at baragraff 1 yn y cyfarwyddiadau:

'yn y Cyfarwyddiadau hyn, mae unrhyw gyfeiriad at adran yn gyfeiriad at adran o Ddeddf y Loteri Genedlaethol ayyb. 1993 fel y'i diwygiwyd gan Ddeddf Loteri Genedlaethol 1998.'

Felly, nid y rhain yw'r cyfarwyddiadau yr oeddem yn eu dilyn ar y pryd, yn 1995. Dyna un enghraifft, y gofynnodd Mr Cairns inni ei dangos. Gobeithiaf y derbyniwch fod angen ei dangos.

[199] **Alun Cairns:** May I just close on this? I am grateful that those issues are being pointed out, but I would like to underline a comment that Sir John Bourn made. When the current accounting officer gave evidence to the Committee some weeks ago, none of these errors were pointed out at that time. The accounting officer also highlighted at the time that he had used the records that were available to the Arts Council of Wales as well. So, obviously, this is not a perfect situation, but we need to make the best of it.

[200] **Janet Davies:** Thank you, Alun. I was also going to make the point that the present accounting officer saw the report in draft form and agreed it. Clearly, this is not a totally satisfactory situation for anybody at the moment. We will move on to look at the selection of the external assessor. Alison Halford has some questions to ask.

[201] **Alison Halford:** My first two questions have mainly been answered, so I may wander slightly. Thank you very much for coming, and I am sorry, Sir Richard, that you are not very well. Would it be impertinent of me to ask how you got the job?

Sir Richard Lloyd Jones: Me?

[202] **Alison Halford:** Yes.

Sir Richard Lloyd Jones: The Secretary of State for Wales appointed me. Now, it would be a National Assembly appointment.

[203] **Alison Halford:** And your term of office was for how long?

[199] **Alun Cairns:** A gaf fi gau ar hyn? Yr wyf yn ddiolchgar bod sylw'n cael ei dynnu at y materion hynny, ond hoffwn danlinellu sylw a wnaeth Syr John Bourn. Pan roddodd y swyddog cyfrifo cyfredol dystiolaeth i'r Pwyllgor rai wythnosau'n ôl, ni thynnwyd sylw at yr un o'r camgymeriadau hyn bryd hynny. Tanlinellodd y swyddog cyfrifo hefyd ar y pryd ei fod wedi defnyddio'r cofnodion a oedd ar gael i Gyngor Celfyddydau Cymru yn ogystal. Felly, yn amlwg, nid yw hon yn sefyllfa berffaith, ond mae angen inni wneud y gorau ohoni.

[200] **Janet Davies:** Diolch, Alun. Yr oeddwn innau yn mynd i wneud y pwynt hefyd fod y swyddog cyfrifo presennol wedi gweld yr adroddiad yn ei ffurf ddrafft ac wedi cytuno arno. Yn amlwg, nid yw hyn yn sefyllfa gwbl foddhaol i neb ar hyn o bryd. Symudwn ymlaen i edrych ar y modd y dewiswyd yr asesydd allanol. Mae gan Alison Halford rai cwestiynau i'w gofyn.

[201] **Alison Halford:** Mae fy nau gwestiwn cyntaf wedi'u hateb i raddau helaeth, felly efallai y crwydraf rywfaint. Diolch yn fawr iawn ichi am ddod, ac mae'n flin gennyf, Syr Richard, nad ydych yn dda iawn. A fyddai'n ddigywilydd ar fy rhan pe gofynnwn ichi sut y cawsoch y swydd?

Syr Richard Lloyd Jones: Fi?

[202] **Alison Halford:** Ie.

Syr Richard Lloyd Jones: Penodwyd fi gan Ysgrifennydd Gwladol Cymru. Bellach, byddai'n benodiad gan y Cynulliad Cenedlaethol.

[203] **Alison Halford:** Ac yr oedd eich swydd am dymor o ba hyd?

Sir Richard Lloyd Jones: It was for three years initially, and then I was asked to serve another three years, but I asked to serve for two years.

[204] **Alison Halford:** You are doubtless aware that, although the decision was made by the Audit Committee as a whole, I can probably be blamed for the fact that you are sitting here this afternoon. From what you have said already, perhaps it was fortunate that we persisted in asking you to come. That leads me on to the report—you must have read it as soon as it came out?

Mr Jenkins: No.

[205] **Alison Halford:** You did not. Perhaps Sir Richard could answer that, then we will ask Mr Jenkins again.

Sir Richard Lloyd Jones: I do not know when it came out, I am afraid. The first I was aware of it was when it was being displayed on television.

[206] **Alison Halford:** And what was your reaction?

Sir Richard Lloyd Jones: Well, I did not see the report. The report then came to me under cover of a letter from the clerk to the Committee. That is when I got it. I cannot remember the date of that letter—towards the end of November.

[207] **Janet Davies:** I will just clarify those dates. The report was published on 15 November and the letter was sent out the day after the last Committee meeting on 23 November.

Syr Richard Lloyd Jones: Yr oedd am dair blynedd i ddechrau, ac yna gofynnwyd imi wasanaethu tair blynedd arall, ond gofynnais am gael gwasanaethu am ddwy flynedd.

[204] **Alison Halford:** Diau eich bod yn ymwybodol, er i'r penderfyniad gael ei wneud gan y Pwyllgor Archwilio yn ei gyfanrwydd, y gellir, mae'n debyg, fy meio i am y ffaith eich bod yn eistedd yma y prynhawn yma. O'r hyn yr ydych wedi'i ddweud yn barod, efallai ei bod yn ffodus inni ddal ati i ofyn ichi ddod. Mae hynny'n fy arwain ymlaen at yr adroddiad—rhaid eich bod wedi'i ddarllen cyn gynted ag y daeth allan?

Mr Jenkins: Na.

[205] **Alison Halford:** Ni wnaethoch chi. Efallai y gallai Syr Richard ateb hynny, wedyn fe ofynnwn eto i Mr Jenkins.

Syr Richard Lloyd Jones: Ni wn pa bryd y daeth allan, mae gennyf ofn. Y cyntaf i mi wybod amdano oedd pan gafodd ei ddangos ar y teledu.

[206] **Alison Halford:** A beth oedd eich ymateb?

Syr Richard Lloyd Jones: Wel, ni welais yr adroddiad. Daeth yr adroddiad ataf fi wedyn gyda llythyr oddi wrth glerc y Pwyllgor. Dyna pryd y cefais i ef. Ni allaf gofio dyddiad y llythyr hwnnw—tua diwedd mis Tachwedd.

[207] **Janet Davies:** Fe egluraf y dyddiadau hynny. Cyhoeddwyd yr adroddiad ar 15 Tachwedd ac anfonwyd y llythyr allan y diwrnod ar ôl cyfarfod diwethaf y Pwyllgor ar 23 Tachwedd.

Sir Richard Lloyd Jones: That sounds right.

[208] **Alison Halford:** Having read the report now, Sir Richard, do you find that it is a very inaccurate document or does £8.8 million just go down the drain because of inexperience or whatever, I wonder?

Sir Richard Lloyd Jones: Well, I must take a deep breath here and say that, in my view, £8 million has not gone down the drain.

[209] **Alison Halford:** Please enlarge upon that.

Sir Richard Lloyd Jones: Sorry?

[210] **Alison Halford:** Please enlarge upon that.

Sir Richard Lloyd Jones: Enlarge upon it. Well, what has happened is that, if we are looking at the lottery money—which was originally, I think, to be £2 million and then there were subsequent awards, as you remember—it was used primarily, as I understand it, with the city council money and the input from the charitable trust, to refurbish the building. So, undoubtedly, it is a very serious matter and I would like at some stage to give my views on what I regard as a key question here, which is what was the alternative at the time for the arts council. However, perhaps I can come back to that.

[211] **Alison Halford:** You will be asked a lot of other questions. You were going to say something, Mr Jenkins?

Syr Richard Lloyd Jones: Mae hynny'n swnio'n gywir.

[208] **Alison Halford:** Wedi darllen yr adroddiad yn awr, Syr Richard, a gredwch ei bod yn ddogfen wallus iawn ynteu a ydyw £8.8 miliwn yn mynd i lawr y draen oherwydd diffyg profiad neu beth bynnag, tybed?

Syr Richard Lloyd Jones: Wel, rhaid imi gymryd gwynt mawr yn y fan yma a dweud nad yw £8 miliwn wedi mynd i lawr y draen, yn fy marn i.

[209] **Alison Halford:** Ymhelaethwch ar hynny, os gwelwch yn dda.

Syr Richard Lloyd Jones: Mae'n ddrwg gennyf?

[210] **Alison Halford:** Ymhelaethwch ar hynny, os gwelwch yn dda.

Syr Richard Lloyd Jones: Ymhelaethu arno. Wel, yr hyn sydd wedi digwydd yw, os ydym yn edrych ar arian y loteri—sef swm a oedd i fod yn wreiddiol, yr wyf yn meddwl, yn £2 filiwn ac wedyn cafwyd dyfarniadau dilynol, fel y cofiwch—fe'i defnyddiwyd yn bennaf, yn ôl a ddeallaf, gydag arian cyngor y ddinas a'r cyfraniad gan yr ymddiriedolaeth elusennol, i ailwampio'r adeilad. Felly, heb os, mae'n fater difrifol iawn a hoffwn ryw bryd roi fy sylwadau ar yr hyn y credaf sydd yn gwestiwn allweddol yn y fan hon, sef beth oedd y dewis arall ar y pryd i gyngor y celfyddydau. Fodd bynnag, efallai y caf ddod yn ôl at hynny.

[211] **Alison Halford:** Gofynnir llawer o gwestiynau ichi. Yr oeddech chi'n mynd i ddweud rhywbeth, Mr Jenkins?

Mr Jenkins: I was going to respond to you, Miss Halford, and to thank you for raising that point, for raising a point to invite us, because it is the first opportunity we have had to respond to a report which, quite honestly, is—and I am sorry that I have to use the term—very, very inaccurate. There are wrong conclusions drawn from the report and I am delighted to have this opportunity of actually appearing before you in order to explain those, so thank you for that. However, I also saw the report under cover of a letter coming from the clerk to the Committee.

[212] **Alison Halford:** From a housekeeping point of view, have you had circulated to you a letter from Mathew Prichard, dated 29 November?

Mr Jenkins: We received it two minutes before coming into this room, and we have not been able to read it or take any view on it.

[213] **Alison Halford:** Okay. Miss Weston, you have explained in some detail how you took on McCann Matthews Millman, and that it had a good reputation and all the rest of it. Were you working in a vacuum or were you consulting with other people when you were taking these various decisions?

Ms Weston: I was consulting with other people in a number of different directions. I have already said that I would, as a matter of course, have consulted the chief executive and the finance director on a matter such as appointing the assessors. I think that it is very important to remember as well that we were working very, very closely with the National Audit Office, as were all the other distributors, as we developed the systems. We carried out a number of consultations with the arts constituency in general and with local authorities. I was personally liaising very closely with other lottery

Mr Jenkins: Yr oeddwn yn mynd i ymateb i chi, Miss Halford, a diolch ichi am godi'r pwynt hwnnw, am godi pwynt i'n gwahodd ni, oherwydd dyma'r cyfle cyntaf a gawsom i ymateb i adroddiad sydd, â siarad yn gwbl onest, yn—ac mae'n ddrwg gennyf orfod defnyddio'r term—wallus iawn, iawn. Tynnir casgliadau anghywir o'r adroddiad ac yr wyf wrth fy modd o gael y cyfle hwn i ymddangos ger eich bron er mwyn egluro'r rheini, felly diolch am hynny. Fodd bynnag, gwelais innau hefyd yr adroddiad dan lythyr a ddaeth oddi wrth glerc y Pwyllgor.

[212] **Alison Halford:** O safbwynt cadw ty, a ydych wedi derbyn cylchlythyr oddi wrth Mathew Prichard, dyddiedig 29 Tachwedd?

Mr Jenkins: Fe'i cawsom ddau funud cyn dod i mewn i'r ystafell hon, ac nid ydym wedi gallu ei ddarllen na ffurfio unrhyw farn arno.

[213] **Alison Halford:** Iawn. Miss Weston, yr ydych wedi esbonio mewn cryn fanylder sut y bu ichi ddewis McCann Matthews Millman, a bod ganddo enw da ac ati. A oeddech yn gweithio mewn gwactod ynteu a oeddech yn ymgynghori â phobl eraill pan oeddech yn gwneud yr amryfal benderfyniadau hyn?

Ms Weston: Yr oeddwn yn ymgynghori â phobl eraill mewn sawl cyfeiriad gwahanol. Yr wyf eisoes wedi dweud y byddwn, yn ôl yr arfer, wedi ymgynghori â'r prif weithredwr a'r cyfarwyddwr cyllid ar fater fel penodi'r aseswyr. Yr wyf yn meddwl ei bod yn bwysig iawn cofio hefyd ein bod yn gweithio'n agos iawn, iawn gyda'r Swyddfa Archwilio Genedlaethol, fel yr oedd yr holl ddsbarthwyr eraill, wrth inni ddatblygu'r systemau. Gwnaethom sawl ymgynghoriad gyda'r byd celfyddydol yn gyffredinol a chydag awdurdodau lleol. Yr oeddwn i'n bersonol yn cydgysylltu'n agos iawn

directors in the other three UK countries, and found that to be very, very useful, as we all did, because all of us were moving quite quickly as we developed.

[214] **Alison Halford:** Would you use this company again, in another world?

Ms Weston: I would not rule it out. I do not think that the assessment that was made at the time has been proved wrong simply because the numbers of visitors did not come about. I do not think that it is a science. I think that the assessment of the estimates that were made by the applicant was reasonable for the time, and so, under certain circumstances, yes, I would use the company again.

[215] **Alison Halford:** I have two more questions that will put us back on course, as we all have a script that we work to for ease of reference. Mr Jenkins, can you recall—and it is not desperate if you cannot—how much McCann Matthews Millman was paid?

Mr Jenkins: I cannot, except that I would expect it to be the normal fee for the number of days' work that it would do. I would like to confirm what Miss Weston was saying; the appointment of the panel of assessors was a fairly important matter and there were certain fees that were given. I was having weekly meetings at that time with Miss Weston, where we were going through all these matters. I cannot specifically recall consulting on this one, but I am absolutely certain that it would have been on the list—

â chyfarwyddwyr loteri eraill yn nhair gwlad arall y DU, a chefais i, fel pawb arall, fod hynny'n ddefnyddiol dros ben, oherwydd yr oeddem i gyd yn symud yn eithaf cyflym wrth inni ddatblygu.

[214] **Alison Halford:** A fyddech yn defnyddio'r cwmni hwn eto, mewn sefyllfa arall?

Ms Weston: Ni fyddwn yn diystyru'r posibilrwydd. Nid wyf yn meddwl fod yr asesiad a wnaethpwyd ar y pryd wedi'i brofi'n anghywir dim ond oherwydd na wireddwyd y nifer o ymwelwyr. Nid wyf yn meddwl mai gwyddor ydyw. Yr wyf yn meddwl fod yr asesiad o'r amcangyfrifon a wnaethpwyd gan yr ymgeisydd yn rhesymol ar yr adeg, ac felly, dan rai amgylchiadau, byddwn, mi fyddwn yn defnyddio'r cwmni eto.

[215] **Alison Halford:** Mae gennyf ddau gwestiwn pellach a fydd yn ein gosod yn ôl ar y trywydd, gan fod gan bawb ohonom sgrïpt yr ydym yn ei dilyn er hwylustod cyfeirio. Mr Jenkins, a allwch gofio—ac nid yw'n drychineb os nad allwch—faint a dalwyd i McCann Matthews Millman?

Mr Jenkins: Ni allaf, ac eithrio y disgwyliwn iddo fod y ffi arferol am y nifer o ddiwrnodau o waith y byddai yn ei wneud. Hoffwn gadarnhau'r hyn yr oedd Miss Weston yn ei ddweud; yr oedd penodi'r panel aseswyr yn fater gweddol bwysig ac yr oedd rhai ffioedd penodol a roddwyd. Yr oeddwn i'n cael cyfarfodydd wythnosol ar y pryd gyda Miss Weston, lle byddem yn mynd drwy'r holl faterion hyn. Ni allaf gofio'n benodol inni ymgynghori ar hwn, ond yr wyf yn berffaith sicr y byddai wedi bod ar y rhestr—

[216] **Alison Halford:** Does your memory allow you to recall that the contract, apparently, did not provide for financial redress in the case of being given unsound advice?

Mr Jenkins: I think that one of the things that we required of all our assessors was a professional indemnity clause, was it not?

Ms Weston: That is one of the things that PricewaterhouseCoopers checked at the point where it appointed people.

[217] **Alison Halford:** Other colleagues will doubtless explore that later. My last question is to Mr Jenkins. Peter Tyndall advised us that, according to McCann Matthews Millman, the forecast visitor numbers were realistic, perhaps even pessimistic. Did you seek to test this key assumption that proved so disastrously wrong?

Mr Jenkins: Miss Halford, I hope that the Committee will forgive me if I take up a little time on this, because it is a central point. I hope that you bear with me; I will be bandying some figures around. One of the main criticisms in this report is a criticism that many of the key decisions followed on from the 1992 feasibility report. I find that, in this instance, difficult to match up with the opening figures for visitors of the CVA. For instance, the feasibility study suggests a range between 282,000 and 340,000, whereas the application comes at 252,000 to 260,000. There is quite a variation in those figures. The report—

[218] **Alison Halford:** Why? How?

[216] **Alison Halford:** A ydyw'ch cof yn caniatáu ichi gofio nad oedd y contract, mae'n debyg, yn darparu ar gyfer digolledu ariannol pe rhoddid cyngor diffygiol?

Mr Jenkins: Yr wyf yn meddwl mai un o'r pethau yr oeddem yn ei fynnu gan ein holl aseswyr oedd cymal indemnïad proffesiynol, onid e?

Ms Weston: Dyna un o'r pethau a wiriwyd gan PricewaterhouseCoopers ar yr adeg pan oedd yn penodi pobl.

[217] **Alison Halford:** Bydd cyd-Aelodau eraill yn siwr o ymchwilio i hynny yn ddiweddarach. I Mr Jenkins y mae fy nghwestiwn olaf. Dywedodd Peter Tyndall wrthym fod y niferoedd ymwelwyr a ragwelwyd, yn ôl McCann Matthews Millman, yn realistig, efallai'n besimistaidd hyd yn oed. A wnaethoch chi geisio profi'r rhagdybiaeth allweddol hon a brofodd mor drychinebus o anghywir?

Mr Jenkins: Miss Halford, yr wyf yn gobeithio y maddeua'r Pwyllgor imi os cymeraf ychydig o amser ar hyn, oherwydd y mae'n bwynt canolog. Gobeithiaf y maddeuwch imi; byddaf yn taflu rhai ffigurau o gwmpas. Un o'r prif feirniadaethau yn yr adroddiad hwn yw beirniadaeth fod llawer o'r penderfyniadau allweddol wedi deillio o adroddiad ymarferoldeb 1992. Yr wyf yn cael hynny, yn yr achos hwn, yn anodd i'w gysoni â'r ffigurau agoriadol ar gyfer ymwelwyr â'r ganolfan. Er enghraifft, mae'r astudiaeth ymarferoldeb yn awgrymu amrediad rhwng 282,000 a 340,000, tra bod y cais yn sôn am 252,000 i 260,000. Mae cryn amrywiad yn y ffigurau hynny. Nid yw'r adroddiad—

[218] **Alison Halford:** Pam? Sut?

Mr Jenkins: The report does not explain, I am afraid, why that changed. However, there was a reduction before this came into our sphere of operation. We started off, not as the report suggests at 282,000, but at 252,000—let us say, a quarter of a million. Figures 7 and 8 in the report purport to show the comparator visitor numbers for other cultural establishments. However, what the Committee may not have fully realised is that those comparator figures are 1991 figures, whereas we were doing this exercise in 1995. We have not had time to research all the comparators, but I have looked at the most relevant ones—those for the National Museums and Galleries of Wales. It may interest the Committee to realise that the comparator figures for the national museums at the time that we were actually considering this application were as follows. The report suggests that they were 157,000 in Museum Place and 288,000 at St Fagans. The actual figures were, in 1993-94—that would be the last complete year that we would have had knowledge of at the time we were considering this report—the last figures were, for Cathays Park, not 157,000 but 244,000 and, in St Fagans, not 288,000 but 408,000. I find it surprising that the report did not actually check up what the current comparators were, but merely reproduced the comparators shown for 1991. I believe that the comparators that were current at the time suggest that there was a much firmer basis for forecasting potential visitor numbers of 250,000 for the Centre for Visual Arts because they were far less than St Fagans. I do not know what the others were.

Mr Jenkins: Nid yw'r adroddiad yn egluro, mae gennyf ofn, pam y newidiodd hynny. Fodd bynnag, yr oedd lleihad cyn i hyn ddod i'n maes gweithredu ni. Dechreuasom ni, nid fel yr awgryma'r adroddiad ar 282,000, ond ar 252,000— chwarter miliwn, dyweder. Mae ffigurau 7 ac 8 yn yr adroddiad yn honni dangos y niferoedd ymwelwyr cymharol ar gyfer sefydliadau diwylliannol eraill. Fodd bynnag, yr hyn na sylweddolodd y Pwyllgor yn llawn efallai yw mai ffigurau 1991 yw'r ffigurau cymharol hynny, tra'r oeddem ni'n gwneud yr ymarfer hwn yn 1995. Nid ydym wedi cael amser i ymchwilio i'r holl gymaryddion, ond yr wyf wedi edrych ar y rhai mwyaf perthnasol—y rheini ar gyfer Amgueddfeydd ac Oriolau Cenedlaethol Cymru. Efallai y bydd o ddiddordeb i'r Pwyllgor sylweddoli fod y ffigurau cymharol ar gyfer yr amgueddfeydd cenedlaethol ar yr adeg yr oeddem ni wrthi'n ystyried y cais hwn fel a ganlyn. Awgryma'r adroddiad y cafwyd 157,000 ym Mhlas yr Amgueddfa a 288,000 yn Sain Ffagan. Y ffigurau gwirioneddol, yn 1993-94—sef y flwyddyn gyfan olaf y buasai gennym wybodaeth amdani ar yr adeg pan oeddem yn ystyried yr adroddiad hwn—y ffigurau diwethaf oedd, ar gyfer Parc Cathays, nid 157,000 ond 244,000 ac, yn Sain Ffagan, nid 288,000 ond 408,000. Yr wyf yn synnu nad aeth yr adroddiad ati i wirio beth oedd y ffigurau cymharol cyfredol, ond dim ond atgynhyrchu'r ffigurau cymharol a ddangoswyd ar gyfer 1991. Credaf fod y ffigurau cymharol a oedd yn gyfredol ar y pryd yn awgrymu fod sail lawer cadarnach i ragweld niferoedd ymwelwyr potensial o 250,000 i Ganolfan y Celfyddydau Gweledol oherwydd yr oeddent yn llawer llai na Sain Ffagan. Ni wn beth oedd y rhai eraill.

I will go on to talk about a couple of other features in that opening section, because it is an important element in the report. The statement that they were quite—and I think Miss Halford quoted that the assessor actually said that the figures may have even been pessimistic. This gives a little more credence, I think, to that point of view. It is compared with St Fagans, and the report says that, of course, you cannot compare it with St Fagans, because St Fagans is a beautiful 50 acre site with family days out and all the rest of it. That is true, but St Fagans is also very much subject to the weather and to access problems. You cannot very easily get out of St Fagans via public transport. The CVA was conceived as being absolutely complementary. That is another point that the report makes, that it was not part of a larger attraction. However, the CVA was the prime site in the centre of Cardiff, within easy reach of the national museum, within easy reach of Cardiff castle, and next door to St David's Hall. It was always conceived as filling that cultural gap and it was in the city centre—I will finish on this—which is an attraction in its own right.

[219] **Alison Halford:** Thank you for that. My final comment is that I have been on this Audit Committee since its inception in 1999. This is the first time that the work of the Auditor General has been challenged in any shape or form. Therefore, we are in uncharted waters. Thank you, Chair.

[220] **Janet Davies:** Thank you, Alison. I will follow up on visitor figures. Could you physically have got 250,000 visitors through that building in a year?

Af ymlaen i siarad am ychydig o bethau eraill yn yr adran agoriadol honno, oherwydd mae'n elfen bwysig yn yr adroddiad. Yr oedd y gosodiad eu bod yn eithaf—ac yr wyf yn meddwl i Miss Halford ddyfynnu bod yr asesydd mewn gwirionedd wedi dweud y gallasai'r ffigurau hyd yn oed fod yn besimistaidd. Mae hyn yn rhoi ychydig mwy o gred, fe dybiaf, i'r safbwynt hwnnw. Fe'i cymherir â Sain Ffagan, a dywed yr adroddiad na allwch, wrth reswm, ei gymharu â Sain Ffagan, am fod Sain Ffagan yn safle hyfryd 50 erw gyda dyddiau allan i'r teulu a'r gweddill i gyd. Mae hynny'n wir, ond mae Sain Ffagan hefyd yn ddibynnol iawn ar y tywydd ac ar broblemau cyrraedd y lle. Nid yw'n hawdd iawn mynd allan o Sain Ffagan ar drafnidiaeth gyhoeddus. Rhagwelwyd y byddai'r ganolfan yn hollol ategol. Dyna bwynt arall a wna'r adroddiad, sef nad oedd yn rhan o atyniad mwy. Fodd bynnag, yr oedd y ganolfan ar y prif safle yng nghanol Caerdydd, yn hygyrch i'r amgueddfa genedlaethol, yn hygyrch i gastell Caerdydd, a'r drws nesaf i Neuadd Dewi Sant. Y syniad o'r cychwyn oedd y byddai'n llanw'r bwlch diwylliannol hwnnw ac yr oedd yng nghanol y ddinas—diweddaf ar hyn—sydd yn atyniad ynddo'i hun.

[219] **Alison Halford:** Diolch ichi am hynny. Fy sylw olaf yw fy mod wedi bod ar y Pwyllgor Archwilio hwn ers ei sefydlu yn 1999. Dyma'r tro cyntaf i waith yr Archwilydd Cyffredinol gael ei herio mewn unrhyw fodd. Felly, yr ydym mewn dyfroedd dieithr. Diolch, Gadeirydd.

[220] **Janet Davies:** Diolch i chi, Alison. Fe ddilynaf innau drywydd y niferoedd ymwelwyr. A allasech yn gorfforol fod wedi cael 250,000 o ymwelwyr drwy'r adeilad hwnnw mewn blwyddyn?

Mr Jenkins: I have no doubt about it in my own mind.

[221] **Janet Davies:** Thank you.

Sir Richard Lloyd Jones: Madam Chair, there is a relevant point in the report. Paragraph 2.12 suggests that we might have guessed from the low figures going through the Oriel gallery that there was something wrong with the visitor figures. However, the fact is that the Oriel gallery was very small. You could not put big shows on there, so you would not get big visitor numbers.

[222] **Janet Davies:** Thank you, Sir Richard. I should expand on something that Alison said at this point. Clearly, criticism of the National Audit Office is coming through at the moment. However, the National Audit Office took its facts and statements from the evidence that existed. It also had the agreement of the present accounting officer, whom we all know is recently in post, which is a particularly unfortunate situation at the moment. He, we can assume, took the information from the evidence that he had, which came from previous days. So, there is a bit of a sort of circle developing here. I do not know whether it will be possible for the Audit Committee to get enlightenment and clarification this afternoon on what is clearly a difficult situation. I hope that it may be possible. This is not an ideal scenario to get that sort of clarification. I am sure that we will strive to do that. However, I feel that criticism and bringing this down to one side against another is not a particularly helpful way of proceeding. I always hope to get lessons for the future, rather than criticisms of the past, from these Committee meetings. I think that I will leave it at that for the moment.

Mr Jenkins: Nid oes gennyf unrhyw amheuaeth am hynny yn fy meddwl fy hun.

[221] **Janet Davies:** Diolch.

Syr Richard Lloyd Jones: Madam Cadeirydd, y mae pwynt perthnasol yn yr adroddiad. Awgryma paragraff 2.12 y gallem fod wedi dyfalu ar sail y ffigurau isel a oedd yn mynd drwy'r Oriel fod rhywbeth o'i le ar y ffigurau ymwelwyr. Fodd bynnag, y ffaith yw fod yr Oriel yn fach iawn. Ni allech gynnal arddangosiadau mawr yn y fan honno, felly ni chaech niferoedd mawr o ymwelwyr.

[222] **Janet Davies:** Diolch, Syr Richard. Dylwn ymhelaethu ar rywbeth a ddywedodd Alison yn y fan hon. Yn amlwg, mae beirniadaeth o'r Swyddfa Archwilio Genedlaethol yn cael ei wneud ar hyn o bryd. Fodd bynnag, cymerodd y Swyddfa Archwilio Genedlaethol ei ffeithiau a'i datganiadau o'r dystiolaeth a fodolai. Yr oedd ganddi gytundeb y swyddog cyfrifo presennol hefyd, sydd, fe wyddom, yn newydd i'r swydd, sy'n sefyllfa arbennig o anffodus ar hyn o bryd. Cymerodd yntau, gallwn dybio, y wybodaeth o'r dystiolaeth a oedd ganddo, a ddaeth o adeg yn y gorffennol. Felly, mae ychydig o ryw fath o gylch yn datblygu yma. Ni wn a fydd modd i'r Pwyllgor Archwilio gael ei oleuo a chael eglurhad y prynhawn yma ar sefyllfa sydd yn amlwg yn un anodd. Gobeithiaf y gall hynny fod yn bosibl. Nid yw hon yn sefyllfa ddelfrydol i gael y math hwnnw o eglurhad. Yr wyf yn siwr yr ymdrechwn i gyflawni hynny. Fodd bynnag, teimlaf nad yw beirniadu a thynnu hyn i lawr i un ochr yn erbyn y llall yn ffordd arbennig o fuddiol o fynd rhagom. Byddaf fi bob amser yn gobeithio cael gwersi i'r dyfodol, yn hytrach na beirniadaeth o'r gorffennol, o'r cyfarfodydd Pwyllgor hyn. Yr wyf yn meddwl y'i gadawaf yn y fan honno am y tro.

[223] **Alison Halford:** Chair, may I just say that I am keeping an open mind. I am not making any criticism of anybody.

Sir Richard Lloyd Jones: Chair, I think that I speak on behalf of all of us in saying that we do not want to be disputatious. The trouble is, in making these points, we must sound disputatious. We know that you have a job to do. We will, I know, be willing to help you do it to the best of your ability. However, we want, without sounding disputatious, if possible, to bring out the facts which we think that you need to have before you before you reach your conclusions.

[224] **Janet Davies:** Thank you. Do you wish to add to that, Mr Jenkins?

Mr Jenkins: I would just like to reiterate what I said a little earlier, Madam Chairman. I recognise the convention under which this report has been written. What I think I said was that the convention did not serve the report well. I fully recognise the boundaries within which the National Audit Office was working. That is what was the problem, compounded, of course, by the change of personnel in the arts council.

[225] **Janet Davies:** Thank you. Jocelyn, you wish to ask some questions?

[223] **Alison Halford:** Gadeirydd, a gaf fi ddweud fy mod yn cadw meddwl agored. Nid wyf yn beirniadu neb.

Syr Richard Lloyd Jones: Gadeirydd, credaf fy mod yn siarad ar ran pawb ohonom wrth ddweud nad oes arnom eisiau mynd i gecru. Y trafferth yw, wrth wneud y pwyntiau hyn, fod yn rhaid inni swnio'n gecrus. Gwyddom fod gennych orchwyl i'w chyflawni. Byddwn, mi wn, yn fodlon eich helpu i'w chyflawni orau y gallwch. Fodd bynnag, ein hawydd ni, heb swnio'n gecrus, os oes modd, yw amlygu'r ffeithiau y credwn fod angen ichi eu cael o'ch blaen cyn ichi ddod i'ch casgliadau.

[224] **Janet Davies:** Diolch. A oes arnoch eisiau ychwanegu at hynny, Mr Jenkins?

Mr Jenkins: Hoffwn ond ailadrodd yr hyn a ddywedais ychydig yn gynharach, Madam Cadeirydd. Sylweddolaf y confensiwn yr ysgrifennwyd yr adroddiad hwn oddi tano. Yr hyn y credaf imi ei ddweud oedd nad oedd y confensiwn yn gwasanaethu'r adroddiad yn dda. Sylweddolaf yn llawn y ffiniau yr oedd y Swyddfa Archwilio Genedlaethol yn gweithio o fewn iddynt. Dyna'r hyn oedd y broblem, a honno wedi'i gwaethygu, wrth gwrs, gan y newid personél yng nghyngor y celfyddydau.

[225] **Janet Davies:** Diolch. Jocelyn, a ydych chi'n dymuno gofyn rhai cwestiynau?

[226] **Jocelyn Davies:** Thank you, Chair. I have a question for Mr Jenkins. I will ask you the same question that I put in the last session to people who were not able to answer it at the time. The external assessor highlighted a number of key concerns about the project, about the level of expertise within the management of the centre, the weaknesses in the marketing of the centre and the lack of private sector sponsorship. Why were these concerns not acted upon? Why pay for advice and then simply ignore it?

Mr Jenkins: Can I ask you to refer to the paragraph? My notes refer to paragraphs. Are we talking of paragraph 2.25 onwards?

[227] **Jocelyn Davies:** It was a question which I asked last time, and I may not have been referring to a specific paragraph.

Mr Jenkins: I am sorry. Is it concerns about the levels of expertise in the centre? That is not the one, is it?

[228] **Jocelyn Davies:** Yes, the external assessor's report raised concerns—

Mr Jenkins: Yes it did, about marketing for a start—

[229] **Jocelyn Davies:** It raised concerns about the level of expertise in the management of the centre, weaknesses in the marketing of the centre and the lack of private sector sponsorship. The question I put last time was: why did you pay for that advice and then not take it?

[226] **Jocelyn Davies:** Diolch, Gadeirydd. Mae gennyf gwestiwn i Mr Jenkins. Gofynnaf ichi'r un cwestiwn ag a ofynnais yn y sesiwn diwethaf i bobl nad oeddent yn gallu ei ateb ar y pryd. Amlygodd yr asesydd allanol nifer o bryderon allweddol ynghylch y prosiect, ynghylch y lefel o arbenigedd o fewn rheolaeth y ganolfan, y gwendidau o ran marchnata'r ganolfan a'r diffyg nawdd gan y sector preifat. Pam na weithredwyd ar y pryderon hyn? Pam talu am gyngor a'i anwybyddu wedyn?

Mr Jenkins: A gaf fi ofyn ichi gyfeirio at y paragraff? Mae fy nodiadau i'n cyfeirio at baragraffau. Ai am baragraff 2.25 ymlaen yr ydym yn sôn?

[227] **Jocelyn Davies:** Cwestiwn a ofynnais y tro diwethaf ydoedd, ac efallai nad oeddwn yn cyfeirio at baragraff penodol.

Mr Jenkins: Mae'n ddrwg gennyf. Ai pryderon ynghylch y lefel o arbenigedd yn y ganolfan ydyw? Nid hwnnw yw'r un, nage?

[228] **Jocelyn Davies:** Ie, cododd adroddiad yr asesydd allanol bryderon—

Mr Jenkins: Do, fe wnaeth, ynghylch marchnata yn un peth—

[229] **Jocelyn Davies:** Cododd bryderon ynghylch y lefel o arbenigedd yn rheolaeth y ganolfan, gwendidau o ran marchnata'r ganolfan a diffyg nawdd gan y sector preifat. Y cwestiwn a ofynnais y tro diwethaf oedd: pam y bu ichi dalu am y cyngor hwnnw ac wedyn peidio ei gymryd?

Mr Jenkins: May I respond by saying that we did take it and the documentation proves that we did. Paragraph 2.25 talks about the marketing and the lack of expertise in marketing. It does say that

‘The Arts Council was again alerted to concerns about the marketing of the Centre for Visual Arts project’

in paragraph 2.26. Then, in paragraph 2.28, it says that

‘The Arts Council of Wales did not act on these concerns of the external assessor in considering whether to award lottery funding.’

Those concerns were expressed in the assessor’s report on the first application. I can now quote from the assessor’s report on the second application.

I am sorry, I have to look at my notes again. I think that it is important, so I hope that the Committee will bear with me. The same assessor reported on the CVA’s second application for lottery funding, in 1997, and this is what the assessor said:

‘Following observations in the previous assessment concerning weaknesses in planning for marketing, the applicant has acted swiftly and effectively to place marketing at the core of the project’s management, including becoming a member of Cardiff Arts Marketing’—

which is another recommendation of the assessor the first time—

Mr Jenkins: A gaf fi ymateb drwy ddweud y gwnaethom ei gymryd a bod y ddogfennaeth yn profi inni wneud hynny. Sonia paragraff 2.25 am y marchnata a’r diffyg arbenigedd mewn marchnata. Y mae’n dweud y

‘Tynnwyd sylw Cyngor y Celfyddydau at bryderon ynglyn â marchnata prosiect Canolfan y Celfyddydau Gweledol unwaith eto’

ym mharagraff 2.26. Wedyn, ym mharagraff 2.28, dywedir

‘Ni weithredodd Cyngor Celfyddydau Cymru ar bryderon yr asesydd allanol wrth ystyried a ddylid rhoi nawdd loteri.’

Mynegwyd y pryderon hynny yn adroddiad yr asesydd ar y cais cyntaf. Gallaf yn awr ddyfynnu o adroddiad yr asesydd ar yr ail gais.

Mae’n ddrwg gennyf, rhaid imi edrych ar fy nodiadau eto. Credaf ei fod yn bwysig, felly gobeithio y bydd y Pwyllgor yn amyneddgar gyda mi. Adroddodd yr un asesydd ar ail gais y ganolfan am arian loteri, yn 1997, a dyma a ddywedodd yr asesydd:

‘Yn dilyn sylwadau yn yr asesiad blaenorol ynghylch gwendidau yn y cynllunio ar gyfer marchnata, mae’r ymgeisydd wedi gweithredu’n fuan ac effeithiol i osod marchnata wrth graidd rheolaeth y prosiect, gan gynnwys ymuno â Marchnata Celfyddydau Caerdydd’—

sef rhywbeth arall a argymhellwyd gan yr asesydd y tro cyntaf—

‘An experienced arts manager has been employed as a consultant to address pre-opening and launch issues, including branding, naming and corporate identity. The analyses are comprehensive, as is the proposed action programme.’

I would suggest to the Committee that that indicates that we did take action. It brings out another big principle here, Madam Chair, that every assessor’s report was communicated to the applicant and, as you can see in this instance, the applicant actually took note of it. So we did not ignore what the assessor had said.

[230] **Jocelyn Davies:** What about the monitor in 1998? I will read the question that I put to Mr Tyndall last time.

‘In early 1998, the monitor, who was appointed by the arts council, alerted you to problems and recommended that the council require the applicant to undertake a sensitivity analysis in relation to income streams and to consider the worst case scenario. Why did you not do that? Why pay for advice and then ignore it?’

Mr Tyndall said that he could find no evidence at all that that advice had been acted upon.

Mr Jenkins: I am afraid I will have to—that was after my time—transfer that to Miss Weston, if you do not mind.

[231] **Jocelyn Davies:** Fine.

‘Cyflogwyd rheolwr celfyddydau profiadol fel ymgynghorydd i ymdrin â materion cyn agor a materion lansio, yn cynnwys brandio, enwi a hunaniaeth gorfforaethol. Mae’r dadansoddiadau’n gynhwysfawr, felly hefyd y rhaglen weithredu a gynigiwyd.’

Awgrymaf i’r Pwyllgor fod hynny’n dangos y bu inni weithredu. Mae’n tanlinellu egwyddor fawr arall yn y fan yma, Madam Cadeirydd, sef y cyfathrebwyd pob adroddiad asesydd i’r ymgeisydd ac, fel y gallwch weld yn yr achos hwn, cymerodd yr ymgeisydd sylw ohono. Felly nid anwybyddwyd yr hyn a ddywedodd yr asesydd.

[230] **Jocelyn Davies:** Beth am y monitor yn 1998? Darllenaf y cwestiwn a ofynnais i Mr Tyndall y tro diwethaf.

‘Yn gynnar yn 1998, tynnodd y monitor, a benodwyd gan gyngor y celfyddydau, eich sylw ar broblemau, ac argymhellodd y dylai’r cyngor fynnu bod yr ymgeisydd yn ymgymryd â dadansoddiad sensitifrwydd mewn perthynas â ffrydiau incwm ac ystyried y sefyllfa waethaf a allai ddigwydd. Pam na wnaethoch chi hynny? Pam talu am gyngor ac wedyn ei anwybyddu?’

Dywedodd Mr Tyndall na allai ganfod unrhyw dystiolaeth o gwbl y gweithredwyd ar y cyngor hwnnw.

Mr Jenkins: Mae arnaf ofn y bydd yn rhaid imi—yr oedd hynny ar ôl fy amser i—drosglwyddo hynny i Miss Weston, os nad oes ots gennych.

[231] **Jocelyn Davies:** Popeth yn iawn.

Ms Weston: I, too, have my notes ordered into paragraph numbers from the report, and so could you bear with me please.

[232] **Jocelyn Davies:** We are talking about 1998, and the monitor who was appointed by the arts council did alert you to problems and recommended that the council require the applicant to undertake a sensitivity analysis in relation to income streams. The gentleman that came before us last time told us that he could find no evidence that any intervention took place following that recommendation, and so I am asking whether you have any evidence that there was any intervention following that?

Ms Weston: Yes, yes. The—

[233] **Jocelyn Davies:** Can I ask you why the gentleman could not find any of that in the files that he currently holds in his position?

Ms Weston: I cannot answer that, but what I can tell you is that I needed to refresh my memory because it is some time ago, and the National Audit Office kindly invited me to go into its office and look through the documents that it held, and so—I think that those documents came from the arts council—so I know that they exist.

[234] **Jocelyn Davies:** Well, I am at a loss really, Chair. We had somebody giving us evidence on the basis of this report, who said that he could not find in those files any evidence that that advice was acted upon, and we have somebody now that tells us that it was acted upon. I am at a loss, really. If it was acted upon, why was a further grant given?

Ms Weston: Mae fy nodiadau innau, hefyd, wedi'u trefnu yn ôl rhifau paragraffau o'r adroddiad, ac felly a fyddech gystal â bod yn amyneddgar gyda mi.

[232] **Jocelyn Davies:** Yr ydym yn sôn am 1998, a bod y monitor a benodwyd gan gyngor y celfyddydau wedi tynnu'ch sylw at broblemau ac wedi argymhell y dylai'r cyngor fynnu bod yr ymgeisydd yn gwneud dadansoddiad sensitifrwydd mewn perthynas â ffrydiau incwm. Dywedodd y gwr a ddaeth ger ein bron y tro diwethaf na allai ef ganfod unrhyw dystiolaeth y gweithredwyd o gwbl yn dilyn yr argymhelliad hwnnw, ac felly yr wyf yn gofyn a oes gennych unrhyw dystiolaeth y bu unrhyw weithredu yn dilyn hynny?

Ms Weston: Oes, oes. Yr—

[233] **Jocelyn Davies:** A gaf fi ofyn ichi pam na allai'r gwr ganfod dim o hynny yn y ffeiliau sydd ganddo ef ar hyn o bryd yn ei safle ef?

Ms Weston: Ni allaf ateb hynny, ond yr hyn y gallaf ddweud wrthy ch yw y bu angen i mi brocio fy nghof oherwydd y mae beth amser yn ôl, ac y bu'r Swyddfa Archwilio Genedlaethol mor garedig â'm gwahodd i fynd i'w swyddfa ac edrych drwy'r dogfennau oedd ganddi, ac felly—yr wyf yn meddwl i'r dogfennau hynny ddod oddi wrth gyngor y celfyddydau—felly gwn eu bod yn bodoli.

[234] **Jocelyn Davies:** Wel, yr wyf ar goll, wir, Gadeirydd. Cawsom rywun yn rhoi tystiolaeth inni ar sail yr adroddiad hwn, a ddywedodd na allai ganfod yn y ffeiliau hynny unrhyw dystiolaeth y gweithredwyd ar y cyngor hwnnw, ac mae gennym rywun yn awr sydd yn dweud wrthym y gweithredwyd arno. Yr wyf ar goll, wir. Os gweithredwyd arno, pam y rhoddwyd grant pellach?

Ms Weston: I am going to have to speak from memory, because I cannot find my section in the notes, but that particular report was acted on in the standard way of sharing it with the applicant and discussing what they were going to do about it. I believe that at that point—I think this is the report that says certain aspects of the application have yet to be assessed, and there is a basic misunderstanding in this report, because it seems not to realise that the assessor then went on to assess the things that were within his competence, things like quality of design, and so we were assured on those points. The one thing that had not been assessed by that particular assessor was the business plan. That had previously been assessed by the third McCann Matthews Millman assessment and that said that the applicant's business plan had been prepared by Deloitte and Touche, in consultation with them, obviously. That had already happened, but when this assessor's report came to us, we went back to the CVA and said that we required further assurance, and the CVA reappointed Deloitte and Touche. It was at the same time as fixing on a delayed opening date, and the CVA was asking Deloitte and Touche to reappraise the business plan in the light of the delayed opening date and in the light of those comments that we gave it. I have a letter confirming that that was the case.

Ms Weston: Bydd yn rhaid imi siarad o'm cof, oherwydd ni allaf ganfod fy adran yn y nodiadau, ond gweithredwyd ar yr adroddiad arbennig hwnnw yn y ffordd arferol o'i rannu gyda'r ymgeisydd a thrafod beth yr oeddent am ei wneud yn ei gylch. Credaf ar y pwynt hwnnw—yr wyf yn meddwl mai dyma'r adroddiad sydd yn dweud fod rhai agweddau o'r cais eto heb eu hasesu, ac mae camddealltwriaeth sylfaenol yn yr adroddiad hwn, gan nad yw fel petai'n sylweddoli fod yr asesydd wedyn wedi mynd ymlaen i asesu'r pethau a oedd o fewn ei gymhwysedd, pethau fel ansawdd y dyluniad, ac felly ein bod wedi cael sicrwydd ar y pwyntiau hynny. Yr un peth nad oedd wedi'i asesu gan yr asesydd arbennig hwnnw oedd y cynllun busnes. Yr oedd hwnnw wedi'i asesu ynghynt gan drydydd asesiad McCann Matthews Millman a dywedodd hwnnw fod cynllun busnes yr ymgeisydd wedi'i baratoi gan Deloitte and Touche, mewn ymgynghoriad â hwy, wrth reswm. Yr oedd hynny eisoes wedi digwydd, ond pan ddaeth yr adroddiad asesydd hwn atom ni, aethom yn ôl at y ganolfan a dweud bod arnom eisiau sicrwydd pellach, ac ailbenododd y ganolfan Deloitte and Touche. Yr oedd ar yr un pryd â threfnu i oedi'r dyddiad agor, ac yr oedd y ganolfan yn gofyn i Deloitte and Touche ailwerthuso'r cynllun busnes yng ngoleuni'r dyddiad agor gohiriedig ac yng ngoleuni'r sylwadau hynny a roesom ni iddo. Mae gennyf lythyr yn cadarnhau mai felly y bu.

[235] **Jocelyn Davies:** It was in 1998. We were told by Mr Tyndall that, by that point, the arts council was requesting information from the Centre for Visual Arts, which it was not getting. We were quite clearly given the impression that information was not forthcoming from the Centre for Visual Arts. We heard earlier that there may be a disagreement about the forecasted numbers, whether it was 250,000 or 282,000, but the actual numbers of people who visited was fewer than 50,000. It seems to me that the CVA continued to receive lottery funding even though anybody could recognise—and you do not have to be an expert to know this—that that is a failure. It is less than one-fifth. Whether you say 250,000 or 280,000, fewer than 50,000 people is a lot less than the expected forecast.

Ms Weston: Yes, it is.

[236] **Jocelyn Davies:** So, it seems to me that concerns were being expressed and I would like to know why a third lottery grant was given when the client was withholding relevant information and the visitor numbers were so appallingly low?

Ms Weston: Well, the visitor numbers did not exist at that point, because the centre had not opened. The concerns that the assessors were expressing were addressed by the arts council, and by the client, and we put in appropriate assessors at every point. The client had taken action that was appropriate in any case, such as appointing Deloitte and Touche to review its business plan. There was no question of needing to tell the CVA what to do, because it was already doing it. Of course, the visitor numbers were lower than expected. They were actually nearer a quarter, rather than a fifth, of the revised estimates, in the end. Of course, you are right. Of

[235] **Jocelyn Davies:** Yn 1998 yr oedd hyn. Dywedodd Mr Tyndall wrthym fod cyngor y celfyddydau erbyn hynny yn gofyn am wybodaeth gan Ganolfan y Celfyddydau Gweledol, nad oedd yn ei chael. Rhoddwyd yr argraff gwbl glir i ni nad oedd y wybodaeth yn dod oddi wrth Ganolfan y Celfyddydau Gweledol. Clywsom yn gynharach y gallai fod anghytundeb ynghylch y niferoedd a ragwelwyd, pa un ai 250,000 ynteu 282,000 ydoedd, ond yr oedd y niferoedd gwirioneddol o bobl a ymwelodd yn llai na 50,000. Mae'n ymddangos i mi fod y ganolfan wedi parhau i dderbyn arian loteri er y gallai unrhyw un weld—ac nid oes angen bod yn arbenigwr i wybod hyn—fod hynny'n fethiant. Mae'n llai nag un rhan o bump. Pa un ai y dywedwch 250,000 neu 282,000, mae llai na 50,000 o bobl yn llawer llai na'r rhagolwg a ddisgwyliwyd.

Ms Weston: Ydyw, y mae.

[236] **Jocelyn Davies:** Felly, mae'n ymddangos i mi fod pryderon yn cael eu lleisio a hoffwn wybod pam y rhoddwyd trydydd grant loteri pan oedd y cleient yn dal gwybodaeth berthnasol yn ôl a phan oedd y niferoedd ymwelwyr mor ofnadwy o isel?

Ms Weston: Wel, nid oedd y niferoedd ymwelwyr yn bodoli bryd hynny, oherwydd nid oedd y ganolfan wedi agor. Cafodd y pryderon yr oedd yr aseswyr yn eu mynegi sylw gan gyngor y celfyddydau, a chan y cleient, a rhoesom aseswyr priodol i mewn ar bob cam. Yr oedd y cleient wedi gweithredu'n briodol beth bynnag, er enghraifft drwy benodi Deloitte and Touche i adolygu ei gynllun busnes. Nid oedd unrhyw gwestiwn o fod angen dweud wrth y ganolfan beth i'w wneud, oherwydd yr oedd eisoes yn ei wneud. Wrth gwrs, yr oedd y niferoedd ymwelwyr yn is na'r disgwyl. Yr oeddent mewn gwirionedd yn nes at chwarter, yn hytrach na

course, the thing did not succeed.

However, I would like to say something about the information that we were getting. It was difficult at times to get information from the CVA, but not impossible. The report here gives an example of not having monthly management accounts for about nine months. It was in something like July 1999, I think, from memory. However, it does not mention that the month afterwards, as the result of persistent, hard work on behalf of arts council officers, the up-to-date financial information was supplied. So, I would not say that there was a refusal at any point by the CVA to supply information. It is simply that, not uniquely, when things get difficult in terms of cash, relationships get strained.

[237] **Jocelyn Davies:** So, the information was not forthcoming. Whether it was wilfully withheld or whether there was just a strained relationship, it was not forthcoming. On the estimate of 250,000, I think, actually, that 50,000 is a fifth of 250,000. The revised number went down, but that was still four times as much as the actual numbers that turned out.

Ms Weston: Yes, it was. I am not claiming that it was a success.

[238] **Jocelyn Davies:** No, nobody is claiming that it is a success. I hope that we do not have anybody in front of us who is claiming that this was a success by any means. That really would be stretching it. You have already said that the forecasting of visitor numbers is not a science. So what is it? Is it a guess? For something to be 50,000 in actuality, when the estimate was 250,000—on what do you base that?

phumed ran, o'r amcangyfrifon diwygiedig, yn y diwedd. Wrth gwrs, yr ydych yn iawn. Wrth gwrs, nid oedd y peth yn llwyddiant.

Fodd bynnag, hoffwn ddweud rhywbeth am y wybodaeth yr oeddem yn ei chael. Yr oedd yn anodd ar brydiau cael gwybodaeth gan y ganolfan, ond nid yn amhosibl. Mae'r adroddiad yma'n rhoi enghraifft o fod heb gael cyfrifon rheoli misol am ryw naw mis. Yr oedd oddeutu Gorffennaf 1999, yr wyf yn meddwl, o'm cof. Fodd bynnag, nid yw'n crybwyll, yn dilyn gwaith caled, cyson ar ran swyddogion cyngor y celfyddydau, y cyflwynwyd y wybodaeth ariannol ddiweddaraf y mis wedyn. Felly, ni fyddwn yn dweud i'r ganolfan wrthod rhoi gwybodaeth ar unrhyw bwynt. Yn syml, ac nid yn unigryw, pan aiff pethau'n anodd yn nhermau arian, bydd hynny'n gosod straen ar berthynas.

[237] **Jocelyn Davies:** Felly, nid oedd y wybodaeth yn dod i law. Boed hynny'n fwriadol neu mai dim ond straen ar y berthynas oedd yr achos, nid oedd yn dod i law. Ar yr amcangyfrif o 250,000, yr wyf yn meddwl, a dweud y gwir, fod 50,000 yn bumed rhan o 250,000. Aeth y nifer diwygiedig i lawr, ond yr oedd hynny'n dal i fod bedair gwaith yn fwy na'r ffigurau gwirioneddol fel y digwyddodd pethau.

Ms Weston: Oedd, yr oedd. Nid wyf yn honni ei bod yn llwyddiant.

[238] **Jocelyn Davies:** Na, nid oes neb yn honni ei bod yn llwyddiant. Gobeithiaf nad oes gennym neb o'n blaen sydd yn honni bod hyn yn llwyddiant mewn unrhyw fodd. Byddai hynny'n gryn ymestyn ar y gwir. Yr ydych eisoes wedi dweud nad gwyddor yw rhagweld niferoedd ymwelwyr. Beth ydyw, felly? Ai dyfalu? I rywbeth fod yn 50,000 mewn gwirionedd, a'r amcangyfrif yn 250,000—ar beth y seiliwch hynny?

Ms Weston: Well, you base it on demographic research and the known propensity, the known percentage within a given population that is likely to visit a gallery or a theatre, or whatever. If you are interested, I have a chart of 10 other major lottery applications—sorry, major lottery-funded attractions—where the estimates were further out than those for the CVA were, but which went in the other direction. If you look at Tate Modern, if you look at the Eden project and a couple of others, the estimates of attendances was further out in percentage terms than for the CVA, and yet they are roaring successes because it was in the other direction. I am saying that simply to illustrate that it really is not a science. Capturing the public imagination is something that all impresarios would love to be a science, but it is not. I cannot pretend that the public perception of the CVA, as it turned out, was what we all wanted it to be.

[239] **Jocelyn Davies:** We have already established as a fact—and we can draw our own conclusions from that—that it was not a success. Some people think that it was a spectacular disaster. How would you describe it?

Ms Weston: Clearly, the artistic vision of the trust that was running the CVA did not succeed. I find that very sad, and it is a great loss to the whole of Wales. I do not know that I would go so far as to describe it in the terms that you used, because we still have a beautiful building in the centre of Cardiff. The consultant that we brought in, in March 2000, to look at options for operating the CVA did identify that it was possible to operate that building with a visual arts policy and reach a balanced budget. He had no doubt about that. The CVA, as was its right, chose not to operate in that way. If it could not

Ms Weston: Wel, byddwch yn ei seilio ar ymchwil ddemograffig a'r duedd hysbys, y ganran hysbys o fewn poblogaeth benodol sydd yn debygol o ymweld ag oriel neu theatr, neu beth bynnag. Os oes gennych ddiddordeb, mae gennyf siart o 10 cais mawr arall am arian loteri—mae'n ddrwg gennyf, deg atyniad mawr a gaiff arian loteri—lle'r oedd yr amcangyfrifon ymhellach ohoni na'r rheini ar gyfer y ganolfan, ond i'r cyfeiriad arall. Os edrychwch ar Tate Modern, os edrychwch ar brosiect Eden ac un neu ddau arall, yr oedd yr amcangyfrifon ymwelwyr ymhellach ohoni yn nhermau canrannau nag i'r ganolfan, ac eto maent yn llwyddiannau ysgubol oherwydd mai i'r cyfeiriad arall yr aeth y ffigurau. Dywedaf hynny yn syml i ddangos nad gwyddor ydyw, yn wir. Mae dal dychymyg y cyhoedd yn rhywbeth y byddai pob impresario wrth ei fodd petai'n wyddor, ond nid gwyddor mohono. Ni allaf gymryd arnaf fod delwedd y ganolfan ymhlith y cyhoedd, fel y digwyddodd pethau, yr hyn yr oeddem i gyd yn deisyfu iddi fod.

[239] **Jocelyn Davies:** Yr ydym eisoes wedi sefydlu fel ffaith—a gallwn dynnu'n casgliadau ein hunain o hynny—nad oedd yn llwyddiant. Mae rhai pobl o'r farn mai trychineb anhygoel ydoedd. Sut fyddech chi'n ei disgrifio?

Ms Weston: Yn amlwg, ni lwyddodd gweledigaeth gelfyddydol yr ymddiriedolaeth a oedd yn rhedeg y ganolfan. Yr wyf yn cael hynny'n drist iawn, ac mae'n golled fawr i Gymru gyfan. Ni chredaf yr awn mor bell â'i disgrifio yn y termau a ddefnyddiwyd gennych chi, oherwydd y mae gennym adeilad hardd yng nghanol Caerdydd o hyd. Dywedodd yr ymgynghorydd a alwyd i mewn gennym ym Mawrth 2000 i edrych ar opsiynau ar gyfer gweithredu'r ganolfan y byddai'n bosibl gweithredu'r adeilad hwnnw gyda pholisi celfyddydau gweledol a chyrraedd cyllideb

achieve the original artistic vision, it preferred not to go ahead. I am sorry for the long answer, but what I am trying to say is that there must be a future for that building. Obviously, all the people sitting here hope very much that it will be focused, essentially, on the visual arts.

[240] **Jocelyn Davies:** Yes. I do not think that the main aim of the centre was to restore a lovely building, although it is very nice to see lovely buildings in our capital city. Mr Jenkins, how would you describe it?

Mr Jenkins: I would have described it as a visionary and imaginative project that did not see its way through. Of course, it ended in tears, but the vision, the imagination, the whole concept of the project—and, as I said, it is not a stand-alone project, it is part of a spectrum of activity and facilities in Cardiff—that whole vision can still be realised to a great extent. It is the activity that has stopped and I think that we are all the poorer for it. However, there is a beautiful grade II listed—I accept your point, of course, the whole point of this was not just to restore the building—but there is a grade II listed building in the centre of Cardiff now, perfectly restored. It awaits use by the public. What is now needed, in my estimation, is for the Arts Council for Wales to show a little vision and imagination and, together with its partners in the county council, to restore as much of the vision as possible. The first attempt ended in tears; the raw material is still there to be exploited.

gytbwys. Nid oedd ganddo amheuaeth am hynny. Dewisodd Canolfan y Celfyddydau Gweledol, fel yr oedd hawl ganddi i wneud, beidio â gweithredu yn y modd hwnnw. Os na allai gyflawni'r weledigaeth gelfyddydol wreiddiol, yr oedd yn well ganddi beidio â bwrw ymlaen. Mae'n ddrwg gennyf am yr ateb hir, ond yr hyn yr wyf yn ceisio'i ddweud yw fod yn rhaid bod dyfodol i'r adeilad hwnnw. Yn amlwg, mae pawb sydd yn eistedd yma'n gobeithio'n fawr iawn y bydd ei ffocws, yn ei hanfod, ar y celfyddydau gweledol.

[240] **Jocelyn Davies:** Ie. Nid wyf yn meddwl mai prif nod y ganolfan oedd adfer adeilad hardd, er ei bod yn amheuthun gweld adeiladau hardd yn ein prifddinas. Mr Jenkins, sut fydddech chi'n ei disgrifio?

Mr Jenkins: Buaswn i wedi ei ddisgrifio fel prosiect llawn gweledigaeth a dychymyg na chyflawnwyd. Wrth gwrs, dagrau oedd diwedd y peth, ond i raddau helaeth, mae modd o hyd i wireddu gweledigaeth, dychymyg, holl gysyniad y prosiect—ac, fel y dywedais, nid prosiect ar ei ben ei hun yw hwn, mae'n rhan o sbectrwm o weithgaredd a chyfleusterau yng Nghaerdydd. Y gweithgaredd sydd wedi peidio, a chredaf ein bod yn dlotach oherwydd hynny. Fodd bynnag, y mae adeilad rhestredig hardd gradd II—derbyniaf eich pwynt, wrth gwrs, nad adfer yr adeilad yn unig oedd holl bwynt hyn—ond y mae adeilad rhestredig gradd II bellach yng nghanol Caerdydd, wedi'i adfer yn berffaith. Mae'n aros i'w ddefnyddio gan y cyhoedd. Yr hyn sydd ei angen yn awr, yn fy marn i, yw i Gyngor Celfyddydau Cymru ddangos ychydig o weledigaeth a dychymyg ac, ar y cyd â'i bartneriaid yn y cyngor sir, adfer cymaint o'r weledigaeth ag sydd yn bosibl. Dagrau oedd diwedd yr ymgais gyntaf; mae'r deunydd crai yn dal yno i'w ddefnyddio.

[241] **Jocelyn Davies:** Yes, I am sure that some people would have hoped that the arts council would have shown some realistic vision a few years back. The visitor numbers must have been hugely disappointing: under 50,000 when the estimate was 250,000. Was it then a good idea to put up the price to go in?

Mr Jenkins: I am sorry, I cannot comment on the actual visitor numbers. The Committee, of course, and this report, is operating, as we all are at the moment, with a great degree of hindsight. We know what the visitor numbers turned out to be. However, in 1995, we did not know what the visitor numbers were going to be. We did not know that the outcome would be as it was. We tried, in the arts council at the time, to use our best efforts to ensure its success. To be honest, with this application coming before us, not only did the arts council have to have justification for saying 'yes' to an application, it had to have sufficient justification to say 'no' to an application. To find a reason to say 'no' to this application would have been very difficult, and would have given quite the wrong impression of this wonderful project. I do not believe that the thing worked out. You are talking about visitor numbers going back. There is criticism in this report of the cost going up all the time. We did have advice at the time—from the Wales Tourist Board and others; but the Wales Tourist Board specifically—that the costs were unrealistically low and that, in fact, they could go up. There is a direct correlation between the visitor numbers coming down and the cost going up. So there was a balanced budget every time that this was revisited. Of course, in retrospect, cost may have been one of the factors. There is a stipulation in the report that there was a change of artistic policy. I am afraid that that did not happen; that change in policy did not happen. So, it is a complicated business but, yes, the costs went up

[241] **Jocelyn Davies:** Ie, mae'n siwr gennyf fi y buasai rhai pobl wedi gobeithio y buasai cyngor y celfyddydau wedi dangos rhywfaint o weledigaeth realistig ychydig flynyddoedd yn ôl. Mae'n rhaid fod y niferoedd ymwelwyr yn siom enfawr: o dan 50,000 wedi amcangyfrif 250,000. Ai syniad da felly oedd codi'r pris am fynd i mewn?

Mr Jenkins: Mae'n ddrwg gennyf, ni allaf roi sylw ar yr union niferoedd ymwelwyr. Mae'r Pwyllgor, wrth gwrs, a'r adroddiad hwn, a ninnau i gyd ar y foment hon, yn gweithredu gyda chryn radd o ôl-welediad. Gwyddom beth oedd y niferoedd ymwelwyr mewn gwirionedd. Fodd bynnag, yn 1995, nid oeddem yn gwybod beth fyddai'r niferoedd ymwelwyr. Ni wyddem y byddai'r canlyniad fel y bu. Ceisiasom, yng nghyngor y celfyddydau ar y pryd, ddefnyddio'n hymdrechion gorau i sicrhau ei llwyddiant. A dweud y gwir, gyda'r cais hwn yn dod ger ein bron, nid yn unig yr oedd yn rhaid i gyngor y celfyddydau gael cyfiawnhad dros ddweud 'ie' i gais, yr oedd yn rhaid iddo gael digon o gyfiawnhad dros ddweud 'na' wrth gais. Buasai'n anodd iawn canfod rheswm dros ddweud 'na' i'r cais hwn, a buasai wedi rhoi'r argraff gwbl anghywir o'r prosiect bendigedig hwn. Nid wyf yn credu y gweithiodd y peth. Yr ydych yn sôn am niferoedd ymwelwyr yn mynd yn ôl. Mae beirniadaeth yn yr adroddiad hwn am i'r gost godi o hyd. Cawsom gyngor ar y pryd—gan Fwrdd Croeso Cymru ac eraill; ond Bwrdd Croeso Cymru yn benodol—fod y costau'n afrealistig o isel ac, yn wir, y gallent godi. Mae cydberthynas uniongyrchol rhwng y gostyngiad yn niferoedd ymwelwyr a'r gost yn codi. Felly yr oedd cyllideb wedi'i mantoli bob tro yr edrychwyd eto ar hyn. Wrth gwrs, o edrych yn ôl, efallai fod y gost yn un o'r ffactorau. Mae'r adroddiad yn mynnu y bu newid polisi celfyddydol. Mae gennyf ofn na ddigwyddodd hynny; ni ddigwyddodd y newid polisi hwnnw.

as the visitor numbers came down or, Madam Chair, if you would like to put it another way, the visitor numbers came down as the costs went up. I am not sure which came first.

[242] **Jocelyn Davies:** It is the nature of audit committees like this that we only have hindsight. The only thing that we can do is look back over things.

Mr Jenkins: I have every faith that the Audit Committee can put itself in the position of not having that hindsight. We are not justifying the project. All we are saying is that the judgments and decisions that we took at the time, without hindsight, can, I think, be justified.

[243] **Jocelyn Davies:** Are you aware of any other projects elsewhere in the UK—not in Wales—that, because of inexperience, because this was a new system, went badly wrong?

Mr Jenkins: I am afraid I think that that question might be answered by Sir John Bourn because there was a whole raft of new regulations brought in because of problems.

[244] **Janet Davies:** Sir John?

Sir John Bourn: I am glad to respond to that, Chair. As I said at the last meeting of the Audit Committee, when we looked at this, there are many examples in the United Kingdom of projects funded by the lottery that, for one reason or another—inexperience of handling the matter, desire to move forward, requirement to move forward fast—were not successful. As I said then, this is not a unique project in terms of lottery-funded projects.

Felly, mae'n fusnes cymhleth ond, do, aeth y costau i fyny wrth i niferoedd yr ymwelwyr ddod i lawr, neu, Madam Cadeirydd, os hoffech ei roi mewn ffordd arall, daeth y niferoedd ymwelwyr i lawr wrth i'r costau fynd i fyny. Nid wyf yn siwr pa un ddaeth gyntaf.

[242] **Jocelyn Davies:** Natur pwyllgorau archwilio fel hyn yw mai dim ond ôl-welediad sydd gennym. Yr unig beth y gallwn ei wneud yw edrych yn ôl ar bethau.

Mr Jenkins: Mae gennyf bob ffydd y gall y Pwyllgor Archwilio ei roi ei hun yn y sefyllfa o fod heb yr ôl-welediad hwnnw. Nid ydym yn cyfiawnhau'r prosiect. Y cwbl yr ydym yn ei ddweud yw y gellir, yr wyf yn meddwl, heb ôl-welediad, gyfiawnhau'r dyfarniadau a'r penderfyniadau a wnaethom ar y pryd.

[243] **Jocelyn Davies:** A wyddoch am unrhyw brosiectau eraill mewn mannau eraill yn y DU—nid yng Nghymru—a aeth o chwith yn ddrwg oherwydd diffyg profiad, oherwydd fod hon yn system newydd?

Mr Jenkins: Mae arnaf ofn mai Syr John Bourn efallai a allai ateb y cwestiwn hwnnw oherwydd cyflwynwyd lluo o reoliadau newydd oherwydd problemau.

[244] **Janet Davies:** Syr John?

Syr John Bourn: Yr wyf yn falch o ymateb i hynny, Gadeirydd. Fel y dywedais yng nghyfarfod diwethaf y Pwyllgor Archwilio, pan edrychasom ar hyn, mae sawl enghraifft yn y Deyrnas Unedig o brosiectau a ariannwyd gan y loteri na fu'n llwyddiannus am ryw reswm neu'i gilydd—diffyg profiad wrth ymdrin â'r mater, awydd i symud ymlaen, gofyniad i symud ymlaen yn gyflym. Fel y dywedais bryd hynny, nid yw hwn yn brosiect unigryw yn nhermau prosiectau a ariennir gan y loteri.

[245] **Janet Davies:** Thank you, Sir John. We will now break for coffee.

[245] **Janet Davies:** Diolch, Syr John. Cymerwn egwyl yn awr am goffi.

[*Cynhaliwyd egwyl goffi rhwng 3.05 p.m. a 3.21 p.m.*]

[*A coffee break was held between 3.05 p.m. and 3.21 p.m.*]

[246] **Janet Davies:** Welcome back. I now turn to Alun Cairns, who wants to ask some questions, some of which may have already been asked. I am sure that you will skip those, Alun, and go on to those that have not been asked.

[246] **Janet Davies:** Croeso'n ôl. Trof yn awr at Alun Cairns, sydd eisiau gofyn cwestiynau, rhai ohonynt eisoes wedi'u gofyn efallai. Yr wyf yn siwr y gnewch hepgor y rheini, Alun, a mynd ymlaen at y rheini sydd heb eu gofyn.

[247] **Alun Cairns:** Mr Jenkins, I would like to return to one of the final statements that you made before the coffee break. Paragraph 2.2 in the report mentions a change in artistic policy. You said that that was not the case. Clearly, that might well impact on the numbers of visitors, to which my subsequent questions relate. In paragraph 2.2—I think it is; yes, it is—it talks of blockbuster exhibitions such as Picasso and so on. Those are names with which I am familiar. I must admit that I am not very well versed in terms of art appreciation but that is a name that I do recognise. That might well motivate me to go and pay a visit to an exhibition where such paintings are being shown. Therefore, could you reconcile your statement with paragraph 2.22?

[247] **Alun Cairns:** Mr Jenkins, hoffwn fynd yn ôl at un o'r pethau olaf a ddywedasoich cyn yr egwyl goffi. Mae paragraff 2.2 yn yr adroddiad yn sôn am newid yn y polisi celfyddydol. Dywedasoich chi na fu newid. Yn amlwg, gallai hynny yn wir effeithio ar niferoedd ymwelwyr, a dyna destun fy nghwestiynau nesaf. Ym mharagraff 2.2—yr wyf yn credu mai dyna yw; ie, wir—sonnir am arddangosfeydd mawr fel Picasso ac ati. Dyna enwau sydd yn gyfarwydd i mi. Rhaid imi gyfaddef nad wyf yn hyddysg iawn yn nhermau gwerthfawrogi celf ond dyna enw yr wyf yn ei adnabod. Gallai hynny yn wir fy symbylu i fynd i weld arddangosfa lle dangosir lluniau o'r fath. A allech, felly, gysoni'ch gosodiad â pharagraff 2.22?

Mr Jenkins: Yes. Thank you, Mr Cairns. Yes, it is 2.22, is it not, that we are talking about? 'The opening programme of the Centre for Visual Arts changed.' This, I would suggest, has to do with the definition of contemporary art. What happened, Madam Chair, in the development of this concept was that it became very clear that there needed to be co-operation with other arts organisations in Cardiff, in particular the national museum.

Mr Jenkins: Gallaf. Diolch, Mr Cairns. Ie, 2.22, onide, sydd dan sylw gennym? 'Newidiodd rhaglen agoriadol Canolfan y Celfyddydau Gweledol.' Mae a wnelo hyn, fe awgrymwn, â'r diffiniad o gelf gyfoes. Yr hyn a ddigwyddodd, Madam Cadeirydd, wrth ddatblygu'r cysyniad hwn oedd y daeth yn amlwg iawn fod angen cydweithredu â sefydliadau celfyddydol eraill yng Nghaerdydd, yn enwedig yr amgueddfa genedlaethol.

You will see a letter, which has been referred to, from Hugh Hudson Davies, which says that we needed to be absolutely clear about the artistic policy of both the museum and the CVA. Now, the phrase that had been used in the development of this project all along was ‘contemporary and historical art’. That goes through the feasibility study, it goes through an interim document; it goes through all the way to the first application. We did receive a letter from Mr Hugh Hudson Davies saying that he was anxious that there be an understanding of this term ‘contemporary art’. He defined it as the art of living artists. Now, we discussed this because—Mr Cairns is quite right—there was talk in the initial stages of Picasso, Mondrian, Matisse; the big draws, the big names. Hugh Hudson Davies’s letter said that he doubted whether living artists had the box office appeal of those big names. We agreed with him. There is a document on file; there is a letter from me to Mr Mathew Prichard, the chairman of the trust, offering the trust a grant for £2 million—that is, the first grant—but stating quite categorically that both the trust and the national museum needed to accept that the definition of contemporary art that we were working on, and that we required them to work on, was that it was art produced in the twentieth century.

Gwelwch lythyr, y cyfeiriwyd ato eisoes, oddi wrth Hugh Hudson Davies, a ddywed fod angen inni fod yn gwbl glir ynghylch polisi celfyddydol yr amgueddfa a’r ganolfan ill dwy. Yn awr, yr ymadrodd a ddefnyddiwyd ar hyd y daith wrth ddatblygu’r prosiect hwn oedd ‘celf gyfoes a hanesyddol’. Aiff hwnnw drwy’r astudiaeth ymarferoldeb, aiff drwy’r ddogfen interim; aiff drwodd yr holl ffordd i’r cais cyntaf. Fe dderbyniasom lythyr oddi wrth Mr Hugh Hudson Davies yn dweud ei fod yn awyddus y dylid sicrhau dealltwriaeth o’r term yma ‘celf gyfoes’. Ei ddiffiniad ef oedd gwaith celf artistiaid byw. Yn awr, fe drafodasom hyn oherwydd—mae Mr Cairns yn llygad ei le—yr oedd sôn yn y dechrau am Picasso, Mondrian, Matisse; yr atyniadau mawr, yr enwau mawr. Dywedodd llythyr Hugh Hudson Davies ei fod yn amau a oedd gan artistiaid byw yr un apêl o ran denu ymwelwyr â’r enwau mawr hynny. Cytunasom ag ef. Mae dogfen ar y ffeil; mae llythyr oddi wrthyf fi at Mr Mathew Prichard, cadeirydd yr ymddiriedolaeth, yn cynnig grant o £2 filiwn i’r ymddiriedolaeth—hynny yw, y grant cyntaf—ond yn datgan yn gwbl ddiamwys fod angen i’r ymddiriedolaeth a’r amgueddfa genedlaethol dderbyn mai’r diffiniad o gelf gyfoes yr oeddem ni’n gweithio arno, a’r diffiniad yr oeddem yn disgwyl iddynt hwy weithio arno, oedd mai celf a gynhyrchwyd yn yr ugeinfed ganrif ydoedd.

Now, I do not know whether the report has taken Hugh Hudson Davies's definition of contemporary art, but it is absolutely clear and it is on paper that the arts council, the museum and the CVA agreed that the term 'contemporary art' included art produced in the twentieth century. That includes Picasso, Mondrian, Matisse and several others. So there was no change of policy, Madam Chair. To back that up, I can read you a press announcement that was issued by the CVA on 15 November 1999. That is when the centre was open.

'Enjoy Picasso, Edvard Munch, Jackson Pollock, Andy Warhol, Francis Bacon etc at the CVA.'

So I am afraid that I have to disagree with the report. There was no change of policy that would have affected the visitor numbers. I fully subscribe to Mr Cairns's view that we needed those big names to draw the figures that we were hoping to attract.

[248] **Alun Cairns:** Why then were we not able to deliver works of art from people such as Picasso at the centre?

Mr Jenkins: There was a minor exhibition—I would have to confess that it was a minor exhibition—in November 1999 that did feature some of these works. However, the mechanics of the arts world, Mr Cairns, are such that, to get a major exhibition of the work of these world-famous artists, it does need a two or three year lead-in time. You cannot, in fact, set one of those up very, very quickly. It is a matter of regret that the centre did not but, in the end, it was not open long enough in order to be able to set it up. To get these international travelling exhibitions, it does need two or three years lead-in time.

Yn awr, ni wn a yw'r adroddiad wedi cymryd diffiniad Hugh Hudson Davies o gelf gyfoes, ond mae'n gwbl glir ac mae ar ddu a gwyn fod cyngor y celfyddydau, yr amgueddfa a'r ganolfan wedi cytuno fod y term 'celf gyfoes' yn cynnwys celf a gynhyrchwyd yn yr ugeinfed ganrif. Mae hynny'n cynnwys Picasso, Mondrian, Matisse a sawl un arall. Felly nid oedd unrhyw newid polisi, Madam Cadeirydd. I ategu hynny, gallaf ddarllen datganiad i'r wasg ichi a gyhoeddwyd gan y ganolfan ar 15 Tachwedd 1999. Yr oedd y ganolfan yn agored bryd hynny.

'Mwynhewch Picasso, Edvard Munch, Jackson Pollock, Andy Warhol, Francis Bacon ac ati yng Nghanolfan y Celfyddydau Gweledol.'

Felly mae arnaf ofn fod yn rhaid imi anghytuno â'r adroddiad. Nid oedd dim newid polisi a fuasai wedi effeithio ar y niferoedd ymwelwyr. Cytunaf yn llwyr â barn Mr Cairns fod angen yr enwau mawr hynny i atynnu'r ffigurau yr oeddem yn gobeithio'u denu.

[248] **Alun Cairns:** Pam felly na lwyddwyd i sicrhau gweithiau celf gan bobl fel Picasso yn y ganolfan?

Mr Jenkins: Cafwyd arddangosfa fach—byddai'n rhaid imi gyfaddef mai arddangosfa fach oedd hi—ym mis Tachwedd 1999 a oedd yn cynnwys rhai o'r gweithiau hyn. Fodd bynnag, mae dull gweithredu'r byd celfyddydol, Mr Cairns, yn golygu bod angen cynllunio ddwy i dair blynedd ymlaen llaw i gael arddangosfa fawr o waith yr arlunwyr byd-enwog hyn. Ni ellir, mewn gwirionedd, sefydlu un o'r rheini'n gyflym iawn, iawn. Mater o ofid yw na wnaeth y ganolfan hynny ond, ar ddiwedd y dydd, ni fu'n agored yn ddigon hir i allu trefnu hynny. I gael yr arddangosfeydd teithiol rhyngwladol hyn, mae angen cynllunio ddwy i dair blynedd ymlaen llaw.

[249] **Alun Cairns:** Thank you. If I can turn back to the visitor numbers, I would like to turn to figure 7 on page 9 of the report, which shows the comparators used to forecast visitor numbers for the Centre for Visual Arts. They range from 600,000 to 40,000, from the Tate gallery to the Fruitmarket gallery in Edinburgh. Did the variance from 40,000 to 600,000, ever alert you to the intrinsic difficulty in forecasting visitor numbers with any degree of accuracy?

Mr Jenkins: Well, may I suggest that I think that Miss Weston has touched on this in a previous answer. It is extremely difficult to forecast. I will reiterate that you are looking at those comparators for 1991, whereas we were talking in 1995. Therefore, those comparators should not be taken in absolute terms but, yes, you are quite right, there is a huge variation. This is where the project went wrong. The report is correct in that instance and in that respect. It says that one of the main reasons was that it failed to attract the numbers that it hoped to.

[250] **Alun Cairns:** Did you ever feel, looking at that range from 40,000 to 600,000, that it might well come in at the lower end of the scale?

Mr Jenkins: I suppose, in the range of options, it could have come in at the top end of the scale as well, in the sense that we were going into uncharted territory and, as I said, all the marketing evidence that we were being presented suggested that not only was 250,000 achievable, it might even have been on the low side. It proved wrong, of course it proved wrong, but that was the evidence that we had to go on at the time.

[249] **Alun Cairns:** Diolch. Os caf droi'n ôl at y niferoedd ymwelwyr, hoffwn droi at ffigur 7 ar dudalen 9 yn yr adroddiad, sydd yn dangos y cymaryddion a ddefnyddiwyd i ragweld niferoedd ymwelwyr i Ganolfan y Celfyddydau Gweledol. Amrywiant o 600,000 i 40,000, o oriel y Tate i oriel y Fruitmarket yng Nghaeredin. A wnaeth yr amrywiad o 40,000 i 600,000 eich rhybuddio o gwbl am anhawster sylfaenol rhagweld niferoedd ymwelwyr gydag unrhyw radd o gywirdeb?

Mr Jenkins: Wel, a gaf fi awgrymu fy mod yn meddwl bod Miss Weston wedi cyffwrdd ar hyn mewn ateb blaenorol. Mae'n eithriadol o anodd rhagweld. Ailadroddaf eich bod yn edrych ar y cymaryddion hynny yn 1991, tra'r oeddem ni'n siarad yn 1995. Felly, ni ddylid cymryd y cymaryddion hynny mewn termau absoliwt ond, ie, yr ydych yn llygad eich lle, y mae amrywiad enfawr. Dyma lle'r aeth y prosiect o chwith. Mae'r adroddiad yn gywir yn yr achos hwnnw ac yn hynny o beth. Dywed mai un o'r prif resymau oedd iddi fethu denu'r niferoedd yr oedd wedi gobeithio'u denu.

[250] **Alun Cairns:** A wnaethoch deimlo erioed, wrth edrych ar yr amrediad hwnnw o 40,000 i 600,000, y gallai'n hawdd ddod i mewn ar ben isaf y raddfa?

Mr Jenkins: Am wn i, yn yr amrediad o opsiynau, fe allasai ddod i mewn ar ben uchaf y raddfa hefyd, yn yr ystyr ein bod yn mynd i dir newydd ac, fel y dywedais, yr oedd yr holl dystiolaeth marchnata a gyflwynid inni yn awgrymu nid yn unig y gellid cael 250,000, ond y gallasai hynny hyd yn oed fod ar yr ochr isel. Profodd yn anghywir, wrth gwrs y profodd yn anghywir, ond dyna'r dystiolaeth a oedd gennym i weithredu arni ar y pryd.

[251] **Alun Cairns:** Bearing in mind the answer that you have just given me, on what basis did you conclude that it was sensible to include as comparators those attractions which are integral parts of larger tourist attractions, such as—if we look at the Welsh options, keeping it local—the Royal Welch Fusiliers Regimental Museum at Caernarfon castle? In one of your early answers you said that Cardiff itself was an attraction, but is it not fair to analyse that Cardiff itself as a city was competition to the Centre for Visual Arts? If people came to Cardiff for the day, they would go to either or but, on the other hand, if someone went to Caernarfon castle, with the greatest respect to Caernarfon as a retail centre, that competition was not there between Caernarfon castle and the Royal Welch Fusiliers Regimental Museum.

Mr Jenkins: Well, I think you could stand the argument on its head, and say that, if Caernarfon can attract 200,000, then a wonderful, world-famous art gallery in the centre of Cardiff should be able to match it. I do not know about you, Mr Cairns, but one of the things I do not like doing is shopping with my wife, and therefore if I had gone into the centre of Cardiff, and this had been there, I would have been delighted to go around it. The point I am trying to make is that there is the possibility of a lot of casual visiting in the centre of Cardiff, which was not available in Caernarfon.

[252] **Alun Cairns:** On what basis would you make the statement that there was a lot of casual visiting?

[251] **Alun Cairns:** Yn wyneb yr ateb yr ydych newydd ei roi imi, ar ba sail y daethoch i'r casgliad ei bod yn ddoeth cynnwys i ddibenion cymharu yr atyniadau hynny sydd yn rhannau annatod o atyniadau mwy i ymwelwyr, megis—os edrychwn ar yr enghreifftiau yng Nghymru, a chadw pethau'n lleol—Amgueddfa Gatrodol y Ffiwsilwyr Cymreig Brenhinol yng nghastell Caernarfon? Yn un o'ch atebion cynnar dywedasoeh fod Caerdydd ei hun yn atyniad, ond onid yw'n deg dadansoddi fod Caerdydd ei hun fel dinas yn gystadleuaeth i Ganolfan y Celfyddydau Gweledol? Os deuai pobl i Gaerdydd am y dydd, fe aent i'r naill neu'r llall, ond, ar y llaw arall, os âi rhywun i gastell Caernarfon, gyda phob parch i Gaernarfon fel canolfan siopa, ni cheid y gystadleuaeth honno rhwng castell Caernarfon ac Amgueddfa Gatrodol y Ffiwsilwyr Cymreig Brenhinol.

Mr Jenkins: Wel, yr wyf yn meddwl y gallech sefyll y ddadl honno ar ei phen, a dweud os gall Caernarfon ddenu 200,000, yna dylai oriel gelf fendigedig, fyd-enwog yng nghanol Caerdydd allu gwneud yr un modd. Ni wn amdanoch chi, Mr Cairns, ond un o'r pethau nad yw'n dda gennyf eu gwneud yw siopa gyda fy ngwraig, ac felly pe bawn i wedi mynd i ganol Caerdydd, a bod hon yno, buaswn wrth fy modd yn mynd o'i chwmpas. Y pwynt yr wyf yn ceisio'i wneud yw bod posibilrwydd cael llawer o ymweliadau ar hap yng nghanol Caerdydd, nad oedd ar gael yng Nghaernarfon.

[252] **Alun Cairns:** Ar ba sail y gwnaech y gosodiad fod llawer o ymweld ar hap?

Mr Jenkins: I am not making the statement that there was a lot, I am saying that the potential for casual visiting was far greater in the centre of Cardiff than it would have been for the Royal Welch Fusiliers Regimental Museum. May I just add one further point? You say that it was not part of a greater whole, as it were, in the way that the fusiliers museum was in Caernarfon, but that was exactly the concept that we were working on—that Cardiff itself was an attraction. This was within 200 yards of the museum, but it was across the road from St David’s Hall, with all-day attractions. It was also complementary to the museum—that illustrates why we wanted the programme in the CVA to be complementary to the museum, because then people would go to both.

[253] **Alun Cairns:** Okay, thank you for the answer. Can I move to the sensitivity analysis? What can you tell me about the sensitivity analysis?

Mr Jenkins: May I transfer that across to Miss Weston?

Ms Weston: In the first estimate, the only sensitivity analysis that had been done was a 10 per cent variance. Hindsight tells us that it went wrong by more than 10 per cent, and I think that one of the lessons that we learnt very quickly was that, where things are untried, you do need to test variance and sensitivity to a greater extent. However, the fact is that the sensitivity analysis had been done, but it had been limited to a 10 per cent variation.

[254] **Alun Cairns:** Why was it limited to 10 per cent?

Mr Jenkins: Nid wyf yn gwneud y gosodiad fod yna lawer, dweud yr wyf fod y potensial ar gyfer ymweld ar hap yn llawer mwy yng nghanol Caerdydd nag y buasai i Amgueddfa Gatrodol y Ffiwsilwyr Cymreig Brenhinol. A gaf fi ychwanegu un pwynt arall? Dywedwch nad oedd yn rhan o gyfanrwydd mwy, fel petai, yn y ffordd yr oedd amgueddfa’r ffiwsilwyr yng Nghaernarfon, ond dyna’r union gysyniad yr oeddem yn gweithio arno—bod Caerdydd ei hun yn atyniad. Yr oedd hon o fewn 200 llath i’r amgueddfa, ond yr oedd dros y ffordd i Neuadd Dewi Sant, gydag atyniadau trwy’r dydd. Yr oedd hefyd yn ategol i’r amgueddfa—dyna pam yr oedd arnom eisiau i’r rhaglen yn y ganolfan fod yn ategol i’r amgueddfa, oherwydd wedyn byddai pobl yn mynd i’r ddwy.

[253] **Alun Cairns:** Iawn, diolch am yr ateb. A gaf fi symud ymlaen at y dadansoddiad sensitifrwydd? Beth allwch chi ei ddweud wrthyf am y dadansoddiad sensitifrwydd?

Mr Jenkins: A gaf fi drosglwyddo hynny drosodd i Miss Weston?

Ms Weston: Yn yr amcangyfrif cyntaf, yr unig ddadansoddiad sensitifrwydd a wnaethpwyd oedd amrywiad 10 y cant. Wrth edrych yn ôl gwelwn yr aeth o chwith fwy na 10 y cant, ac yr wyf yn meddwl mai un o’r gwersi a ddysgwyd gennym yn gyflym iawn oedd, lle bo pethau heb eu profi, y mae angen profi amrywiad a sensitifrwydd yn fwy trylwyr. Fodd bynnag, y ffaith yw fod y dadansoddiad sensitifrwydd wedi’i wneud, ond ei fod wedi’i gyfyngu i amrywiad o 10 y cant.

[254] **Alun Cairns:** Pam y’i cyfyngwyd i 10 y cant?

Ms Weston: I am guessing, because I did not write the estimate myself, but I think that it is fairly standard practice in doing sensitivity analysis to test the big numbers by a 10 per cent variation.

[255] **Alun Cairns:** Therefore, bearing in mind the variance of which we have spoken, of 600,000 to 40,000, was 10 per cent a sensible figure?

Ms Weston: The application was not trying to make a case for the CVA attracting an average of those different venues. That would be meaningless.

[256] **Alun Cairns:** I am not suggesting that either.

Ms Weston: Right.

[257] **Alun Cairns:** What I am saying is that, if we are using comparators which have an attraction potential of 40,000 right the way up to 600,000, is a sensitivity test of 10 per cent sensible?

Ms Weston: As I said, with hindsight, it could have been bigger but you must remember that those comparators were illustrations of other types of attractions and what was planned for the CVA at the time was that it was going to be unique and, particularly with its emphasis on hands-on facilities for children, we felt and the trust felt that it was going to be more akin to Techniquet than to a standard contemporary art gallery. That did not turn out to be the case but that was the aim and that is why the figure of 250,000 was arrived at through demographic analysis of the potential rather than by saying this is exactly like the Tate Modern, the Albert Dock or the Grassmarket in Edinburgh. It was unique. There are plenty of instances, including Techniquet, of unique ventures being very, very

Ms Weston: Yr wyf yn dyfalu, oherwydd nid ysgrifennais yr amcangyfrif fy hun, ond yr wyf yn meddwl ei bod yn arfer pur safonol wrth wneud dadansoddiad sensitifrwydd i brofi'r rhifau mawr yn ôl amrywiad o 10 y cant.

[255] **Alun Cairns:** Felly, o gofio'r amrywiad yr ydym wedi siarad amdano, sef 600,000 i 40,000, a oedd 10 y cant yn ffigur synhwyrol?

Ms Weston: Nid oedd y cais yn ceisio dadlau y byddai'r ganolfan yn denu cyfartaledd o ffigurau'r gwahanol ganolfannau hynny. Byddai hynny'n ddiystyr.

[256] **Alun Cairns:** Nid wyf finnau'n awgrymu hynny ychwaith.

Ms Weston: Iawn.

[257] **Alun Cairns:** Yr hyn yr wyf yn ei ddweud yw, os ydym yn defnyddio cymaryddion sydd â photensial i ddenu 40,000 yr holl ffordd i fyny i 600,000, a yw prawf sensitifrwydd o 10 y cant yn synhwyrol?

Ms Weston: Fel y dywedais, wrth edrych yn ôl, gallasai fod yn fwy, ond rhaid ichi gofio fod y cymaryddion hynny'n enghreifftiau o fathau eraill o atyniadau, ac mai'r bwriad ar gyfer y ganolfan ar y pryd oedd y byddai'n unigryw ac, yn enwedig gyda'i phwyslais ar gyfleusterau cyffwrdd i blant, ein teimlad ni a'r ymddiriedolaeth oedd y byddai ganddi fwy'n gyffredin â Techniquet nag ag oriel gelf gyfoes safonol. Nid felly y bu, ond dyna oedd y nod, a dyna pam y daethpwyd at y ffigur o 250,000 drwy ddadansoddiad demograffig o'r potensial yn hytrach na thrwy ddweud fod hon yn union yr un peth â'r Tate Modern, yr Albert Dock neu'r Grassmarket yng Nghaeredin. Yr oedd yn unigryw. Mae digonedd o enghreifftiau, gan gynnwys Techniquet, o fentrau unigryw'n

successful and, therefore, there was never any expectation that these were direct comparisons or models.

[258] **Alun Cairns:** Regarding this variance, was there an assessment in terms of the impact of the risk on the financial viability of the project?

Ms Weston: There was. It was limited to 10 per cent and then, over the three or four years when plans were developing, the business plan was revisited by the management consultants who were working for the CVA and revised downwards, as you know. At each step, that was matched by an increase in income because it was well recognised between all of the partners that if you charge more, you will get fewer visitors.

Mr Jenkins: Will you allow me to tail that off, Mr Cairns? You are quoting these figures as if they were part of the application; they were not. They were four-year-old figures that were not part of the application. They had been included in the feasibility study, but as a general illustration. Therefore, we had to go on demographic market research on the trust's estimate, which we saw at that time, and the advice that we had was that the figure of 250,000 was achievable. We went on the information that we were given by the trust in the application, not in the feasibility study.

[259] **Alun Cairns:** Working on those demographics that you have just highlighted, how did the arts council view comparisons with other attractions in the centre of Cardiff, such as the Oriel gallery and the Cardiff Old Library building itself, neither of which attracted more than around 70,000 visitors a year? There is a significant increase from 70,000 to 250,000.

profi'n llwyddiannus iawn, iawn, ac felly nid oedd unrhyw ddisgwyliad erioed y byddai'r rhain yn fodelau neu'n gymariaethau uniongyrchol.

[258] **Alun Cairns:** O ran yr amrywiad hwn, a wnaed asesiad yn nhermau effaith y risg ar ymarferoldeb ariannol y prosiect?

Ms Weston: Do. Fe'i cyfyngwyd i 10 y cant ac wedyn, dros y tair neu bedair blynedd pan oedd y cynlluniau'n datblygu, ailedrychwyd ar y cynllun busnes gan yr ymgynghorwyr rheoli a weithiai i'r ganolfan a'i ddiwygio tuag i lawr, fel y gwyddoch. Ar bob cam, codwyd yr incwm i gyfateb i hynny oherwydd yr oedd y partneriaid i gyd yn sylweddoli os codwch dâl uwch, y cewch lai o ymwelwyr.

Mr Jenkins: A ganiatewch imi ychwanegu ar gwt hynny, Mr Cairns? Yr ydych yn dyfynnu'r ffigurau hyn fel pe baent yn rhan o'r cais; nid felly. Ffigurau pedair blwydd oed oeddent, nad oedd yn rhan o'r cais. Yr oeddent wedi'u cynnwys yn yr astudiaeth ymarferoldeb, ond fel enghraifft gyffredinol. Felly, yr oedd yn rhaid inni ddibynnu ar ymchwil marchnad ddemograffig ar amcangyfrif yr ymddiriedolaeth, a welsom ni bryd hynny, a'r cyngor a gawsom oedd y gellid cyrraedd y ffigur o 250,000. Bu inni weithredu ar y wybodaeth a roddwyd inni gan yr ymddiriedolaeth yn y cais, nid yn yr astudiaeth ymarferoldeb.

[259] **Alun Cairns:** A gweithio ar y ddemograffeg honno yr ydych newydd ei thanlinellu, sut yr edrychodd cyngor y celfyddydau ar gymariaethau ag atyniadau eraill yng nghanol Caerdydd, megis yr Oriel ac adeilad Hen Lyfrgell Caerdydd ei hun, nad oedd y naill na'r llall wedi derbyn mwy na rhyw 70,000 o ymwelwyr y flwyddyn? Mae cryn gynnydd o 70,000 i 250,000.

Mr Jenkins: If I may say, I think we may have touched on the Oriel gallery comparison. The Oriel gallery is not comparable—or was not; I am afraid that it is now closed. The Oriel gallery was a very, very small gallery. The whole exhibition space was, I would guess, about the size of this room. Therefore, one could argue, if a space the size of this room can attract 50,000 visitors then 250,000 for a huge building like the CVA was a distinct possibility. However, that is another matter. One could argue that. In terms of the 71,000 visitors to the Old Library, this was very much an effort that was being put together by a group of artists who were not working as a trust and who were putting on shows of their own work. It is remarkable that they were able to attract 71,000 visitors and they are to be congratulated on that. However, it was not a direct comparator at all with the CVA and the operation that we envisaged in the centre.

[260] **Alun Cairns:** Thank you. What can you tell me about the impact of charging? Were you aware of the experience of the National Museum of Wales where, upon introducing entrance fees in 1988, it experienced a 65 per cent fall in visitors?

Mr Jenkins: Yes, we were very conscious of the impact of charging and are delighted that now, in 2000-01, the charges for going into the national museum have been lifted. However, at the time, the national museum was charging to go in. Therefore, the comparators that I mentioned to you were there after the charges had been imposed. Yes, there had been a reduction whenever the charges came in. However, the national museum, in the year that we were considering this application, was attracting 245,000 visitors. There was also a charge for going into St Fagans, and in the year that we were considering here, there were over 400,000

Mr Jenkins: Os caf ddweud, yr wyf yn meddwl efallai ein bod wedi crybwyll y gymhariaeth â'r Oriel. Ni ellir cymharu'r Oriel—neu ni ellid; mae arnaf ofn ei bod wedi cau bellach. Oriel fechan iawn, iawn oedd yr Oriel. Yr oedd y cyfan o'r lle arddangos, mi dybiwn i, oddeutu maint yr ystafell hon. Felly, gellid dadlau, os gall lle o faint yr ystafell hon ddenu 50,000 o ymwelwyr yna yr oedd 250,000 i adeilad enfawr fel y ganolfan yn bosibilrwydd clir. Fodd bynnag, mater arall yw hwnnw. Gellid dadlau hynny. Yn nhermau'r 71,000 o ymwelwyr i'r Hen Lyfrgell, yr oedd hyn i raddau helaeth iawn yn gydymdrech gan griw o artistiaid nad oedd yn gweithio fel ymddiriedolaeth ac a oedd yn arddangos eu gwaith eu hunain. Mae'n hynod iddynt lwyddo i ddenu 71,000 o ymwelwyr a rhaid eu llongyfarch ar hynny. Fodd bynnag, nid oedd yn gystadleuydd uniongyrchol o gwbl â'r ganolfan a'r gweithgaredd yr oeddem ni'n ei ragweld yn y ganolfan.

[260] **Alun Cairns:** Diolch. Beth allwch chi ei ddweud wrthyf am effaith codi tâl? A oeddech yn ymwybodol o brofiad Amgueddfa Genedlaethol Cymru lle, pan gyflwynwyd tâl mynediad yn 1988, cafwyd cwmp o 65 y cant yn niferoedd ymwelwyr?

Mr Jenkins: Oeddem, yr oeddem yn ymwybodol iawn o effaith codi tâl ac yr ydym wrth ein boddau yn awr, yn 2000-01, fod y taliadau am fynd i mewn i'r amgueddfa genedlaethol wedi'u dileu. Fodd bynnag, ar y pryd, yr oedd yr amgueddfa genedlaethol yn codi tâl mynediad. Felly, yr oedd y cymaryddion a grybwyllais wrthyf yno wedi i'r taliadau gael eu gosod. Oedd, yr oedd niferoedd wedi disgyn pryd bynnag y cyflwynwyd taliadau. Fodd bynnag, yr oedd yr amgueddfa genedlaethol, yn y flwyddyn yr oeddem ni'n ystyried y cais hwn, yn denu 245,000 o ymwelwyr. Codid tâl hefyd am fynd i mewn i Sain Ffagan, ac yn y flwyddyn yr

people going into St Fagans. So, yes, the charging did have an effect, and of course it would have been easier to have achieved 250,000 in the CVA if there was no charge, but that was not part of the business case.

[261] **Alun Cairns:** I appreciate that, but is the common sense approach not that if there are going to be charges, then those comparators should be excluded from your analysis? When Miss Weston earlier mentioned the lottery granted support projects like the Tate gallery, which had been enormously successful and had overshot the projected figures that were given at the time of the project, with the greatest respect, that was free. Bearing in mind the charging here, I cannot reconcile your comments with a common sense analysis in terms of the visitor projections.

Mr Jenkins: May I just say that the comparators that I have used this afternoon were comparators where there was charging. These comparators were part, again, of the feasibility study, not of the application. Therefore, we were not considering the feasibility study; we were considering the application that came before us in January 1995. I have tried to meet your point, because it is a valid point, by comparing like with like—in the sense that they were all being charged—in terms of St Fagans and the national museum. Those are the only comparators that I have used.

ydym ni'n ei hystyried yma, aeth dros 400,000 o bobl i mewn i Sain Ffagan. Felly, do, fe gafodd y taliadau effaith, ac wrth gwrs buasai'n haws cyrraedd 250,000 yn y ganolfan pe na chodid tâl, ond nid oedd hynny'n rhan o'r achos busnes.

[261] **Alun Cairns:** Yr wyf yn sylweddoli hynny, ond onid yr ymagwedd synnwyr cyffredin yw os am godi tâl, yna na ddylid cynnwys y cymaryddion hynny yn eich dadansoddiad? Pan soniodd Miss Weston yn gynharach am y prosiectau a gâi gymorth grant loteri, fel oriel y Tate, a fu'n hynod lwyddiannus ac a aethai dros y ffigurau disgwylidiedig a roesid ar adeg y prosiect, gyda phob parch, yr oedd mynediad i honno am ddim. Gan fod codi tâl yn y fan yma, ni allaf gysoni'ch sylwadau gyda dadansoddiad synnwyr cyffredin yn nhermau'r rhagolygon ymwelwyr.

Mr Jenkins: A gaf i ddweud yn syml mai cymaryddion lle codid tâl oedd y cymaryddion a ddefnyddiais i y prynhawn yma. Eto, rhan o'r astudiaeth ymarferoldeb, nid o'r cais, oedd y cymaryddion hyn. Felly, nid oeddem ni'n ystyried yr astudiaeth ymarferoldeb; yr oeddem yn ystyried y cais a ddaeth ger ein bron yn Ionawr 1995. Yr wyf wedi ceisio ateb eich pwynt, oherwydd y mae'n bwynt dilys, drwy gymharu tebyg wrth ei debyg—yn yr ystyr y codid tâl ym mhob un—yn nhermau Sain Ffagan a'r amgueddfa genedlaethol. Dyna'r unig gymaryddion yr wyf fi wedi'u defnyddio.

Sir Richard Lloyd Jones: I think that the impact of charging had a considerable impact on the management of the national museum. I am right out of my ground here, but I do remember that, after charging was introduced, the then directors of the museum spent a great deal of time reshaping the museum and marketing it. That is why I am sure that those visitor numbers that Mr Jenkins quoted earlier went up. So you are dealing with a dynamic situation, I think.

[262] **Janet Davies:** Thank you, Sir Richard. Eleanor, you wanted to look at the research of the local market?

[263] **Eleanor Burnham:** Yes, I will try to be brief, because I know it is going on a bit. Paragraph 2.16 on page 11 of the Auditor General's report lists a number of assumptions on which the potential visitor market was based. What was the basis of these assumptions, and how sure was the council that they were sound? That could be directed to both Mr Jenkins and Ms Weston.

Ms Weston: I am sorry, you were asking what was the basis of the—?

[264] **Eleanor Burnham:** The assumptions.

Ms Weston: I do not have access—

[265] **Eleanor Burnham:** For the potential visitor market.

Ms Weston: Do you mean of it going up, or the original numbers that were estimated?

[266] **Eleanor Burnham:** How did you research the potential visitor market, and on what was that research based?

Syr Richard Lloyd Jones: Yr wyf yn meddwl fod codi tâl wedi cael effaith sylweddol ar reolaeth yr amgueddfa genedlaethol. Yr wyf y tu allan i'm maes yn y fan hon, ond yr wyf yn cofio, ar ôl i daliadau gael eu cyflwyno, fod cyfarwyddwyr yr amgueddfa ar y pryd wedi treulio llawer iawn o amser yn ailwampio'r amgueddfa ac yn ei marchnata. Dyna pam mae'n siwr gennyf fi y cynyddodd y niferoedd ymwelwyr hynny a ddyfynnwyd gan Mr Jenkins yn gynharach. Felly yr ydych yn delio â sefyllfa ddeinamig, yr wyf yn meddwl.

[262] **Janet Davies:** Diolch, Syr Richard. Eleanor, yr oedd arnoch eisiau edrych ar yr ymchwil i'r farchnad leol?

[263] **Eleanor Burnham:** Oedd, mi geisiaf fod yn fyr, oherwydd gwn fod hyn yn rhygnu ymlaen braidd. Mae paragraff 2.16 ar dudalen 11 yn adroddiad yr Archwilydd Cyffredinol yn rhestru nifer o ragdybiaethau y seiliwyd y ddarpar farchnad ymwelwyr arnynt. Beth oedd sail y rhagdybiaethau hyn, a pha mor sicr oedd y cyngor eu bod yn gadarn? Gellid cyfeirio hynny at Mr Jenkins a Ms Weston ill dau.

Ms Weston: Mae'n ddrwg gennyf, yr oeddech yn holi beth oedd sail y—?

[264] **Eleanor Burnham:** Y rhagdybiaethau.

Ms Weston: Nid wyf yn gallu—

[265] **Eleanor Burnham:** O ran y ddarpar farchnad ymwelwyr.

Ms Weston: A ydych yn golygu cynnydd ynddi, ynteu'r niferoedd gwreiddiol a amcangyfrifwyd?

[266] **Eleanor Burnham:** Sut y gwnaethoch ymchwilio i'r ddarpar farchnad ymwelwyr, ac ar beth y seiliwyd yr ymchwil honno?

Ms Weston: We did not research it directly ourselves. We are not a market research—sorry, when I say ‘we’, I mean that the arts council did not research it directly itself. That is why the arts council employed external assessors with various specialisms. The arts council did, during the time that I was there, employ a marketing expert, and the CVA’s marketing plans, together with its reassessment, including its reassessment of visitor numbers, was examined in very close detail by that particular officer of the arts council. However, she would have been looking at work that had already been done and checking from her professional knowledge of market research that the assumptions that had been made were correct. It is not my speciality. I cannot take you any further than that, I am sorry.

[267] **Eleanor Burnham:** Okay. We notice that the assessment of the local market did not involve any surveys of people living within or visiting the catchment area, to get a more informed view of the local population’s propensity to visit, which you discussed earlier. Apparently, neither did it address the question of how much people might be prepared to pay. Do you now consider those to be fundamental weaknesses in that survey?

Ms Weston: Ni wnaethom ymchwilio iddi’n uniongyrchol ein hunain. Nid cwmni ymchwil marchnad—mae’n flin gennyf, pan ddywedaf ‘ni wnaethom’, yr hyn a olygaf yw na wnaeth cyngor y celfyddydau ei hun ymchwilio’n uniongyrchol iddi. Dyna pam y cyflogodd cyngor y celfyddydau aseswyr allanol gydag amrywiol arbenigeddau. Fe fu i gyngor y celfyddydau, yn ystod fy amser yno, gyflogi arbenigwr marchnata, ac archwiliwyd cynlluniau marchnata’r ganolfan, ynghyd â’i ailasesiad, gan gynnwys ei ailasesiad o niferoedd ymwelwyr, yn fanwl iawn gan y swyddog arbennig honno yng nghyngor y celfyddydau. Fodd bynnag, buasai’n edrych ar waith a oedd eisoes wedi’i wneud ac yn gwirio ar sail ei gwybodaeth broffesiynol am ymchwil marchnad fod y rhagdybiaethau a wnaethpwyd yn gywir. Nid fy arbenigedd i yw hyn. Ni allaf fynd â chi ymhellach na hynny, mae’n ddrwg gennyf.

[267] **Eleanor Burnham:** Iawn. Sylwn nad oedd yr asesiad o’r farchnad leol yn cynnwys unrhyw arolygon o bobl yn byw o fewn y dalgylch neu’n ymweld â’r dalgylch, i gael barn fwy gwybodus am duedd y boblogaeth leol i ymweld, a drafodwyd gennych yn gynharach. Nid aeth i’r afael ychwaith, yn ôl pob tebyg, â chwestiwn faint y byddai pobl yn fodlon ei dalu. A ydych bellach yn ystyried fod y rheini’n wendidau sylfaenol yn yr arolwg hwnnw?

Ms Weston: Not really, because the point of the survey, which was commissioned by the CVA from Cardiff Arts Marketing, was attitudinal research. It was to look at how people felt about the building itself, about the planned use and so on. It was not designed to assess the market. The sample that it took was much too small to do that. It was qualitative research—like a focus group, but more so—to find out directly from people what their attitudes were. So I would not have thought that that ought to impact on the projected visitor numbers.

One of the assessor's reports on the whole marketing plan remarked that that attitudinal research had thrown up some very useful points for the CVA and shown an encouraging—I cannot remember the exact words used—it was encouraged by the attitude to what was planned to happen in the building. Therefore, I do not think that the two are directly comparable.

Sorry, you asked about charging as well. You are right that it did not address charging, but the places that were mentioned in the research, apart from shops, were all charging at the time. So you could say that you could take that as read.

[268] **Eleanor Burnham:** I do not know whether Mr Jenkins has anything else to add?

Mr Jenkins: I do not have anything to add to that.

[269] **Eleanor Burnham:** Okay. In light of the concerns raised and the questions that I have just asked, do you feel that there was sufficient guidance and experience available to the Arts Council of Wales to deal with an application of this magnitude?

Ms Weston: Ddim mewn gwirionedd, oherwydd ymchwil i agweddau oedd pwynt yr arolwg, a gomisiynwyd gan y ganolfan o gwmmi Marchnata Celfyddydau Caerdydd. Yr oedd i edrych ar sut y teimlai pobl am yr adeilad ei hun, am y defnydd arfaethedig ac ati. Nid oedd wedi'i fwriadu i asesu'r farchnad. Yr oedd y sampl a gymerodd yn llawer rhy fach i wneud hynny. Ymchwil ansoddol ydoedd—fel grwp ffocws, ond yn fwy felly—i ganfod yn uniongyrchol gan bobl beth oedd eu hagweddau. Felly ni fuaswn wedi meddwl y dylasai hynny effeithio ar y niferoedd ymwelwyr a ragwelid.

Yn ôl un o adroddiadau'r asesydd ar y cynllun marchnata yn ei gyfanrwydd, yr oedd yr ymchwil agweddol hwnnw wedi codi ambell bwynt defnyddiol iawn i'r ganolfan ac wedi bod yn galonogol—ni allaf gofio'r union eiriau a ddefnyddiwyd—yr oedd wedi'i galonogi gan yr agwedd tuag at yr hyn oedd ar y gweill yn yr adeilad. Felly, nid wyf yn meddwl y gellir cymharu'r ddau'n uniongyrchol.

Mae'n ddrwg gennyf, holasoch ynghylch codi tâl hefyd. Yr ydych yn iawn nad aethpwyd i'r afael â chodi tâl, ond yr oedd y lleoedd a grybwyllwyd yn yr ymchwil, ar wahân i siopau, i gyd yn codi tâl ar y pryd. Felly gallech ddweud y gellid cymryd hynny'n ganiataol.

[268] **Eleanor Burnham:** Ni wn a oes gan Mr Jenkins unrhyw beth arall i'w ychwanegu?

Mr Jenkins: Nid oes gennyf ddim i'w ychwanegu at hynny.

[269] **Eleanor Burnham:** Iawn. Yn wyneb y pryderon a leisiwyd a'r cwestiynau yr wyf newydd eu gofyn, a ydych yn teimlo bod digon o arweiniad a phrofiad ar gael i Gyngor Celfyddydau Cymru ar y pryd i ddelio â chais o'r maint hwn?

Ms Weston: We all know that, now, the application would not have been dealt with at that stage. We moved very quickly after the first few rounds of lottery funding. I am sorry to come back to the report, but it does, on first reading to somebody who does not know the details, give the impression that these improvements in the process have been made lately. In fact, the key improvements that have been made to the lottery application system—that is, the three-stage application process of feasibility, then development, then full application, and the monthly monitoring and the withholding of payments if the arts council did not get the information it needed—were already in place while Richard Lloyd Jones was chairman, Emyr Jenkins was chief executive and I was lottery director. We put those in place because we could see, from this application and from a few others, that we were just going too fast, along with all the other lottery distributors. We were moving at exactly the same pace, in responding to guidance from the Department of National Heritage and from the NAO, and revising our systems, and that happened very quickly. So, no, I am not saying that the system with the CVA was perfect, but I would say that we handled a difficult situation. By the end of the capital project, we had come back to what was almost as if we had gone through that three-stage process.

[270] **Eleanor Burnham:** I am quite new to the whole scenario because I am not a regular member of this Committee. I am just concerned really. Perhaps it makes it even more of a failure if you say that those procedures were already in motion. I assumed from what we have heard that the three-stage procedure was fairly new—

Ms Weston: Gwyddom i gyd na fuasid bellach wedi delio â'r cais bryd hynny. Symudasom yn gyflym iawn ar ôl yr ychydig gylchoedd cyntaf o ddyrannu arian loteri. Mae'n ddrwg gennyf ddod yn ôl at yr adroddiad, ond y mae, ar y darlleniad cyntaf i rywun nad yw'n gwybod y manylion, yn rhoi'r argraff bod y gwelliannau hyn yn y broses wedi'u gwneud yn ddiweddar. Mewn gwirionedd, yr oedd y gwelliannau allweddol sydd wedi'u gwneud i'r system geisiadau loteri—hynny yw, proses y cais tri cham sef astudiaeth ymarferoldeb, wedyn datblygu, wedyn cais llawn, a'r monitro misol a chadw taliadau'n ôl os na châi cyngor y celfyddydau y wybodaeth yr oedd arno'i angen—eisoes wedi digwydd tra'r oedd Richard Lloyd Jones yn gadeirydd, Emyr Jenkins yn brif weithredwr a minnau'n gyfarwyddwr loteri. Gwnaethom y gwelliannau hynny oherwydd y gallem weld, o'r cais hwn ac ychydig o rai eraill, ein bod yn mynd yn rhy gyflym, fel y dosbarthwyr loteri eraill i gyd. Yr oeddem i gyd yn symud ar yr un cyflymdra'n union, wrth ymateb i ganllawiau gan yr Adran Dreftadaeth Genedlaethol a'r Swyddfa Archwilio Genedlaethol, a diwygio'n systemau, a digwyddodd hynny'n gyflym iawn. Felly, na, nid wyf yn dweud bod y system gyda'r ganolfan yn berffaith, ond buaswn yn dweud ein bod wedi trin sefyllfa anodd. Erbyn diwedd y prosiect cyfalaf, yr oeddem wedi dod yn ôl at rywbeth a oedd bron fel pe baem wedi mynd drwy'r broses dri cham honno.

[270] **Eleanor Burnham:** Yr wyf fi'n eithaf newydd i'r holl beth oherwydd nid wyf yn aelod rheolaidd o'r Pwyllgor hwn. Dim ond pryderu yr wyf, mewn gwirionedd. Efallai ei fod yn ei wneud yn fwy o fethiant fyth os dywedwch chi fod y gweithdrefnau hynny eisoes yn eu lle. Yr oeddwn i wedi tybio o'r hyn a glywsom fod y drefn dri cham yn weddol newydd—

Ms Weston: I am sorry, I did not explain it. Could I just correct that? I am saying that it was not in place at the point where we made the first grant to the CVA. We are clear on that. However, it was put in place very quickly after the first few rounds of lottery funding, in about 1997.

[271] **Eleanor Burnham:** We are talking about huge amounts of money. I have a note here: £1.5 million and £550,000 respectively; £723,000 was approved in March 1997 and £550,000 in 1998. These are just mind-boggling figures for somebody like me because, during this time, the projection for visitors kept falling.

Ms Weston: It was revised in line with the difficulties in balancing the budget and the acknowledgement that, if you charged more in order to raise the income, then you would attract fewer people. There is one external factor that we have not mentioned yet, and that is the intention that was announced by the Government both in Westminster and here to remove admission charges to museums and galleries. Of course, in general terms, everybody in the arts council welcomed that very much, but it did cause consternation relating to the CVA and it was one of the factors that was taken into account when the CVA did its last revision of projected visitor numbers down to 182,000.

[272] **Eleanor Burnham:** I will address Mr Jenkins with the next question. At key stages in the project, the projected number of visitors was reduced from 282,000 progressively to 182,000. Why was there no corresponding reduction in the forecast admission income and why did you not raise this with the trust or even require a reduced forecast of revenues to be reflected in a revised business plan?

Ms Weston: Mae'n ddrwg gennyf, nid esboniais y peth. A gaf fi gywiro hynny? Dweud yr wyf nad oedd yn ei le ar y pwynt pryd y rhoesom y grant cyntaf i'r ganolfan. Yr ydym yn glir ar hynny. Fodd bynnag, fe'i sefydlwyd yn fuan iawn ar ôl yr ychydig gylchoedd cyntaf o ddyrannu arian loteri, oddeutu 1997.

[271] **Eleanor Burnham:** Yr ydym yn sôn am symiau anferth o arian. Mae gennyf nodyn yn y fan yma: £1.5 miliwn a £550,000 yn eu trefn; cymeradwywyd £723,000 ym Mawrth 1997 a £550,000 yn 1998. Mae'r rheini'n ffigurau anhygoel i rywun fel fi, oherwydd, yn ystod yr amser hwn, dal i gwympto wnâi'r rhagolwg ymwelwyr.

Ms Weston: Fe'i diwygiwyd yn unol â'r anawsterau i fantoli'r gyllideb a chan gydnabod, pe codid tâl uwch er mwyn cynyddu'r incwm, yna y denid llai o bobl. Mae un ffactor allanol nad ydym wedi ei grybwyll eto, sef y bwriad a gyhoeddwyd gan y Llywodraeth yn San Steffan ac yma i ddileu taliadau mynediad i amgueddfeydd ac orielau. Wrth gwrs, mewn termau cyffredinol, croesawyd hynny'n fawr iawn gan bawb yng nghyngor y celfyddydau, ond fe achosodd bryder ynghylch y ganolfan ac yr oedd yn un o'r ffactorau a gymerwyd i ystyriaeth pan addasodd y ganolfan ei rhagolygon niferoedd ymwelwyr am y tro olaf i lawr i 182,000.

[272] **Eleanor Burnham:** Cyfeiriaf y cwestiwn nesaf at Mr Jenkins. Ar gamau allweddol yn y prosiect, lleihawyd y nifer o ymwelwyr a ragwelid o 282,000 fesul tipyn i 182,000. Pam na fu lleihad cyfatebol yn yr incwm mynediad a ragwelid a pham na chodasoch hyn gyda'r ymddiriedolaeth neu hyd yn oed fynnu bod rhagolwg refeniw llai'n cael ei adlewyrchu mewn cynllun busnes diwygiedig?

Mr Jenkins: Can I first of all dispute the start point on that? I think that I have said that we were not considering the feasibility study at the time, therefore the 282,000 is not part of our discussion at all. Our base point was the 250,000 that was coming through when the first application came to us, and therefore, forgive me, but I do believe that the table shows minus 11 per cent. I do not think that you can start any baseline at minus 11 per cent as shown in figure 9. Really, our start point was that first lottery application in January 1995 which said 252,000. Therefore, it follows from that that the first intimation that we got that the visitor figures were going down was the second lottery application, where you see the figure 205,000. The business case took this into account. We have documentary evidence that the business case was taken into account. The entrance fee went up to balance the figures coming down, and at no stage were we given to understand that the business plan, the income and expenditure of the CVA was not covered and gave us a balanced budget. As you say, as the figures came down—although I would dispute the start point—there is no denying that they came down in the next two applications, but the income was going up because the entrance fee was going up. Which is cause and which is effect, I am not sure, I cannot tell you. Whether the entrance fee was going up and therefore the visitor numbers were coming down, or was it because the visitor numbers were coming down that it had to raise the entrance fee, I do not know.

[273] **Alun Cairns:** Cadeirydd, could I come in with one very small supplementary?

[274] **Janet Davies:** Very quickly.

Mr Jenkins: A gaf fi yn gyntaf herio'r man cychwyn ar hynny? Yr wyf yn meddwl fy mod wedi dweud nad oeddem yn ystyried yr astudiaeth ymarferoldeb ar y pryd, felly nid yw'r 282,000 yn rhan o'n trafodaeth ni o gwbl. Ein pwynt gwaelodol ni oedd y 250,000 a ddaeth drwodd pan ddaeth y cais cyntaf atom, ac felly, maddeuwch imi, ond yr wyf yn credu fod y tabl yn dangos minws 11 y cant. Nid wyf yn meddwl y gallwch ddechrau unrhyw linell waelod ar finws 11 y cant fel a ddangosir yn ffigur 9. Mewn gwirionedd, ein man cychwyn ni oedd y cais loteri cyntaf hwnnw yn Ionawr 1995 a ddywedodd 252,000. Felly, mae'n dilyn o hynny mai'r arwydd cyntaf a gawsom ni fod y ffigurau ymwelwyr yn mynd i lawr oedd yr ail gais loteri, lle gwelwch y ffigur 205,000. Cymerwyd hyn i ystyriaeth yn yr achos busnes. Mae gennym dystiolaeth ddogfennol y cymerwyd yr achos busnes i ystyriaeth. Aeth y tâl mynediad i fyny i fantoli'r ffigurau a oedd yn dod i lawr, ac ni roddwyd ar ddeall inni ar unrhyw adeg nad oedd y cynllun busnes, incwm a gwariant y ganolfan, wedi'i ofalu amdano ac yn rhoi cyllideb gytbwyr inni. Fel y dywedwch, wrth i'r ffigurau ddod i lawr—er y byddwn i'n herio'r man cychwyn—nid oes gwadu y daethant i lawr yn y ddau gais nesaf, ond yr oedd yr incwm yn mynd i fyny am fod y tâl mynediad yn mynd i fyny. Pa un yw'r achos a pha un yw'r effaith, nid wyf yn siwr, ni allaf ddweud wrthyich. Ai y tâl mynediad oedd yn mynd i fyny ac felly bod y niferoedd ymwelwyr yn dod i lawr, ai oherwydd bod y niferoedd ymwelwyr yn dod i lawr yr oedd yn rhaid cynyddu'r tâl mynediad, ni wn.

[273] **Alun Cairns:** Gadeirydd, a gaf fi ddod i mewn ag un cwestiwn atodol bach iawn?

[274] **Janet Davies:** Yn sydyn iawn.

[275] **Alun Cairns:** Bearing in the mind the record of the applicant for support then—it projected at the outset, say, 252,000, and then it fell down to 182,000 by the third application—at the second and third application, did you ever consider the feasibility of it actually achieving those figures, bearing in mind its record, and did you not want to test its projections at that time?

Mr Jenkins: I am afraid I can only answer for the second application. Perhaps Jo would like to come in on the whole question.

Ms Weston: On the third application, we were getting close to the point where the centre was close to opening but had not yet opened. The marketing plan was assessed by the arts council's marketing officer, who is an expert in market research and projecting visitor numbers, and so it was flagged up in the assessor's report that we should assess the revised visitor numbers, and we did that with our own staff. Also, as I have already mentioned, the CVA itself reappointed Deloitte and Touche to look at the whole business plan. Therefore, we were challenging the revised figures at every stage, and we were using a combination of external assessors and our own staff throughout the whole process. There was monthly monitoring going on, there was monitoring of the whole marketing plan. One of the things that this report misses altogether is the fact that the arts council as an organisation includes the lottery department, or whatever, but it also includes the art form department and the access division, as they are known. Those divisions have experts in their own right—one is in marketing, and one is in visual arts—and those people were monitoring the marketing side and the visual arts programme as well. Therefore, there was a very, very active relationship of monitoring and challenge going on, and we were reassured at key stages, right up until the

[275] **Alun Cairns:** O gofio record yr ymgeisydd am gymorth bryd hynny—rhagwelodd ar y dechrau, dyweder, 252,000, ac wedyn cwmpodd i lawr i 182,000 erbyn y trydydd cais—ar yr ail a'r trydydd cais, a fu ichi ystyried erioed pa mor ymarferol ydoedd y byddai byth yn cyrraedd y ffigurau hynny mewn gwirionedd, o gofio'i record, ac onid oeddech yn awyddus i brofi'i ragolygon bryd hynny?

Mr Jenkins: Mae arnaf ofn na allaf ond ateb dros yr ail gais. Efallai yr hoffai Jo ddod i mewn ar y cwestiwn cyfan.

Ms Weston: Ar y trydydd cais, yr oeddem yn nesáu at y pwynt lle'r oedd y ganolfan yn agos at agor ond nad oedd eto wedi agor. Aseswyd y cynllun marchnata gan swyddog marchnata cyngor y celfyddydau, sydd yn arbenigwr mewn ymchwil marchnad a rhagweld niferoedd ymwelwyr, felly tanlinellwyd yn adroddiad yr asesydd y dylem asesu'r niferoedd ymwelwyr diwygiedig, a gwnaethom hynny gyda'n staff ein hunain. Hefyd, fel y crybwyllais eisoes, ailbenododd y ganolfan ei hun Deloitte and Touche i edrych ar y cynllun busnes yn ei gyfanrwydd. Felly, yr oeddem yn herio'r ffigurau diwygiedig ar bob cam, ac yr oeddem yn defnyddio cyfuniad o aseswyr allanol a'n staff ein hunain drwy gydol y broses. Yr oedd monitro misol yn digwydd, yr oedd monitro ar y cynllun marchnata cyfan. Un o'r pethau y mae'r adroddiad hwn yn ei golli'n llwyr yw'r ffaith fod cyngor y celfyddydau fel corff yn cynnwys adran y loteri, neu beth bynnag, ond ei fod hefyd yn cynnwys yr adran ffurfiau celf a'r adran fynediad, fel y'u hadwaenir. Mae gan yr adrannau hynny arbenigwyr—mae un ym maes marchnata, a'r llall yn y celfyddydau gweledol—ac yr oedd y bobl hynny'n monitro'r ochr farchnata a'r rhaglen gelfyddydau gweledol hefyd. Felly, yr oedd perthynas weithredol iawn, iawn o fonitro a herio yn mynd rhagddi, ac yr

building opened, and then we could see—everybody could see—because there was no way of testing it before that.

[276] **Eleanor Burnham:** My penultimate question is to Ms Weston, Mr Edge and Mr Jenkins—whoever wants to answer. In response to the third application, the project monitor reported in March 1998 that the application still had to be assessed against such criteria as the long-term effect of the organisation's financial stability, the amount of partnership funding and the quality of design and construction. With concerns as serious as the financial stability of the project, was it prudent to recommend the third award?

Mr Jenkins: Can I hand this over to Mr Edge? That was after my retirement, I am afraid.

Mr Edge: I suggest that this, I am afraid, seems to be a misinterpretation of what the project assessor was asked to do at the third stage. The third grant was a grant that was made as a response to an application for equipment and fit-out of the building. The assessment that was made was made by an architect who had been following the project through; he had been the external project monitor throughout. He may have been under the impression that other people were going to look afresh at other parts of the business plan, or whatever, because we were using standard forms. However, at that stage, the refurbishment work had already started, the builders were on site and the application was just concerned with the equipment and fit-out.

oeddem yn cael sicrwydd ar gamau allweddol, hyd at agoriad yr adeilad, ac wedyn gallem weld—gallai pawb weld—oherwydd nid oedd unrhyw ffordd o'i brofi cyn hynny.

[276] **Eleanor Burnham:** Mae fy nghwestiwn olaf ond un i Ms Weston, Mr Edge a Mr Jenkins—pwy bynnag sydd eisiau ateb. Mewn ymateb i'r trydydd cais, adroddodd monitor y prosiect ym Mawrth 1998 fod y cais yn dal heb ei asesu yn erbyn meini prawf megis effaith hirdymor sefydlogrwydd ariannol y sefydliad, swm yr arian partneriaeth ac ansawdd y gwaith dylunio ac adeiladu. Gyda phryderon mor ddifrifol â sefydlogrwydd ariannol y prosiect, a oedd argymell y trydydd dyfarniad yn gam doeth?

Mr Jenkins: A gaf fi drosglwyddo hwn i Mr Edge? Yr oedd hynny ar ôl fy ymddeoliad, mae arnaf ofn.

Mr Edge: Awgrymaf ei bod yn ymddangos bod hyn, mae gennyf ofn, yn gamddechongliad o'r hyn y gofynnwyd i asesydd y prosiect ei wneud ar y trydydd cam. Grant oedd y trydydd grant a roddwyd fel ymateb i gais am offer a ffitiadau i'r adeilad. Cafodd yr asesiad a wnaethpwyd ei wneud gan bensaer a fu'n dilyn y prosiect drwodd; ef fu monitor allanol y prosiect drwy gydol y broses. Efallai iddo fod dan yr argraff y byddai pobl eraill yn edrych o'r newydd ar rannau eraill o'r cynllun busnes, neu beth bynnag, oherwydd yr oeddem yn defnyddio ffurflenni safonol. Fodd bynnag, erbyn hynny, yr oedd y gwaith adnewyddu eisoes wedi dechrau, yr oedd yr adeiladwyr ar y safle ac yr oedd a wnelo'r cais â'r offer a'r ffitiadau'n unig.

[277] **Eleanor Burnham:** I am not sure that I am competent enough to continue with a supplementary to that. Perhaps you have one, Chair. Shall I ask my final question to Sir Richard? Is that okay?

[278] **Janet Davies:** Yes, quickly.

[279] **Eleanor Burnham:** Did council members and you, as chairman, receive advice from officials in relation to the changes in forecast visitor numbers and concerns about the financial viability of the project? If so, what action, if any, was taken? If none, why not?

Sir Richard Lloyd Jones: I cannot recall exactly. I have not looked at the minutes of council meetings, I am afraid. The preparation has been done by the officers who knew the files, but I am pretty sure that what would have happened is that the lottery board would have taken regular reports on this and that we, as council members, would have relied heavily on the lottery board's discussions. I may say that I would have taken comfort from that, because I did not take part in lottery board discussions. I did not think that to be really proper. My role as chairman—there has to be some sort of court of appeal, does there not, in an organisation like the arts council? However, I did go to two or three lottery boards and I was impressed with the rigour with which they went through, not only the projects that they were asked to approve, but also the monitoring.

[280] **Eleanor Burnham:** So you would not have been directly involved and you would not have been aware of all these concerns?

[277] **Eleanor Burnham:** Nid wyf yn siwr fy mod yn ddigon cymwys i fynd ymlaen â chwestiwn atodol i hynny. Efallai fod un gennyh chi, Gadeirydd. A wnaif fi ofyn fy nghwestiwn olaf i Syr Richard? A ydyw hynny'n iawn?

[278] **Janet Davies:** Ydyw, yn gyflym.

[279] **Eleanor Burnham:** A gafodd aelodau'r cyngor a chi, fel cadeirydd, gyngor gan swyddogion ynglyn â'r newidiadau yn y rhagolygon niferoedd ymwelwyr a phryderon ynghylch ymarferoldeb ariannol y prosiect? Os do, beth a wnaethpwyd, os gwnaethpwyd rhywbeth? Os na wnaethpwyd dim, pam ddim?

Syr Richard Lloyd Jones: Ni allaf gofio'n union. Nid wyf wedi edrych ar gofnodion cyfarfodydd y cyngor, mae gennyf ofn. Gwnaethpwyd y gwaith paratoi gan y swyddogion a adwaenai'r ffeiliau, ond yr wyf yn eithaf siwr mai'r hyn a fyddai wedi digwydd yw y buasai bwrdd y loteri wedi derbyn adroddiadau rheolaidd ar hyn ac y buasem ni, aelodau'r cyngor, wedi dibynnu'n drwm ar drafodaethau bwrdd y loteri. Gallaf ddweud y buaswn i wedi ymgysuro am hynny, gan na chymerais i ran yn nhrafodaethau bwrdd y loteri. Ni feddyliwn y byddai hynny'n briodol iawn. Fy rôl fel cadeirydd—mae'n rhaid cael rhyw fath o lys apêl, onid oes, mewn corff fel cyngor y celfyddydau? Fodd bynnag, fe fynychais ddau neu dri bwrdd loteri a gwerthfawrogi mor drylwyr yr aent drwy, nid yn unig y prosiectau y gofynnid iddynt eu cymeradwyo, ond y monitro hefyd.

[280] **Eleanor Burnham:** Felly ni fuasech chi wedi ymhél yn uniongyrchol ac ni fuasech yn ymwybodol o'r holl bryderon hyn?

Sir Richard Lloyd Jones: I might not have been directly involved, but that is no answer, is it? I was the chairman of the council. I take responsibility. That is why I have come here today.

[281] **Alison Halford:** Chair, I know that we are pushed for time but may I please ask a quick question? Sir Richard, you said a ‘court of appeal’? In your opening remarks, you gave us the indication that you had an enormous amount of hands-on responsibility as chair. What are you saying now, with your court-of-appeal hat?

Sir Richard Lloyd Jones: That was probably a misstatement, was it not? I had better withdraw it. What I mean is that the council was a place where there should be room for debate about things that the council members were worried about. It was not an executive body, incidentally; it did not manage the business of the council in the way, I think, that you and I would think of management. Our job was to approve policy, set policy, to act as trustees and discharge the fiduciary responsibility of trustees, because we were a board of trustees. That was our main job. What I simply mean is that, very often—if you look at the composition of the council at the time, you will see that there are some pretty strong-minded people on it. If they were not happy with the decisions that were being taken, they were perfectly free to bring them to council, and then I had to resolve it. It was in that sense that I meant that I did not go hands-on.

Syr Richard Lloyd Jones: Efallai na fuaswn wedi ymhél â’r peth yn uniongyrchol, ond nid yw hynny’n ateb o gwbl, nac ydyw? Fi oedd cadeirydd y cyngor. Cymeraf gyfrifoldeb. Dyna pam y deuthum yma heddiw.

[281] **Alison Halford:** Gadeirydd, gwn ein bod yn brin o amser ond a gaf fi ofyn cwestiwn sydyn, os gwelwch yn dda? Syr Richard, dywedasoeh ‘llys apêl’? Yn eich sylwadau agoriadol, rhoesoeh yr argraff inni fod gennyeh beth wmbredd o gyfrifoldeb gweithredol fel cadeirydd. Beth ydych chi’n ei ddweud yn awr, gyda’ch het llys apêl?

Syr Richard Lloyd Jones: Mae’n debyg mai camosodiad oedd hwnnw, onid e? Byddai’n well imi ei dynnu’n ôl. Yr hyn a olygaf yw fod y cyngor yn fan lle dylai fod lle i drafod pethau yr oedd aelodau’r cyngor yn poeni amdanynt. Nid oedd yn gorff gweithredol, gyda llaw; ni reolai fusnes y cyngor yn y ffordd y byddech chi a mi, dybiaf i, yn meddwl am reoli. Ein gwaith oedd cymeradwyo polisi, pennu polisi, gweithredu fel ymddiriedolwyr a chyflawni cyfrifoldeb ymddiriedol ymddiriedolwyr, am mai bwrdd o ymddiriedolwyr oeddem. Dyna oedd ein priod waith. Yr hyn a olygaf yn syml yw, yn aml iawn—os edrychwch ar gyfansoddiad y cyngor ar y pryd, fe welwch fod rhai pobl eithaf penderfynol arno. Os nad oeddent yn hapus gyda’r penderfyniadau a wneid, yr oeddent yn berffaith rhydd i ddod â hwy i’r cyngor, ac wedyn byddai’n rhaid i mi eu datrys. Yn yr ystyr hwnnw y golygwn nad oeddwn yn gadeirydd gweithredol.

[282] **Alison Halford:** But you indicated—forgive me, I know that we are pressed for time, but it is an important point; there is no point in you coming here and sitting through this if we do not assess the information—did you not just say that you really left the lottery board situation to the lottery people? You did not actually say that, did you—?

Sir Richard Lloyd Jones: No, not entirely.

[283] **Alison Halford:**—because that would rather have abdicated your responsibility as the chair, I would suggest.

Sir Richard Lloyd Jones: I think that if you are chairman of a body like the arts council, you simply cannot be hands-on everywhere: you have a chief executive. I had every confidence in him and the lottery director, for one thing. There is no room for two people to manage, in that sense. However, I fully accept that I had to take responsibility and I was assisted in that by the other council members. This is not a good answer, but you know what I am after.

[284] **Alison Halford:** So the buck stops where, Sir Richard? With you or Mr Jenkins?

Sir Richard Lloyd Jones: Well, I think that that depends. The buck stops with me for the overall conduct of the council. I was responsible to the Secretary of State throughout my time as arts council chairman. The buck stopped with me. However, I would not go to the Public Accounts Committee to account.

Mr Jenkins: The buck stops with me for the Public Accounts Committee and then with Ms Weston, who was my successor.

[282] **Alison Halford:** Ond rhoesoch yr argraff—maddeuwch imi, gwn fod amser yn brin, ond mae'n bwynt pwysig; nid oes diben ichi ddod yma ac eistedd drwy hyn os nad aseswn y wybodaeth—onid ydych newydd ddweud eich bod mewn gwirionedd wedi gadael sefyllfa bwrdd y loteri i bobl y loteri? Nid dyna a ddywedasoch mewn gwirionedd, nage—?

Syr Richard Lloyd Jones: Na, ddim yn hollol.

[283] **Alison Halford:**—oherwydd buasai hynny wedi golygu braidd eich bod yn gwrthod eich cyfrifoldeb fel cadeirydd, fe awgrymwn i.

Syr Richard Lloyd Jones: Yr wyf yn meddwl os ydych yn gadeirydd corff fel cyngor y celfyddydau, na allwch fod yn weithredol ymarferol ym mhobman: mae gennych brif weithredwr. Yr oedd gennyf bob hyder ynddo ef a chyfarwyddwr y loteri, yn un peth. Nid oes lle i ddau berson reoli, yn yr ystyr hwnnw. Fodd bynnag, derbyniaf yn llawn fod yn rhaid imi gymryd cyfrifoldeb a chefais gymorth yn hynny o beth gan aelodau eraill y cyngor. Nid yw hwn yn ateb da, ond gwyddoch beth sydd gennyf.

[284] **Alison Halford:** Felly ym mhle mae'r cyfrifoldeb yn y pen draw, Syr Richard? Gyda chi ynteu Mr Jenkins?

Syr Richard Lloyd Jones: Wel, yr wyf yn meddwl fod hynny'n dibynnu. Gyda mi y mae'r cyfrifoldeb am ymddygiad cyffredinol y cyngor. Yr oeddwn yn gyfrifol i'r Ysgrifennydd Gwladol drwy gydol fy nghyfnod fel cadeirydd cyngor y celfyddydau. Gyda mi yr oedd y cyfrifoldeb. Fodd bynnag, ni fyddwn yn mynd gerbron y Pwyllgor Cyfrifon Cyhoeddus i roi cyfrif.

Mr Jenkins: Gyda mi y mae'r cyfrifoldeb am y Pwyllgor Cyfrifon Cyhoeddus, ac wedyn gyda Ms Weston, sef fy olynydd.

[285] **Alison Halford:** I will not fight with the buck any more.

[286] **Janet Davies:** Dai, you want to look at some key changes that took place to the project?

[287] **David Lloyd:** Yes. We have touched on these issues to a degree already. I have a short preamble and then one question. Whoever feels confident to reply can reply. We have heard that the proposed charging regime changed significantly during the life of the project. The initial plan was to charge £2 for full admission, but this was revised to £3.50 and so on. We have also heard about the realities of the programming, whether it was a planned change or not—obviously, Picasso cannot materialise at the drop of a hat, as we have heard. Did council members receive advice from officials in relation to these changes—both the changes in planned admission fees and the changes in the programming—given that both those aspects were critical in attracting the visitor targets? Did the council members receive advice from officials? We have heard about the monitoring and the challenging, but did any advice go further than that? In particular, why did the council not take action to investigate and freeze lottery grant payments if it was not happy?

Mr Jenkins: Can I address the first—

[285] **Alison Halford:** Ni wnaf ymrafael gyda chwestiwn y cyfrifoldeb mwyach.

[286] **Janet Davies:** Dai, mae arnoch chi eisiau edrych ar rai newidiadau allweddol a ddigwyddodd i'r prosiect?

[287] **David Lloyd:** Oes. Yr ydym wedi crybwyll y materion hyn i ryw raddau eisoes. Mae gennyf ragymadrodd byr ac wedyn un cwestiwn. Caiff pwy bynnag sydd yn teimlo'n hyderus i ateb, ateb. Clywsom fod y drefn arfaethedig ar gyfer codi tâl wedi newid yn sylweddol yn ystod oes y prosiect. Y cynllun ar y dechrau oedd codi £2 am fynediad llawn, ond codwyd hynny i £3.50 ac yn y blaen. Clywsom hefyd am realiti'r rhaglennu, boed hynny'n newid a gynlluniwyd ai peidio—yn amlwg, ni all Picasso ymddangos ar amrantiad, fel y clywsom. A gafodd aelodau'r cyngor gyngor gan swyddogion ynglyn â'r newidiadau hyn—sef y newidiadau yn y taliadau mynediad a fwriedid a'r newidiadau yn y rhaglen—o gofio bod y ddwy agwedd honno'n allweddol i ddenu'r ymwelwyr a dargedwyd? A gafodd aelodau'r cyngor gyngor gan swyddogion? Clywsom am y monitro a'r herio, ond a aeth unrhyw gyngor ymhellach na hynny? Yn enwedig, pam na weithredodd y cyngor i ymchwilio i daliadau grant loteri a'u rhewi os nad oedd yn hapus?

Mr Jenkins: A gaf fi ateb y cyntaf—

Sir Richard Lloyd Jones: Sorry, Chair. I think that we need to come to the basic dilemma here, which is that that project was not going to happen unless the building was refurbished. So the money had to be spent. I read the advice in the auditor's report that the arts council had a duty to protect the investment. However, it is very debatable whether you protect an investment when you are in the middle of building or refurbishing a building by saying that you will not give any more grant out. It is a big, big decision to take. The other side of this, of course, is that this project was not only underpinned by a lottery investment, it was underpinned by a promise of revenue funding of £200,000 a year, which we had earmarked for the Centre for Visual Arts. In a sense, it was the prospect of having to increase that revenue funding that was the risk element. I believe my colleagues would argue that, although there were serious changes in the building costs, after allowing for inflation they might be the sort of increases you might expect when you refurbish an old building. You open it up and you find things that are unexpected.

However—no, perhaps, I do not want to take the Committee down this road—but there is a fundamental conflict of interest really here between the arts council's two purposes when it comes to protecting lottery investments. Obviously, when the thing failed, the arts council took the decision that it could not put its revenue grant programme at risk to the extent necessary to fund the centre. So it was not able to protect the investment.

Syr Richard Lloyd Jones: Mae'n ddrwg gennyf, Gadeirydd. Yr wyf yn meddwl fod angen inni ddod at y cyfyng-gyngor sylfaenol yma, sef nad oedd y prosiect hwn yn mynd i ddigwydd os na châi'r adeilad ei ailwampio. Felly yr oedd rhaid gwario'r arian. Darllenais y gosodiad yn adroddiad yr archwilydd fod gan gyngor y celfyddydau ddyletswydd i warchod y buddsoddiad. Fodd bynnag, mae'n amheus iawn ai gwarchod buddsoddiad a wnewch pan ydych ar ganol codi neu ailwampio adeilad drwy ddweud na roddwch ychwaneg o grant at y gwaith. Mae'n benderfyniad mawr, mawr i'w wneud. Yr ochr arall i hyn, wrth gwrs, yw fod y prosiect hwn wedi'i gynnal nid yn unig gan fuddsoddiad loteri, yr oedd wedi'i gynnal gan addewid o gyllid refeniw o £200,000 y flwyddyn, a glustnodwyd gennym ar gyfer Canolfan y Celfyddydau Gweledol. Mewn un ystyr, y rhagolwg o orfod cynyddu'r cyllid refeniw hwnnw oedd yr elfen o risg. Credaf y dadleuai fy nghyd-aelodau, er bod newidiadau difrifol yng nghostau'r adeilad, wedi ichi ganiatáu am chwyddiant y gallent fod y math o godiadau a ddisgwylicch wrth ailwampio hen adeilad. Byddwch yn agor ei berfedd ac yn dod o hyd i bethau annisgwyl.

Fodd bynnag—na, efallai nad oes arnaf eisiau mynd â'r Pwyllgor i lawr y ffordd hon—ond y mae gwrthdaro buddiannau sylfaenol yma mewn gwirionedd rhwng dau bwrpas cyngor y celfyddydau o safbwynt gwarchod buddsoddiadau loteri. Yn amlwg, pan aeth yr hwch drwy'r siop, penderfynodd cyngor y celfyddydau na allai beryglu ei raglen grantiau refeniw i'r graddau angenrheidiol i ariannu'r ganolfan. Felly nid oedd yn gallu gwarchod y buddsoddiad.

Ms Weston: Can I comment on the issue of withholding payments? The report says in paragraph 3.10:

‘The Arts Council of Wales has told us that it will in the future withhold the monthly draw down of funds’.

I have in my file letters from February 1997 to the CVA saying that

‘to date we have not received cash flows. We would reiterate that we are unable to release any further payments until they have been received’.

A letter from November 1998:

‘receipt by the arts council of the full pre-opening programme will be necessary before the 1999-2000 revenue grant can be released’.

There is a file note to a meeting in January 1999, where information requirements were specified before capital draw down was possible. Then, in December 1999, a letter from the access division, not the lottery division, saying that

‘the lottery division will not authorise any further capital payments until balance revenue budget proposals have been agreed.’

As I said, we were constantly monitoring and the whole arts council was working together. I should not speculate, but I think that that is why a great deal of the monitoring activity was missed in this report.

Ms Weston: A gaf i wneud sylw ar fater cadw taliadau yn ôl? Dywed yr adroddiad ym mharagraff 3.10:

‘Mae Cyngor Celfyddydau Cymru wedi dweud wrthym ni y bydd, yn y dyfodol, yn cadw’r arian misol’.

Yn fy ffeil mae gennyf lythyrau o Chwefror 1997 at Ganolfan y Celfyddydau Gweledol yn dweud

‘hyd yma nid ydym wedi derbyn cofnodion llif arian. Ailadroddwn na allwn ryddhau unrhyw daliadau pellach hyd nes byddant wedi dod i law’.

Dyma lythyr o Dachwedd 1998:

‘bydd angen i gyngor y celfyddydau dderbyn y rhaglen gyn-agor lawn cyn y gellir rhyddhau grant refeniw 1999-2000’.

Ceir nodyn ffeil i gyfarfod yn Ionawr 1999, lle pennwyd y gofynion gwybodaeth cyn y byddai’n bosibl caniatáu tynnu cyfalaf i lawr. Wedyn, yn Rhagfyr 1999, llythyr gan yr adran fynediad, nid adran y loteri, yn dweud

‘ni wnaiff adran y loteri awdurdodi unrhyw daliadau cyfalaf pellach hyd nes byddir wedi cytuno ar gynigion cyllideb refeniw balans.’

Fel y dywedais, yr oeddem yn monitro’n gyson ac yr oedd cyngor y celfyddydau yn ei gyfanrwydd yn cydweithio. Ni ddylwn ddyfalu, ond yr wyf yn meddwl mai dyna pam y methwyd llawer iawn o’r gweithgaredd monitro yn yr adroddiad hwn.

[288] **Janet Davies:** This question is for Mr Jenkins and possibly Miss Weston, and it has already been touched upon. Sir Richard made the point that, halfway through work on a building of that sort, it is very difficult to pull out and leave it in that condition. Knowing the building, that is fair enough. Nevertheless, there was this big increase in costs. Did you consider the first estimate to be reliable given a building of that nature? Should the lottery application have been processed and grant approval given before you reached the technically termed Royal Institute of British Architects stage D?

Ms Weston: We discovered, along with the other 10 lottery distributors, that it was better to offer development funding to reach RIBA stage D before offering the full amount for the full development. We acknowledged that, and that is why we moved quickly to that point where we did go to the three-stage process. So, yes, if we were granting this application today, it would not have been funded at that stage but, given the support and the positive assessor's reports that we had, I think that it is fair to guess that we would have offered development funding. At that point, presumably, we would have had more accurate costs and then, all the signals still being positive, we could well have gone on to fund the whole thing. In this case, looking back, that sort of process was included within the development of the building itself.

[289] **Janet Davies:** Thank you. Val has some questions on the building.

[288] **Janet Davies:** Cwestiwn yw hwn i Mr Jenkins ac o bosib Miss Weston, ac mae wedi'i grybwyll eisoes. Gwnaeth Syr Richard y pwynt ei bod, hanner ffordd drwy waith ar adeilad o'r fath, yn anodd iawn tynnu allan a'i adael yn y cyflwr hwnnw. O adnabod yr adeilad, mae hynny'n ddigon teg. Serch hynny, cafwyd y cynnydd mawr hwn yn y costau. A wnaethoch farnu fod yr amcanbris cyntaf yn ddibynadwy ar gyfer adeilad o'r natur hwn? A ddylasid bod wedi prosesu'r cais loteri a rhoi cymeradwyaeth grant cyn ichi gyrraedd cam D Sefydliad Brenhinol Penseiri Prydain (RIBA), a'i roi mewn termau technegol?

Ms Weston: Darganfuom, ynghyd â'r 10 dosbarthwr loteri arall, ei bod yn well cynnig arian datblygu i gyrraedd cam D RIBA cyn cynnig y swm llawn ar gyfer y datblygiad llawn. Yr oeddem yn cydnabod hynny, a dyna pam y symudasom yn gyflym i'r pwynt hwnnw lle yr aethom i'r broses dri cham. Felly, ie, pe baem yn caniatáu'r cais hwn heddiw, ni fuasai wedi cael arian ar y cam hwnnw ond, gyda'r gefnogaeth a'r adroddiadau asesydd cadarnhaol a oedd gennym, yr wyf yn meddwl ei bod yn deg tybio y buasem wedi cynnig arian datblygu. Ar y pwynt hwnnw, gellir tybio, buasem wedi cael costau cywirach ac wedyn, a bod yr arwyddion i gyd yn dal yn gadarnhaol, gallasem yn wir fod wedi mynd ymlaen i ariannu'r holl beth. Yn yr achos hwn, o edrych yn ôl, yr oedd y math hwnnw o broses wedi'i gynnwys o fewn datblygiad yr adeilad ei hun.

[289] **Janet Davies:** Diolch. Mae gan Val gwestiynau ar yr adeilad.

[290] **Val Lloyd:** I will move on from the Chair's questioning to a similar arena, particularly relating to paragraph 23.2 on page 14. It mentions the upgrading of fixtures and fittings, internal doors, a glass lobby and so on. Do you consider that to have been fully justified and essential? Perhaps Mr Jenkins could answer that, or Miss Weston.

Mr Jenkins: The second application? Forgive me, I am not absolutely familiar with that. You are right, there was a cost, but the second application—and I can only speak about the second application—there was an application for £1.5 million. The majority of that was refused, simply because the arts council felt that yes, there was a case for meeting unforeseen costs, but that extra costs, such as nugatory fees and everything else, were not permissible for grant. Therefore, less than half of the original application, or about half of the second application, was accepted; the rest was refused.

[291] **Val Lloyd:** Therefore, table 10 on page 14 indicating that the cost of demolition and alterations rose three and a half times is incorrect then?

Mr Jenkins: Forgive me, I am not a building expert.

[292] **Val Lloyd:** No, I do not claim to be either.

Mr Jenkins: However, my memory is—and perhaps Miss Weston will correct me—that the increase in the demolition costs could well have come under the category of unforeseen costs, which we would then consider. However, the extra costs, the piling on of the costs, and fees for change of architects and all the rest of it, were rejected.

[290] **Val Lloyd:** Symudaf ymlaen oddi wrth gwestiynau'r Cadeirydd at faes tebyg, yn enwedig o ran paragraff 23.2 ar dudalen 14. Mae'n sôn am uwchraddio gosodion a ffitiadau, drysau mewnol, cyntedd gwydr ac ati. A ydych o'r farn fod cyfiawnhad llawn dros y rheini a'u bod yn hanfodol? Efallai y gallai Mr Jenkins ateb hynny, neu Miss Weston.

Mr Jenkins: Yr ail gais? Maddeuwch imi, nid wyf yn gwbl gyfarwydd â hwnnw. Yr ydych yn gywir, yr oedd cost, ond yr ail gais—a dim ond am yr ail gais y gallaf fi siarad—yr oedd cais am £1.5 miliwn. Gwrthodwyd y rhan fwyaf o hynny, yn syml oherwydd y teimlai cyngor y celfyddydau bod yna achos, oedd, dros dalu costau na ragwelwyd, ond nad oedd costau ychwanegol, fel ffioedd pitw a phopeth arall, yn gymwys am grant. Felly, derbyniwyd llai na hanner y cais gwreiddiol, neu oddeutu hanner yr ail gais; gwrthodwyd y gweddill.

[291] **Val Lloyd:** Felly, mae tabl 10 ar dudalen 14, yn dangos fod cost dymchwel ac addasiadau wedi codi dair gwaith a hanner yn anghywir?

Mr Jenkins: Maddeuwch imi, nid wyf yn arbenigwr ar adeiladu.

[292] **Val Lloyd:** Na, nid wyf innau'n honni bod ychwaith.

Mr Jenkins: Fodd bynnag, fy nghof i yw—ac efallai y gwnaiff Miss Weston fy nghywiro—y gallai'r cynnydd yn y costau dymchwel yn wir fod wedi dod dan gategori costau na ragwelwyd, y byddem wedyn yn eu hystyried. Fodd bynnag, y costau ychwanegol, y pentyrru costau, a'r ffioedd am newid penseiri a'r gweddill i gyd, bu inni wrthod y rheini.

[293] **Val Lloyd:** I will ask just a little bit more on that. I notice again in paragraph 2.32 that what I would have considered to be an essential item, such as information technology, had been completely omitted from the budget. Given that the application was made in March 1995, I would have thought that IT was an essential component. Perhaps it was not in 1985 but, by 1995, even those of us who are Luddites might accept that IT was essential.

Mr Edge: Sorry, I did think that the question was going the other way to ask about the difference between the second and the third applications, because it was in the third application that we did talk about IT. I am afraid I cannot answer the earlier one because it was before my time. In 1995, I was elsewhere.

Ms Weston: I will comment then that I think that you are quite right that it might have been possible to see IT as essential in 1995, but it was not nearly so obvious and clear that an enterprise like this would have to have an IT infrastructure as it would be now. Therefore, if it was something that was omitted from the plans, which clearly it was, we had to take the decision that either we say, 'Well, hard luck, it was not in the original plan therefore it is not going to be funded' or we could take a more pragmatic view and say, 'Yes, times have moved on; it is essential' and fund that part of the development. I think it is a fair comment.

[294] **Val Lloyd:** Sir Richard, if I could just ask you one question. I believe that Eleanor asked this question, but in relation to a different arena, so your answer may very well be similar. Did council members receive advice from officials in relation to the increase in building costs?

[293] **Val Lloyd:** Holaf ychydig bach mwy am hynny. Sylwaf eto ym mharagraff 2.32 fod yr hyn y buaswn i'n ystyried yn eitem hanfodol, fel technoleg gwybodaeth, wedi'i hepgor yn llwyr o'r gyllideb. Gan mai ym Mawrth 1995 y gwnaethpwyd y cais, buaswn wedi meddwl fod TG yn gydran hanfodol. Efallai nad oedd felly yn 1985, ond erbyn 1995, efallai y byddai hyd yn oed y Luddiaid yn ein plith yn derbyn fod TG yn hanfodol.

Mr Edge: Mae'n ddrwg gennyf, yr oeddwn yn meddwl fod y cwestiwn yn mynd y ffordd arall i holi am y gwahaniaeth rhwng yr ail gais a'r trydydd, oherwydd yn y trydydd cais y soniasom am TG. Mae arnaf ofn na allaf ateb yr un cynharach oherwydd yr oedd cyn fy amser i. Yn 1995, yr oeddwn i yn rhywle arall.

Ms Weston: Fe ddywedaf felly fy mod yn meddwl efallai eich bod yn llygad eich lle y gallasai fod yn bosibl gweld fod TG yn hanfodol yn 1995, ond nid oedd yn agos at fod mor amlwg a chlir y byddai'n rhaid i fenter fel hon gael isadeiledd TG ag y byddai yn awr. Felly, os oedd yn rhywbeth a hepgorwyd o'r cynlluniau, sydd yn amlwg yn wir, yr oedd yn rhaid i ni benderfynu naill ai ein bod yn dweud 'Wel, hen dro, nid oedd yn y cynllun gwreiddiol felly ni fydd yn cael arian' neu y gallem gymryd golwg fwy pragmataidd a dweud, 'Do, symudodd amser ymlaen; mae'n hanfodol,' ac ariannu'r rhan honno o'r datblygiad. Mae'n sylw teg yn fy marn i.

[294] **Val Lloyd:** Syr Richard, os caf ofyn dim ond un cwestiwn ichi. Credaf fod Eleanor wedi gofyn y cwestiwn hwn, ond mewn perthynas â maes arall, felly gallai'ch ateb chi yn wir fod yn debyg. A gafodd aelodau'r cyngor gyngor gan swyddogion mewn perthynas â'r cynnydd mewn costau adeiladu?

Sir Richard Lloyd Jones: I cannot remember, I am afraid.

Mr Jenkins: Would it help if I just explained very quickly what the procedure was? The application came in to the lottery division—and I am only speaking of the time that I was there—the lottery division would then examine it, would give it out for assessment, would assemble, therefore, a report, which would go, first of all, to the lottery advisory board. That board consisted of some very high-powered individuals; people with expertise in this field. They would examine it again and question the officials very rigorously in that board and would put a report together with a recommendation, which would then go to council. The whole dossier would then appear before council, plus the members of the lottery advisory board would be present, because they were members of council. Therefore, for the third time, this lottery application would be examined in council. I cannot, I am afraid, remember the exact details, but I would be very, very surprised if these aspects—the charging aspect is an important aspect; the visitor numbers is an important aspect—I cannot believe that these were not in the report that went through the lottery advisory board and through to council. Perhaps Miss Weston would concur.

Ms Weston: Certainly. That is a pretty thorough description of the process.

[295] **Val Lloyd:** Is it possible for you to remember what action was taken then?

Syr Richard Lloyd Jones: Ni allaf gofio, mae arnaf ofn.

Mr Jenkins: A fyddai'n helpu pe eglurwn i'n sydyn iawn beth oedd y drefn? Daeth y cais i mewn i adran y loteri—a dim ond am y cyfnod yr oeddwn i yno yr wyf yn siarad—byddai adran y loteri wedyn yn ei archwilio, yn ei roi allan i'w asesu, yn llunio, felly, adroddiad a fyddai'n mynd, yn gyntaf oll, i fwrdd cynghori'r loteri. Yr oedd y bwrdd hwnnw'n cynnwys unigolion grymus iawn; pobl ag arbenigedd yn y maes hwn. Byddent yn ei archwilio eto ac yn holi'r swyddogion yn galed iawn yn y bwrdd hwnnw cyn llunio adroddiad gydag argymhelliad, a fyddai'n mynd i'r cyngor wedyn. Wedyn byddai'r ffeil gyfan yn ymddangos gerbron y cyngor, ac yn ogystal byddai aelodau bwrdd cynghori'r loteri'n bresennol, am eu bod yn aelodau o'r cyngor. Felly, am y trydydd tro, câi'r cais loteri hwn ei archwilio yn y cyngor. Ni allaf, mae gennyf ofn, gofio'r union fanylion, ond byddwn yn synnu'n fawr iawn pe na bai'r agweddau hyn—mae'r agwedd godi tâl yn agwedd bwysig; mae niferoedd ymwelwyr yn agwedd bwysig—ni allaf gredu nad oedd y rhain yn yr adroddiad a aeth drwy fwrdd cynghori'r loteri a thrwodd i'r cyngor. Efallai y byddai Miss Weston yn cyd-fynd.

Ms Weston: Yn sicr. Mae hynny'n ddisgrifiad eithaf trwyadl o'r broses.

[295] **Val Lloyd:** A allwch chi gofio beth ddigwyddai wedyn?

Ms Weston: Yes. At each of the different stages—each of the different applications—there was an external assessor of the application itself appointed. Incidentally, I did read that, in the last Committee meeting, there was a criticism that there were only five assessor’s reports. The arts council does not appoint a project monitor to see it all the way through. This was always intended to be a one-off assessment of the application itself and then monitoring, as I have explained, is done by a mixture of external and arts council staff. After each assessment, the assessment was sent to the applicant for comment and, at each stage, the applicant took action. I have described already the various actions, but one was to appoint Deloitte and Touche in order to review the estimates and review the business plan itself. Another was to do a complete review of the marketing strategy, which itself was appraised by our in-house marketing expert. The third one was subject to both external assessment and reappointment of the CVA’s management consultants. So, yes, action was taken at every stage.

[296] **Val Lloyd:** I am sorry, I obviously did not make myself quite sharp enough on that. I intended to ask what action was taken when the report went to council.

Ms Weston: I see. I beg your pardon. When reports went to council, they had already been through very detailed discussion at the lottery board. Usually, the chairman of the lottery board would summarise the issues, in addition to the full written report that was sent to council. Certainly, with a project of this size, there would have been debate. There was always a debate at council because council members were very, very interested in what was happening.

Ms Weston: Gallaf. Ym mhob un cam unigol—pob un o’r ceisiadau gwahanol—penodwyd asesydd allanol ar y cais ei hun. Gyda llaw, fe ddarllenais fod beirniadaeth yn y cyfarfod Pwyllgor diwethaf mai dim ond pum adroddiad asesydd a gafwyd. Nid yw cyngor y celfyddydau yn penodi monitor prosiect i gadw llygad arno o’r dechrau i’r diwedd. Bwriadwyd hyn erioed i fod yn asesiad unwaith-ac-am-byth o’r cais ei hun ac wedyn gwneir y monitro, fel yr esboniais, gan gymysgedd o staff allanol a staff cyngor y celfyddydau. Ar ôl pob asesiad, anfonwyd yr asesiad at yr ymgeisydd am sylwadau ac, ar bob cam, gweithredodd yr ymgeisydd. Yr wyf eisoes wedi disgrifio’r camau a gymerwyd, ond un oedd penodi Deloitte and Touche i adolygu’r amcangyfrifon ac adolygu’r cynllun busnes ei hun. Un arall oedd gwneud adolygiad cyflawn o’r strategaeth farchnata, adolygiad a gafodd ei werthuso gan ein harbenigwr mewnol ni ar farchnata. Yr oedd y trydydd yn amodol ar asesiad allanol ac ar ailbenodi ymgynghorwyr rheoli’r ganolfan. Felly, do, fe weithredwyd ar bob cam.

[296] **Val Lloyd:** Mae’n ddrwg gennyf, yn amlwg ni eiriais fy nghwestiwn yn ddigon clir. Bwriadais ofyn pa weithredu a ddigwyddodd pan aeth yr adroddiad i’r cyngor.

Ms Weston: Gwelaf fi. Maddeuwch imi. Pan âi adroddiadau i’r cyngor, yr oeddent eisoes wedi bod drwy drafodaeth fanwl iawn ar fwrdd y loteri. Fel arfer, byddai cadeirydd bwrdd y loteri’n crynhoi’r prif bwyntiau, yn ychwanegol at yr adroddiad ysgrifenedig llawn a anfonid i’r cyngor. Yn sicr, gyda phrosiect o’r maint hwn, byddai dadl wedi digwydd. Yr oedd dadl bob amser yn y cyngor gan fod gan aelodau’r cyngor ddiddordeb mawr iawn yn yr hyn oedd yn digwydd.

Mr Jenkins: May I add a supplement to that? As chief executive, it was my aim to have got the bugs out of the system before it went to council. I am sure that every chief executive has the same aim. However, I was very often set back on my heels by the questioning in council and the referral back, either from the lottery board or from council itself, with instructions to modify or to amend the advice or to look at different aspects of the thing. As the chairman has said, the council members were very, very keen in examining every one in great detail and, of course, this application got very intense scrutiny because of its size.

[297] **Janet Davies:** Jocelyn, do you want to look at the assessment process?

[298] **Jocelyn Davies:** Yes, thank you. When you were looking at the applications from the centre, was there intense lobbying for an early decision from other parties? If there was, what impact did that have upon the assessment processes?

Mr Jenkins: Are you asking about the first application now—the first decision to fund it?

[299] **Jocelyn Davies:** Well, all of them, but when you were considering the applications.

Mr Jenkins: The urgency, of course, was with the first application, for reasons that I have already explained. No, there was, to my mind, no intense lobbying. I cannot remember any lobbying at all, except to say that all parties involved in this were in favour of the principle. It was up to us to get the details right and it was up to us to get the assessment done meticulously. I would venture to suggest that it was done meticulously. However, I cannot remember any huge lobbying about this in any way. Once the application was in, we would not have

Mr Jenkins: A gaf fi ychwanegu atodiad i hynny? Fel prif weithredwr, fy nod i oedd cael gwared ar y brychau yn y system cyn iddo fynd at y cyngor. Yr wyf yn siwr bod pob prif weithredwr yn rhannu'r un nod. Fodd bynnag, yn aml cawn fy nharo'n ôl ar fy sodlau gan yr holi yn y cyngor a'r cyfeirio'n ôl, un ai gan fwrdd y loteri neu gan y cyngor ei hun, gyda chyfarwyddiadau i addasu neu ddiwygio'r cyngor a roddwn neu i edrych ar wahanol agweddau'r peth. Fel y dywedodd y cadeirydd, yr oedd aelodau'r cyngor yn frwd iawn, iawn wrth archwilio pob cais yn fanwl dros ben ac, wrth gwrs, daeth y cais hwn dan chwyddwydr manwl iawn oherwydd ei faint.

[297] **Janet Davies:** Jocelyn, oes arnoch chi eisiau edrych ar y broses asesu?

[298] **Jocelyn Davies:** Oes, diolch. Pan oeddech yn edrych ar y ceisiadau gan y ganolfan, a gafwyd lobïo dwys dros benderfyniad sydyn gan bartïon eraill? Os do, pa effaith a gafodd hynny ar y prosesau asesu?

Mr Jenkins: Ai holi am y cais cyntaf yr ydych yn awr—y penderfyniad cyntaf i'w noddi?

[299] **Jocelyn Davies:** Wel, pob un ohonynt, pan oeddech chi'n ystyried y ceisiadau.

Mr Jenkins: Gyda'r cais cyntaf yr oedd y brys, wrth gwrs, am resymau a eglurais eisoes. Na, ni chafwyd, i'm meddwl i, unrhyw lobïo dwys. Ni allaf gofio unrhyw lobïo o gwbl, ac eithrio dweud fod pob parti a oedd yn ymwneud â hyn o blaid yr egwyddor. Mater i ni oedd cael y manylion yn iawn a mater i ni oedd sicrhau y gwneid yr asesiad yn fanwl gywir. Mentraf awgrymu y'i gwnaethpwyd yn fanwl gywir. Fodd bynnag, ni allaf gofio unrhyw lobïo mawr am hyn mewn unrhyw fodd. Unwaith yr oedd y cais i mewn, ni fuasem wedi cymeradwyo

countenanced any lobbying, simply because we had a huge number of applications coming in and to have countenanced lobbying would have laid us open to immense pressure from so many different directions. I am not aware of any lobbying in regard to this application. I do not remember any.

Sir Richard Lloyd Jones: Madam Chairman, I am now trying to rack my memory. I took over as chairman in 1994 and, of course, I had hand-over briefing from the previous chairman. It is inconceivable that he did not mention this project to me at that stage. It is inconceivable. However, by that stage, we did not have a lottery unit so there was nothing I could say other than we have to get the systems in place first. I do not recall subsequent events. I am afraid that, if there had been any lobbying, I would certainly have said, 'no, with the applications in, I cannot take a view on it until the lottery board has looked at it and made recommendations and, indeed, I cannot take a view on it until council has taken a view on it'.

[300] **Jocelyn Davies:** Yes, and that would have been perfectly proper. As decision makers ourselves, we are often used to the nature of lobbying, but there was no lobbying even though, as you told us earlier, this had been acknowledged by people and that the absence of a centre like this was a gaping hole for us for about 10 years. People had been talking about—

unrhyw lobïo, yn syml am fod gennym nifer enfawr o geisiadau'n dod i mewn a buasai caniatáu lobïo wedi'n gadael yn agored i bwysau aruthrol o gymaint o wahanol gyfeiriadau. Nid wyf yn ymwybodol o unrhyw lobïo ynglyn â'r cais hwn. Ni chofiaf ddim.

Syr Richard Lloyd Jones: Madam Cadeirydd, yr wyf yn awr yn ceisio tyrchu i'm cof. Cymerais y gadair yn 1994 ac wrth gwrs, cefais gyfarwyddiadau wrth drosglwyddo oddi wrth y cadeirydd blaenorol. Anodd credu na soniodd am y prosiect hwn wrthyf bryd hynny. Mae'n anodd credu. Fodd bynnag, erbyn hynny nid oedd gennym uned loteri, felly nid oedd dim y gallwn ei ddweud ond bod yn rhaid inni gael y systemau yn eu lle yn gyntaf. Ni chofiaf beth ddigwyddodd wedyn. Mae arnaf ofn, pe bai lobïo wedi digwydd, y buaswn yn sicr wedi dweud 'na, gyda'r ceisiadau i mewn, ni allaf lunio barn arno nes bydd bwrdd y loteri wedi edrych arno a gwneud argymhellion ac, yn wir, ni allaf lunio barn arno nes bod y cyngor wedi llunio barn arno.'

[300] **Jocelyn Davies:** Ie, a buasai hynny'n berffaith briodol. Fel penderfynwyr ein hunain, yr ydym wedi arfer yn aml â natur lobïo, ond ni fu dim lobïo er, fel y dywedasoeh wrthym yn gynharach, bod hyn wedi'i gydnabod gan bobl a bod absenoldeb canolfan fel hon yn agendor mawr inni am ryw 10 mlynedd. Yr oedd pobl wedi bod yn siarad am—

Mr Jenkins: That was the arts council's view, not any lobbyist's view. The arts council's view was that this was a desirable project, or at least the principle of trying to fulfil this spectrum of provision in Cardiff was. So, yes, in terms of the principle, but this was a time before Miss Weston joined the council. It was a time before I joined the council. This was a long-term wish to get a project like this up and running.

[301] **Jocelyn Davies:** Of the arts council, but not of the arts world?

Mr Jenkins: Yes, there was great enthusiasm in the visual arts sector in Wales for this kind of development.

[302] **Jocelyn Davies:** But that did not result in any lobbying from the arts world once this application had come in, that you recall?

Mr Jenkins: No, I would hope that you accept that once the application was in, the process then took over, and there was no interference from outside at all.

[303] **Jocelyn Davies:** I accept that, if you say to me you resisted that, and you—

Mr Jenkins: No, I am not saying that—we would have resisted it had it been there. I am not aware that it ever was there.

Mr Jenkins: Barn cyngor y celfyddydau oedd hynny, nid barn unrhyw lobïwr. Barn cyngor y celfyddydau oedd fod hwn, neu o leiaf yr egwyddor o geisio cyflawni'r sbectrum hwn o ddarpariaeth yng Nghaerdydd, yn brosiect i'w ddeisyfu. Felly, ie, yn nhermau'r egwyddor, ond adeg oedd hwn cyn i Miss Weston ymuno â'r cyngor. Yr oedd yn adeg cyn i mi ymuno â'r cyngor. Dymuniad tymor hir oedd hwn i sefydlu a rhedeg prosiect fel hwn.

[301] **Jocelyn Davies:** Dymuniad cyngor y celfyddydau, ond nid byd y celfyddydau?

Mr Jenkins: Oedd, yr oedd brwdfrydedd mawr yn sector y celfyddydau gweledol yng Nghymru dros y math hwn o ddatblygiad.

[302] **Jocelyn Davies:** Ond ni wnaeth hynny esgor ar unrhyw lobïo o fyd y celfyddydau unwaith yr oedd y cais hwn wedi dod i law, i chi ei gofio?

Mr Jenkins: Na, gobeithio y derbyniwch, unwaith yr oedd y cais i mewn, yna cymerodd y broses drosodd, ac ni fu dim ymyrraeth o'r tu allan o gwbl.

[303] **Jocelyn Davies:** Yr wyf yn derbyn hynny, os y dywedwch wrthyf eich bod wedi gwrthsefyll hynny, a'ch bod—

Mr Jenkins: Na, nid wyf yn dweud hynny—buasem wedi'i wrthsefyll pe bai wedi bod yno. Nid wyf yn ymwybodol y bu yno erioed.

[304] **Jocelyn Davies:** Right, okay. The current chief executive of the arts council felt obliged to carry out an investigation into the possible conflict of interest between the council and the trust. As the chief executive at the time that the key decisions were made about this project, can you confirm whether you were aware of any conflicts of interest?

Mr Jenkins: No, I was not aware of any. There is a paragraph here that talks about Mr Mathew Prichard's role as the chair. As I have explained, he was the chair when I joined the arts council, but he was not my employer, because I was employed by the Arts Council of Great Britain, not by the Welsh Arts Council, as it was then. It suggests here that Mr Mathew Prichard was concurrently the president of the national museum. He did not become president of the national museum until the end of 1996, two and a half years after he left the council. I have had very little contact with Mr Prichard since he left the council, and I cannot recall any instance where there was a conflict. We did have a regime, as every body has—and I know that the Assembly has—of declaring interests when there are friendships, and it happened at the last meeting. We had all that regime in place, and I was very glad to see that my successor but two could find no evidence of any conflict. I am not aware of any conflict either.

[305] **Jocelyn Davies:** No. He did say that he concluded that there was not a conflict, but he did feel moved to carry out the investigation. You did not?

Mr Jenkins: Of course I did. I mean—

[304] **Jocelyn Davies:** Reit, iawn. Teimlai prif weithredwr cyfredol cyngor y celfyddydau fod yn rhaid iddo gynnal ymchwiliad i'r gwrthdaro buddiannau posibl rhwng y cyngor a'r ymddiriedolaeth. Fel y prif weithredwr ar yr adeg y gwnaethpwyd y penderfyniadau allweddol ynglyn â'r prosiect hwn, a allwch gadarnhau a oeddech yn ymwybodol o unrhyw wrthdaro buddiannau?

Mr Jenkins: Na, nid oeddwn yn ymwybodol o hynny. Mae paragraff yma sydd yn sôn am rôl Mr Mathew Prichard fel cadeirydd. Fel yr esboniais, ef oedd y cadeirydd pan ymunais i â chyngor y celfyddydau, ond nid ef oedd fy nghyflogwr, oherwydd fe'm cyflogwyd gan Gyngor Celfyddydau Prydain Fawr, nid gan Gyngor Celfyddydau Cymru. Awgrymir yma fod Mr Mathew Prichard yn llywydd yr amgueddfa genedlaethol ar yr un pryd. Nid aeth yn llywydd yr amgueddfa genedlaethol tan ddiwedd 1996, ddwy flynedd a hanner wedi iddo adael y cyngor. Ychydig iawn o gysylltiad yr wyf wedi'i gael gyda Mr Prichard er iddo adael y cyngor, ac ni allaf gofio unrhyw achlysur lle bu gwrthdaro. Yr oedd gennym drefn, fel sydd gan bob corff—a gwn fod gan y Cynulliad—o ddatgan buddiant pan fo cyfeillgarwch, ac fe ddigwyddodd yn y cyfarfod diwethaf. Yr oedd gennym yr holl drefn honno yn ei lle, ac yr oeddwn yn falch iawn o weld na allai fy olynydd namyn dau ganfod unrhyw dystiolaeth o wrthdaro o gwbl. Nid wyf innau'n ymwybodol o unrhyw wrthdaro ychwaith.

[305] **Jocelyn Davies:** Na. Fe ddywedodd iddo ddod i'r casgliad na fu gwrthdaro, ond fe gafodd ei ysgogi i gynnal yr ymchwiliad. Oni wnaethoch chi?

Mr Jenkins: Wrth gwrs y gwneuthum. Hynny yw—

[306] **Jocelyn Davies:** You carried out an investigation?

Mr Jenkins: I was there at the time. It was not an investigation. I was monitoring it all the time.

[307] **Jocelyn Davies:** But you did an assessment of whether there could possibly be a conflict?

Mr Jenkins: I was very conscious of it in every application. Wales is a small place—it is a very small place. There were thousands of applications coming in. I was very conscious of this factor with every application, and it did not occur, as far as I am aware, in my time. I was not directing. I was not in the receipt of any grant or anything like that. There was no conflict at all as far as I could see, with this application nor, if I may say so, with any other application during my time there.

[308] **Jocelyn Davies:** Sir Richard, do you have any comment on that?

Sir Richard Lloyd Jones: Not really, except to repeat the dilemma that I laid before the Committee earlier. There is a conflict of objective, if you like, between taking the risk involved in this assessment, which turned out to be wrong obviously, and then protecting it on the one hand, and having to fund the subsidised running costs of the Centre for Visual Arts when it had opened. The project could not, I think—you will correct me if I am wrong—have gone ahead had we not committed £200,000 a year by way of subsidy after the centre opened. Therefore, that is the conflict that worries me. I am not aware of conflicts of interest between individuals and, as Mr Jenkins says, we were pretty rigorous on the council in declaring any interests that we had and leaving the room while the matter was discussed.

[306] **Jocelyn Davies:** Gwnaethoch gynnwl ymchwiliad?

Mr Jenkins: Yr oeddwn yno ar y pryd. Nid ymchwiliad ydoedd. Yr oeddwn yn ei fonitro drwy'r amser.

[307] **Jocelyn Davies:** Ond fe wnaethoch asesiad i weld a ellid o bosibl gael gwrthdaro?

Mr Jenkins: Yr oeddwn yn ymwybodol iawn ohono ym mhob cyd-destun. Lle bach yw Cymru—lle bach iawn. Yr oedd miloedd o geisiadau'n dod i mewn. Yr oeddwn yn ymwybodol iawn o'r ffactor hwn gyda phob cais, ac ni ddigwyddodd, hyd y gwn i, yn ystod fy amser i. Nid oeddwn i yn cyfarwyddo. Nid oeddwn i yn derbyn grant na dim felly. Nid oedd dim gwrthdaro o gwbl hyd y gwelwn i, gyda'r cais hwn nac, os caf ddweud, gydag unrhyw gais arall yn ystod fy amser i yno.

[308] **Jocelyn Davies:** Syr Richard, a oes gennyh unrhyw sylw ar hynny?

Syr Richard Lloyd Jones: Ddim yn wir, ac eithrio ailadrodd y cyfyng-gyngor a osodais ger bron y Pwyllgor yn gynharach. Y mae gwrthdrawiad amcan, os hoffwch, rhwng cymryd y risg a oedd ynghlwm wrth yr asesiad hwn, a oedd yn anghywir yn y diwedd yn amlwg, ac wedyn ei warchod ar y naill law, a gorfod talu costau rhedeg cymorthdaledig Canolfan y Celfyddydau Gweledol wedi iddi agor. Ni allasai'r prosiect, dybiaf fi—cywirwch fi os wyf yn anghywir—fynd yn ei flaen pe na baem wedi ymrwymo £200,000 y flwyddyn o gymhorthdal wedi i'r ganolfan agor. Felly, dyna'r gwrthdrawiad sydd yn fy mhoeni i. Nid wyf yn ymwybodol o wrthdrawiadau buddiannau rhwng unigolion ac, fel y dywed Mr Jenkins, yr oeddem yn eithaf trwyadl ar y cyngor o ran datgan unrhyw fuddiannau a oedd gennym a gadael yr

ystafell tra trafodid y mater.

[309] **Janet Davies:** We are all aware that improvements have been made more recently to improve the rigour of the Arts Council of Wales's assessment procedures, and Peter Tyndall, the current accounting officer, raised this. Mr Jenkins, do you feel that the staff in post that handled the early lottery projects had the skills and expertise to assess applications? Were they given training, or did you recruit the expertise necessary, particularly perhaps in the finance and project management?

Mr Jenkins: I think that your general point, Madam Chair, is a valid one—that the procedures and the directions have all developed over the last eight years. After all, we are seven or eight years down the track. I would be perfectly happy to concede the charge of inexperience. Inexperience was common to all lottery distributors. I would, however, strongly refute any charge of incompetence. We operated exactly the procedures and the regime that were being imposed on us at the time. That, as I think Sir John Bourn has said, has now changed considerably and been tightened up and I am very grateful. If we were doing the same thing now, we might not be doing it the same way because we are under a different regime. Therefore, yes, I would strongly support the changes that have taken place. They are sensible and I would hope that they could prevent this kind of problem arising in future. However, I would also strongly defend what we were doing in 1995 almost as pioneers in Wales, as they were in Scotland and in the Arts Council of England and in Northern Ireland. We were going in parallel. We were comparing with them. I was having monthly meetings with my opposite numbers in the other national regions. We were working together. Yes, the regime may have

[309] **Janet Davies:** Yr ydym i gyd yn ymwybodol fod gwelliannau wedi'u gwneud yn ddiweddar i wella trylwyrdd gweithdrefnau asesu Cyngor Celfyddydau Cymru, a chodwyd hyn gan Peter Tyndall, y swyddog cyfrifo cyfredol. Mr Jenkins, a deimlwch fod y staff yn y swyddi a ddeliai â'r prosiectau loteri cynnar yn meddu ar y sgiliau a'r arbenigedd i asesu ceisiadau? A roddwyd hyfforddiant iddynt, neu a wnaethoch recriwtio'r arbenigedd angenrheidiol, yn enwedig efallai ym maes rheoli cyllid a phrosiectau?

Mr Jenkins: Credaf fod eich pwynt cyffredinol, Fadam Gadeirydd, yn un dilys—bod y gweithdrefnau a'r cyfarwyddiadau oll wedi datblygu dros yr wyth mlynedd diwethaf. Wedi'r cyfan, yr ydym saith neu wyth mlynedd i lawr y lein. Byddwn yn berffaith hapus derbyn y cyhuddiad o ddiffyg profiad. Yr oedd diffyg profiad yn gyffredin i bob dosbarthwr loteri. Byddwn, fodd bynnag, yn gwadu'n gryf unrhyw gyhuddiad o ddiffyg cymhwysedd. Bu inni weithredu'n union y gweithdrefnau a'r drefn a osodid arnom ar y pryd. Mae hynny, fel y dywedodd Syr John Bourn, yr wyf yn meddwl, bellach wedi newid yn sylweddol ac wedi'i dynhau ac yr wyf yn ddiolchgar iawn. Pe baem yn gwneud yr un peth yn awr, efallai na fyddem yn ei wneud yn yr un ffordd oherwydd yr ydym dan drefn wahanol. Felly, byddwn, mi fyddwn yn cefnogi'n gryf y newidiadau sydd wedi digwydd. Maent yn synhwyrol a gobeithiaf y gallant atal y math yma o broblem rhag codi yn y dyfodol. Fodd bynnag, byddwn hefyd yn amddiffyn yn gryf yr hyn yr oeddem ni'n ei wneud yn 1995 bron fel arloeswyr yng Nghymru, fel yr oeddent yn yr Alban ac yng Nghyngor Celfyddydau Lloegr ac yng Ngogledd Iwerddon. Yr oeddem yn mynd ochr yn ochr. Yr oeddem yn cymharu â hwy. Yr oedwn i'n cael cyfarfodydd misol

been deficient at the time. I am not disputing that. What I am claiming is that we complied exactly with the regime that we had.

[310] **Janet Davies:** Thank you. I want now to consider the way the investment during the construction and operation of the project and on the closure of the centre was handled. Again, I will ask the question to Mr Jenkins and perhaps Miss Weston also. It appears that a full risk assessment of the project was not undertaken and that there were no contingency plans in place. Do you think, with hindsight, that that should have happened?

Ms Weston: I think that it is something similar to the previous issue about learning and going to a three-stage application process. We did feel that having the external assessment and the constant monitoring was a way of managing risk. However, you are quite right that we did not carry out a specific formal risk assessment and we quickly moved to the point where we did. With hindsight, it would have been more useful if we had done that in this case. After we had been operating for, I do not know how long—six months or a year; I could find out—we received guidance from the Department of National Heritage at that time on risk assessment and we acted on it swiftly. We undertook the staff training that was supplied and recommended and we adapted our systems to take into account the need for a proper risk assessment at the appraisal stage.

gyda’ m cyd-gyfarwyddwyr yn y rhanbarthau cenedlaethol eraill. Yr oeddem yn cydweithio. Oedd, efallai fod y drefn yn ddiffygiol ar y pryd. Nid wyf yn gwadu hynny. Yr hyn yr wyf yn ei haeru yw ein bod wedi cydymffurfio’n union gyda’r drefn a oedd gennym.

[310] **Janet Davies:** Diolch. Yn awr hoffwn ystyried y modd yr ymdriniwyd â’r buddsoddiad yn ystod adeiladu a gweithredu’r prosiect a phan gaewyd y ganolfan. Eto, gofynnaf y cwestiwn i Mr Jenkins ac efallai i Miss Weston hefyd. Mae’n ymddangos na wnaethpwyd asesiad risg llawn o’r prosiect ac nad oedd unrhyw gynlluniau wrth gefn yn eu lle. A ydych yn meddwl, wrth edrych yn ôl, y dylasai hynny fod wedi digwydd?

Ms Weston: Yr wyf yn meddwl ei fod rywbeth yn debyg i’r pwynt diwethaf ynghylch dysgu a symud at broses geisiadau tri cham. Yr oeddem yn teimlo fod cael yr asesiad allanol a’r monitro parhaus yn ffordd o reoli risg. Fodd bynnag, yr ydych yn llygad eich lle na wnaethom gyflawni asesiad risg ffurfiol penodol ac fe symudasom yn gyflym i bwynt lle’r oeddem yn gwneud hynny. Gydag ôl-welediad, buasai’n fwy buddiol pe baem wedi gwneud hynny yn yr achos hwn. Wedi inni fod yn gweithredu am, ni wn ba hyd—chwe mis neu flwyddyn; gallwn ganfod faint—cawsom arweiniad gan Adran y Dreftadaeth Genedlaethol ar y pryd ar asesu risg a gweithredasom ar hynny’n ddi-oed. Ymgymerasom â’r hyfforddi staff a ddarperid ac a argymhellid, ac addasu’n systemau i gymryd i ystyriaeth yr angen am asesiad risg priodol yn y cam gwerthuso.

[311] **Janet Davies:** Thank you. I would like to ask you another question before I go back to Dai. It was quite a big lottery grant. Why was no charge put on the building? That would have safeguarded the arts council's investment, would it not?

Ms Weston: Yes, it would have done. A charge was not put on the building, first, because it was not something that we were geared up to do at that time. If you say that we should have been, I would agree with you. However, it was not done. I do understand that those things are being done retrospectively now. I think that, at the time, everybody involved took some comfort from the fact that it was on a 99-year lease. We did always insist on a minimum 25-year lease in the case of any work on a building. We also took some comfort from the fact that it was a 99-year-lease and that it was owned by the local authority, which shared our aims and aspirations for the building.

[312] **Janet Davies:** Thank you. Dai?

[313] **David Lloyd:** I now turn to the selection of the project monitor. I have a couple of quick questions to Ms Weston as regards the selection process for the project monitor. How was the project monitor selected in the first place? Was there a tender evaluation panel to select the project monitor or was this the decision of one individual? How much was the project monitor paid? What was the basis for pricing? Did the contract provide for financial redress if the advice was unsound?

[311] **Janet Davies:** Diolch. Hoffwn ofyn cwestiwn arall ichi cyn mynd yn ôl at Dai. Yr oedd yn grant loteri eithaf mawr. Pam na osodwyd pridiant ar yr adeilad? Buasai hynny wedi diogelu buddsoddiad cyngor y celfyddydau, oni fuasai?

Ms Weston: Buasai. Ni osodwyd pridiant ar yr adeilad, yn gyntaf, am nad oedd yn rhywbeth yr oeddem wedi'n paratoi i'w wneud ar y pryd. Os dywedwch y dylasem fod, cytunaf â chi. Fodd bynnag, ni ddigwyddodd. Yr wyf yn deall fod y pethau hynny'n cael eu gwneud yn ôl-weithredol yn awr. Yr wyf yn meddwl, ar y pryd, fod pawb a oedd yn ymwneud â'r peth yn cymryd rhywfaint o gysur o'r ffaith ei fod ar brydles 99 mlynedd. Byddem bob amser yn mynnu prydles o 25 mlynedd o leiaf yn achos unrhyw waith ar adeilad. Cymerasom rywfaint o gysur hefyd o'r ffaith ei fod yn brydles 99 mlynedd a'i fod yn eiddo'r awdurdod lleol, a oedd yn rhannu'n hamcanion a'n dyheadau ni ar gyfer yr adeilad.

[312] **Janet Davies:** Diolch. Dai?

[313] **David Lloyd:** Trof yn awr at y modd y dewiswyd monitor y prosiect. Mae gennyf ychydig o gwestiynau byr i Ms Weston ynglyn â'r broses ar gyfer dewis monitor y prosiect. Sut y dewiswyd monitor y prosiect yn y lle cyntaf? A gafwyd panel arfarnu tendrau i ddewis monitor y prosiect ynteu ai penderfyniad un unigolyn oedd hyn? Faint a dalwyd i fonitor y prosiect? Beth oedd sail y prisio? A ddarparai'r contract iawndal ariannol pe roddwyd cyngor cyfeiliornus?

Ms Weston: The project monitors were all appointed as a group, as a pool that was sort of segregated into various types of expertise. From that point, where we had the pool in place—and that process was being carried out by PricewaterhouseCoopers—the project officer in question would appoint the assessor. It was not normal practice to appoint a project monitor, if by a monitor you mean somebody who sees the project right the way through. However, in this case, the senior capital officer took the decision, having consulted me and possibly other people, that it would be a good idea to have a monitor to monitor monthly. That person would have been picked from the pool of assessors that already existed, according to their expertise, but also according to availability.

[314] **David Lloyd:** Okay. How much was the project monitor paid? Do we know that aspect of it?

Ms Weston: No, I do not know that. There was a standard rate that was paid by all of the arts councils in the early days that seemed like a lot at the time. It was £300 a day, but you have to remember within that that most assessments were two or three days' work. Therefore, whether that was varied for the longer term monitoring situation, I do not know I am afraid.

[315] **David Lloyd:** Do you know then if the contract provided for financial redress if any advice from the project monitor was unsound?

Ms Weston: Yes, in that it was part of the process that was undertaken by PricewaterhouseCoopers to check that everybody that it had confirmed as assessors had professional indemnity insurance.

[316] **David Lloyd:** Okay.

Ms Weston: Penodwyd y monitoriaid prosiectau i gyd fel grwp, fel cronfa a oedd wedi'i lled wahanu'n wahanol fathau o arbenigedd. O'r pwynt hwnnw, lle'r oedd y gronfa yn ei lle gennym—a chyflawnid y broses honno gan PricewaterhouseCoopers—byddai'r swyddog prosiect perthnasol yn penodi'r asesydd. Nid oedd yn arferol penodi monitor prosiect, os mai'r hyn a olygwch wrth fonitor yw rhywun sydd yn cadw llygad ar brosiect o'r dechrau i'r diwedd. Fodd bynnag, yn yr achos hwn, penderfynodd yr uwch swyddog cyfalaf, wedi ymgynghori â mi ac efallai â phobl eraill, y byddai'n syniad da cael monitor i fonitro'n fisol. Byddai'r person hwnnw wedi'i ddewis o'r gronfa aseswyr a fodolai eisoes, yn ôl eu harbenigedd, ond hefyd yn ôl pwy oedd ar gael.

[314] **David Lloyd:** Iawn. Faint a dalwyd i fonitor y prosiect? A wyddom ni'r agwedd honno ohoni?

Ms Weston: Na, ni wn i hynny. Yr oedd cyfradd safonol a delid gan bob cyngor celfyddydau yn y dyddiau cynnar a ymddangosai'n swm mawr ar y pryd. £300 y dydd ydoedd, ond rhaid cofio o fewn hynny mai deuddydd neu dri o waith oedd y rhan fwyaf o asesiadau. Felly, a amrywiwyd hynny ar gyfer y sefyllfa fonitro dros dymor hwy, ni wn, mae arnaf ofn.

[315] **David Lloyd:** A wyddoch felly a oedd y contract yn darparu ar gyfer iawndal ariannol pe roddai monitor y prosiect unrhyw gyngor cyfeiliornus?

Ms Weston: Oedd, o ran ei fod yn rhan o'r broses yr ymgymerwyd â hi gan PricewaterhouseCoopers i wirio fod gan bawb yr oedd wedi'u cadarnhau fel aseswyr yswiriant indemnïad proffesiynol.

[316] **David Lloyd:** Iawn.

[317] **Janet Davies:** Lorraine, you have sat there very patiently—

[318] **Lorraine Barrett:** I know. You are going to wonder why I am here today. You will soon find out. I have a question for Miss Weston, on the failure to act on various problems and concerns. I am looking at paragraph 3.13 in the Auditor General's report. The monitor that Dai Lloyd has just asked you about alerted you to problems in early 1998, and recommended that the council require the applicant to undertake a sensitivity analysis, and to consider a worst-case scenario. I just wondered why you did not do that. This was the advice that you paid for, yet apparently it was not followed up.

Ms Weston: The arts council did act on that advice. In 1998, there was the appraisal of the third application. There was appraisal of the business plan by officers internal to the arts council. The response of the CVA to the assessor's report was to tell us that it would reappoint Deloitte and Touche in order to review the business plan and assess the impact of a much later than planned opening. I do have documentary evidence for that. Therefore, as I think I have said before, at each stage, we did act on the advice that we were given.

[319] **Lorraine Barrett:** Okay. Are we happy with that? I am not sure that I can take that one much further, but I do not know if anyone else wants to pursue it.

[320] **Janet Davies:** I think that Jocelyn would like to come in just for a moment.

[317] **Janet Davies:** Lorraine, yr ydych chi wedi eistedd yno'n amyneddgar iawn—

[318] **Lorraine Barrett:** Mi wn. Yr ydych yn mynd i feddwl tybed pam yr wyf fi yma heddiw. Cewch wybod toc. Mae gennyf gwestiwn i Miss Weston, ar y methiant i weithredu ar amryfal broblemau a phryderon. Yr wyf yn edrych ar baragraff 3.13 adroddiad yr Archwilydd Cyffredinol. Bu i'r monitor y mae Dai Lloyd newydd eich holi amdano eich rhybuddio am broblemau yn gynnar yn 1998, gan argymhell y dylai'r cyngor fynnu bod yr ymgeisydd yn gwneud dadansoddiad sensitifrwydd, ac ystyried y senario waethaf bosibl. Dim ond meddwl yr oeddwn tybed pam na wnaethoch hynny. Dyma'r cyngor yr oeddech wedi talu amdano, eto yn ôl pob tebyg ni ddilynwyd ef.

Ms Weston: Fe weithredodd cyngor y celfyddydau ar y cyngor hwnnw. Yn 1998, cafwyd y gwerthusiad ar y trydydd cais. Gwerthuswyd y cynllun busnes gan swyddogion mewnol cyngor y celfyddydau. Ymateb y ganolfan i adroddiad yr asesydd oedd dweud wrthym y byddai'n ailbenodi Deloitte and Touche i adolygu'r cynllun busnes ac asesu effaith agor llawer yn hwyrach nag a gynlluniwyd. Mae gennyf dystiolaeth ddogfennol dros hynny. Felly, fel y dywedais o'r blaen, yr wyf yn meddwl, ar bob cam, bu inni weithredu ar y cyngor a roddwyd inni.

[319] **Lorraine Barrett:** Iawn. A ydym yn hapus gyda hynny? Nid wyf yn siwr a allaf fynd â honno lawer ymhellach, ond ni wn a oes unrhyw un arall eisiau ei dilyn.

[320] **Janet Davies:** Yr wyf yn meddwl yr hoffai Jocelyn ddod i mewn am funud.

[321] **Jocelyn Davies:** Yes, because this is something that I touched on earlier. I will read to you what Mr Tyndall said to us in response to that exact same question. He said that he would read to us from the original assessment report, in the files that he now has available to him.

‘I read to you from the original assessment report the list of checkpoints going on a scale from one to five. On the viability box, in a subsequent file, rather than being marked one to five, it was marked n/a—not applicable—and reference was made to a separate assessment. So I have sought to find details of that separate assessment, which is precisely what you are referring to, and I have not been able to do so.’

Why can the current chief executive not find anything in the files about that assessment? Why has he been unable to do so?

Ms Weston: I do not know that. However, I can tell you that, at the point we got that assessment, an assessment had already been carried out two or three months earlier—which the assessor may not have been aware of—by McCann Matthews Millman, which was looking at the business and marketing side. We had been in discussion with the CVA about responding to that assessment. That was around the time that it was applying for revenue funding for the following year, as well as the capital involvement. Two things happened as a result of that recommendation. One was that arts council officers assessed the revised marketing plan, and the CVA appointed Deloitte and Touche in order to assess the whole of its business plan.

[321] **Jocelyn Davies:** Hoffwn, oherwydd dyma rywbeth y cyffyrddais arno’n gynharach. Darllenaf ichi beth ddywedodd Mr Tyndall wrthym wrth ateb yr union gwestiwn hwnnw. Dywedodd y byddai’n darllen inni o adroddiad yr asesiad gwreiddiol, yn y ffeiliau sydd bellach ar gael iddo.

‘Darllenaf ichi o’r adroddiad asesu gwreiddiol y rhestr o bwyntiau gwirio yn mynd ar raddfa o un i bump. Ar y blwch i farcio hyfywdra y cynllun mewn ffeil ddiweddarach, yn hytrach na chael marc un i bump, fe’i marciwyd n/a—*not applicable*—a chyfeiriwyd at asesiad ar wahân. Felly yr wyf wedi ceisio dod o hyd i fanylion yr asesiad arall hwnnw, sef yr union beth yr ydych yn cyfeirio ato, ac nid wyf wedi llwyddo i wneud hynny.’

Pam na all y prif weithredwr cyfredol ddod o hyd i unrhyw beth yn y ffeiliau am yr asesiad hwnnw? Pam y mae wedi methu â gwneud hynny?

Ms Weston: Ni wn hynny. Fodd bynnag, gallaf ddweud wrthyf, pan gawsom yr asesiad hwnnw, fod asesiad eisoes wedi’i wneud ddau neu dri mis yn gynharach—nad oedd yr aseswr efallai’n ymwybodol ohono—gan McCann Matthews Millman, a oedd yn edrych ar yr ochr fusnes a marchnata. Buom mewn trafodaeth gyda’r ganolfan ynglyn ag ymateb i’r asesiad hwnnw. Yr oedd hynny oddeutu’r amser yr oedd yn gwneud cais am gyllid refeniw ar gyfer y flwyddyn ganlynol, yn ogystal â’r cyfranogiad cyfalaf. Digwyddodd dau beth o ganlyniad i’r argymhelliad hwnnw. Un oedd bod swyddogion cyngor y celfyddydau wedi asesu’r cynllun marchnata diwygiedig, a phenododd y ganolfan Deloitte and Touche i asesu’i chynllun busnes cyfan.

[322] **Jocelyn Davies:** Yes, but why can the current chief executive not find that stuff in the files? He came here and said,

‘I have no evidence at all as to what happened as a consequence.’

He repeated it to us three or four times. He was quite definite on it.

Ms Weston: I would be happy to supply you with my evidence.

[323] **Jocelyn Davies:** Does he have it though?

Ms Weston: I do not know.

Sir Richard Lloyd Jones: Personally, I am very anxious that we do not get drawn into contradicting any evidence given previously, because we were not here to hear it.

[324] **Janet Davies:** I accept that.

Sir Richard Lloyd Jones: He is an accounting officer, and he was therefore before you, I submit, in a different situation to us.

[325] **Janet Davies:** I think we do have to accept that. We cannot really take that any further.

[326] **Lorraine Barrett:** Shall I go on?

[327] **Janet Davies:** Yes, please.

[322] **Jocelyn Davies:** Ie, ond pam na all y prif weithredwr cyfredol ganfod y pethau hyn yn y ffeiliau? Daeth yma a dywedodd,

‘Nid oes gennyf dystiolaeth o gwbl ynghylch beth a ddigwyddodd o ganlyniad.’

Ailadroddodd hynny wrthym dair neu bedair gwaith. Yr oedd yn eithaf pendant.

Ms Weston: Byddwn i’n hapus i roi fy nhystiolaeth i ichi.

[323] **Jocelyn Davies:** Ond a ydyw ganddo ef?

Ms Weston: Ni wn i ddim.

Syr Richard Lloyd Jones: Yn bersonol, yr wyf yn awyddus iawn inni beidio â chael ein tynnu i mewn i wrth-ddweud unrhyw dystiolaeth a roddwyd yn flaenorol, oherwydd nid oeddem yma i’w chlywed.

[324] **Janet Davies:** Yr wyf yn derbyn hynny.

Syr Richard Lloyd Jones: Swyddog cyfrifo ydyw ef, ac felly yr oedd ger eich bron, awgrymaf, mewn sefyllfa wahanol i ni.

[325] **Janet Davies:** Yr wyf yn meddwl fod yn rhaid inni dderbyn hynny. Ni allwn yn wir fynd â hynny ddim pellach.

[326] **Lorraine Barrett:** A af fi ymlaen?

[327] **Janet Davies:** Ie, os gwelwch yn dda.

[328] **Lorraine Barrett:** I have a question for Mr Jenkins. Looking at paragraph 3.9 in the Auditor General's report, it says that much of the council's monitoring of the project comprised informal discussions with the project monitor, and over a period of nearly six years, only five written reports were provided. Do you feel that this is an adequate level of monitoring, given the £3.2 million of lottery money? Do you feel that the reports provided value for money?

Mr Jenkins: May I just comment that I was only present for two of the four years. There are five formal full reports. However, there is a letter on file between the grant supervision officer and the monitor agreeing monthly contact between the monitor, so it may be the case—and I cannot speak on the second half, but I think that I am right on this one—that there were only five formal monitoring reports. However, the monitor was involved on a monthly basis, and we have a letter on file agreeing to that arrangement.

[329] **Lorraine Barrett:** I wonder if Ms Weston can fill in those two years?

Ms Weston: I think that there is a basic misunderstanding about what a project monitor is. The five reports that are referred to are assessments of applications, and we would normally expect to have one assessment or a group of assessments of a single application, so it is no surprise that there are five assessments. The arrangement about monitoring was that the capital project should be monitored monthly, and it was. There was also monitoring, on the revenue side, of marketing plans and business plans, and the different divisions within the arts council were supporting the work of the other.

[328] **Lorraine Barrett:** Mae gennyf gwestiwn i Mr Jenkins. Ym mharagraff 3.9 adroddiad yr Archwilydd Cyffredinol, dywedir fod llawer o waith monitro'r cyngor ar y prosiect yn golygu trafodaethau anffurfiol gyda monitor y prosiect, a thros gyfnod o bron chwe blynedd, mai dim ond pum adroddiad ysgrifenedig a ddarparwyd. A ydych yn teimlo fod hyn yn lefel ddigonol o fonitro, o gofio'r £3.2 miliwn o arian loteri? A ydych yn teimlo fod yr adroddiadau wedi darparu gwerth am arian?

Mr Jenkins: A gaf fi wneud y sylw mai dim ond am ddwy o'r pedair blynedd yr oeddwn i'n bresennol. Mae pum adroddiad llawn ffurfiol. Fodd bynnag, mae llythyr ar y ffeil rhwng y swyddog goruchwylio grantiau a'r monitor yn cytuno ar gyswllt misol rhwng y monitor, felly efallai ei bod yn wir—ac ni allaf siarad am yr ail hanner, ond yr wyf yn meddwl fy mod yn iawn ar hyn—mai dim ond pum adroddiad monitro ffurfiol a gafwyd. Fodd bynnag, yr oedd y monitor yn ymwneud â'r peth yn fisol, ac mae gennym lythyr ar y ffeil yn cytuno i'r trefniant hwnnw.

[329] **Lorraine Barrett:** Tybed a all Ms Weston lanw'r ddwy flynedd hynny i mewn?

Ms Weston: Yr wyf yn meddwl fod yma gamddealltwriaeth sylfaenol ynghylch beth yw monitor prosiect. Aseidiadau o geisiadau yw'r pum adroddiad y cyfeirir atynt, a byddem fel arfer yn disgwyl cael un asesiad neu grwp o aseidiadau ar gais unigol, felly nid yw'n syndod mai pum asesiad sydd. Y trefniant ynghylch monitro oedd y dylid monitro'r prosiect cyfalaf yn fisol, a gwnaethpwyd hynny. Ar yr ochr refeniw, cafwyd monitro hefyd ar gynlluniau marchnata a chynlluniau busnes, ac yr oedd y gwahanol adrannau o fewn cyngor y celfyddydau'n cefnogi gwaith ei gilydd.

Mr Jenkins: Yes, forgive me, may I come back on that? I think I have probably dropped into the same trap of confusing assessments and monitoring. An assessment is a dipping in to assess a particular application. Monitoring is a constant process and happens monthly, as we have both said.

[330] **Lorraine Barrett:** Yes, that is actually mentioned in the report. Do you want us to examine the monitoring as opposed to just the assessment of the applications, or are we happy with that?

[331] **Janet Davies:** I will leave it to you, Lorraine.

[332] **Lorraine Barrett:** Yes, I think we can look back at the answers.

Ms Weston: Could I just mention one more thing? If you would like, I have a list here of 35 key meetings and documents that were part of the monitoring process as the project developed.

[333] **Janet Davies:** You will let us have a copy of that?

Ms Weston: If you would like it, yes.

[334] **Janet Davies:** Thank you very much.

[335] **Lorraine Barrett:** Looking at paragraph 3.11 of the Auditor General's report, it states that the staff of the arts council had difficulty obtaining financial information from the trust during the construction phase and also when the centre was opened. Consequently, the arts council was perhaps unsighted when the centre was experiencing those financial difficulties. Can you tell us why this was, and do you think that you could have done more to obtain the information that you needed? I think that that is probably for Miss Weston, and possibly Mr Edge

Mr Jenkins: Ie, maddeuwch imi, a gaf fi ddod yn ôl ar hynny? Yr wyf yn meddwl fy mod, mae'n debyg, wedi syrthio i'r un fagl o ddrysau a monitro. Golyga asesiad alw i mewn i asesu cymhwysiad arbennig. Mae monitro'n broses barhaus ac yn digwydd yn fisol, fel y dywedasom ein dau.

[330] **Lorraine Barrett:** Ie, crybwyllir hynny yn yr adroddiad mewn gwirionedd. A oes arnoch eisiau inni archwilio'r monitro yn hytrach na dim ond yr asesu ar y ceisiadau, ynteu a ydym yn hapus â hynny?

[331] **Janet Davies:** Fe'i gadawaf i chi, Lorraine.

[332] **Lorraine Barrett:** Ie, yr wyf yn meddwl y gallwn ni edrych yn ôl ar yr atebion.

Ms Weston: A gaf i sôn am un peth arall? Os hoffech, mae gennyf restr yma o 35 cyfarfod a dogfennau allweddol a oedd yn rhan o'r broses fonitro wrth i'r prosiect ddatblygu.

[333] **Janet Davies:** Fe adewch inni gael copi o honno?

Ms Weston: Os hoffech, gwnaf.

[334] **Janet Davies:** Diolch yn fawr.

[335] **Lorraine Barrett:** Ym mharagraff 3.11 yn adroddiad yr Archwilydd Cyffredinol, dywedir i staff cyngor y celfyddydau gael anhawster cael gwybodaeth ariannol gan yr ymddiriedolaeth yn ystod y cyfnod adeiladu a hefyd pan oedd y ganolfan yn agored. O ganlyniad, efallai nad oedd cyngor y celfyddydau yn gweld y darlun llawn pan oedd y ganolfan yn wynebu'r anawsterau ariannol hynny. A allwch ddweud wrthym pam yr oedd hyn, ac a ydych yn meddwl y gallasech wneud mwy i gael y wybodaeth yr oedd ei hangen arnoch? Yr wyf yn meddwl

afterwards.

Ms Weston: I have acknowledged that it was difficult at times to get information but, again, I doubt whether you want me to go through the full list. I do have a long list of budgets, estimates, cash flows, designs and plans that were obtained as part of our information gathering process. There is something in the report saying that, in January 2000, the most up-to-date figures we had were for August 1999. As it happens, the following month, in February 2000, we had figures through to December 1999. Therefore, for any organisation to produce monthly management accounts up to that point is acceptable. I cannot tell you why we had difficulty, but we did not relax and sit back. Officers worked extremely hard to obtain the information that we needed throughout the project. Eventually, we got the information that we needed and we acted on it.

Sir Richard Lloyd Jones: Chairman, are we covered by privilege, because we are talking about a third party now? It worries me slightly now that I do not have any protection.

[336] **Janet Davies:** I believe that we are, but I will check with Miss Parkes.

Miss Parkes: Certainly. Things that are said here are covered by absolute privilege.

[337] **Janet Davies:** Thank you. That is advice from the Office of the Counsel General.

Sir Richard Lloyd Jones: Thanks very much. I just wanted to clear that up.

mae'n debyg mai cwestiwn i Miss Weston yw hynny, ac efallai Mr Edge wedyn.

Ms Weston: Yr wyf wedi cydnabod ei bod yn anodd cael gwybodaeth ar adegau ond, eto, yr wyf yn amau a oes arnoch eisiau imi fynd drwy'r rhestr lawn. Y mae gennyf restr hir o gyllidebau, amcangyfrifon, ffigurau llif arian, dyluniadau a chynlluniau a gafwyd fel rhan o'n proses gasglu gwybodaeth. Y mae rhywbeth yn yr adroddiad sydd yn dweud mai'r ffigurau diweddaraf a oedd gennym, yn Ionawr 2000, oedd ffigurau Awst 1999. Fel y mae'n digwydd, erbyn y mis nesaf, Chwefror 2000, yr oedd gennym ffigurau drwodd i Ragfyr 1999. Felly, mae i unrhyw gorff ddarparu cyfrifon rheoli misol hyd at y pwynt hwnnw yn dderbyniol. Ni allaf ddweud wrthy ch pam y cawsom anhawster, ond ni wnaethom ymlacio ac eistedd yn ôl. Gweithiodd swyddogion yn eithriadol o galed i gael y wybodaeth yr oedd ei hangen arnom drwy gydol y prosiect. Yn y diwedd, cawsom y wybodaeth yr oedd ei hangen arnom a gweithredasom arni.

Syr Richard Lloyd Jones: Gadeirydd, a oes braint yn ein gwarchod, oherwydd yr ydym yn siarad am drydydd parti yn awr? Mae'n fy mhoeni ychydig yn awr nad oes gennyf unrhyw warchodaeth.

[336] **Janet Davies:** Credaf fod, ond gofynnaf i Miss Parkes am sicrwydd.

Miss Parkes: Yn sicr. Gwarchodir pethau a ddywedir yn y fan hon gan fraint absoliwt.

[337] **Janet Davies:** Diolch. Dyna gyngor gan Swyddfa'r Cwnsler Cyffredinol.

Syr Richard Lloyd Jones: Diolch yn fawr. Dim ond eisiau bod yn glir ar hynny yr oeddwn i.

[338] **Lorraine Barrett:** May I follow on from that? The Committee received a letter, as written evidence, from Mr Mathew Prichard, who was chairman of the trustees at the time. He told us that at no stage was the centre asked by the arts council to address the problems regarding the lack of information. Is this your recollection? There seems to be a bit of a conflict here. You answered this in part. If you had difficulty in obtaining that information, which hampered your monitoring, why did you not raise it directly with the Centre for Visual Arts?

Ms Weston: I do not think that it hampered the monitoring to the extent that we were unable to monitor. It was difficult and hard work and officers did deal with the difficulties and, as an officer of the arts council, I would not go to the chairman of an organisation to resolve a difficulty that could be resolved by officers on both sides.

[339] **Lorraine Barrett:** I do not know whether Mr Edge wants to come in on this.

Mr Edge: I can add a little to that, particularly about the final period shortly before closure. There are a number of letters on file asking for financial information towards the end of the period when it was actually open and it did take a letter and reminders before we were getting the management accounts.

[340] **Lorraine Barrett:** Sir Richard, were council members aware of the difficulties that staff had in obtaining up-to-date financial information from the applicant? Was any action taken?

[338] **Lorraine Barrett:** A gaf i ddilyn ymlaen oddi ar hynny? Derbyniodd y Pwyllgor lythyr, fel tystiolaeth ysgrifenedig, oddi wrth Mr Mathew Prichard, sef cadeirydd yr ymddiriedolwyr ar y pryd. Dywedodd ef wrthym na ofynnwyd i'r ganolfan ar unrhyw adeg gan gyngor y celfyddydau i ddelio â'r problemau parthed y diffyg gwybodaeth. Ai dyma a gofiwch chi? Mae'n ymddangos bod ychydig o wrthdaro yma. Atebasoch hyn yn rhannol. Os cawsoch anhawster i gael y wybodaeth honno, a hynny'n llyffetheirio'ch gwaith monitro, pam na wnaethoch godi hyn yn uniongyrchol gyda Chanolfan y Celfyddydau Gweledol?

Ms Weston: Nid wyf yn meddwl y llyffetheiriodd y monitro i'r graddau ein bod yn methu monitro. Yr oedd yn waith anodd a chaled ac fe ddeliodd swyddogion gyda'r anawsterau ac, fel un o swyddogion cyngor y celfyddydau, nid awn i at gadeirydd corff i ddatrys anhawster y gellid ei ddatrys gan swyddogion ar y ddwy ochr.

[339] **Lorraine Barrett:** Nid wyf yn gwybod a hoffai Mr Edge ddod i mewn ar hyn.

Mr Edge: Ychydig a allaf ei ychwanegu at hynny, yn enwedig am y cyfnod olaf ychydig cyn cau. Mae nifer o lythyrau ar y ffeil yn gofyn am wybodaeth ariannol tua diwedd y cyfnod pan oedd yn agored ac fe gymerodd lythyr a sawl nodyn atgoffa cyn inni gael y cyfrifon rheoli.

[340] **Lorraine Barrett:** Syr Richard, a oedd aelodau'r cyngor yn ymwybodol o'r anawsterau a gâi staff i gael y wybodaeth ariannol ddiweddaraf oddi wrth y cleient? A wnaethpwyd unrhyw beth?

Sir Richard Lloyd Jones: After 1999 I was not there, and I suspect that this is quite largely to do with the closing stages of the project. I do not know if Jo Weston can throw any light on this. I do not recall it being brought as an issue to council. I suspect that the ethos of the workers, if I might put it that way, would be that they saw their duty to council as being to try to resolve these difficulties themselves and not perhaps to make a meal of them at full council level.

[341] **Lorraine Barrett:** Before Miss Weston comes in on that, looking back with hindsight is always easier, but I understand that it is not standard practice to put in a legally binding agreement to require the applicant to provide that financial information. Looking back, would it have been a sensible thing to do?

Ms Weston: I do not think it would have made any difference, because there was an agreement as part of the conditions of grant that the applicant needed to supply the financial information that we needed. It just arises sometimes that it is difficult to get hold of information and I would not report that to council or ask the council to intervene, unless it was such a huge difficulty that our involvement with the project was being seriously jeopardised.

[342] **Lorraine Barrett:** Thank you. Did Mr Edge want to come in on this at all?

Mr Edge: All I wanted to say was that the basic terms of agreement, which was the letter of acceptance to standard conditions, always said 'you must provide us with regular information'. When we brought in the 'bible', as I used to call it—the thick agreements for all grants over £1 million—that just elaborated on that basic fact.

Syr Richard Lloyd Jones: Ar ôl 1999 nid oeddwn i yno, ac yr wyf yn amau fod a wnelo hyn i raddau helaeth iawn a chyfnod olaf y prosiect. Ni wn a all Jo Weston fwrw goleuni ar hyn o gwbl. Ni chofiaf iddo gael ei gyflwyno fel pwnc i'r cyngor. Yr wyf yn amau mai ethos y gweithwyr, os caf ei roi fel yna, fyddai eu bod yn gweld mai eu dyletswydd hwy i'r cyngor oedd ceisio datrys y trafferthion hyn eu hunain ac efallai peidio â gwneud môr a mynydd ohonynt ar lefel y cyngor llawn.

[341] **Lorraine Barrett:** Cyn i Miss Weston ddod i mewn ar hynny, mae edrych yn ôl gydag ôl-welediad bob amser yn haws, ond deallaf nad yw'n arfer safonol cynnwys cytundeb cyfreithiol sydd yn rhwymo'r ymgeisydd i ddarparu'r wybodaeth ariannol honno. O edrych yn ôl, a fuasai hynny'n beth synhwyrol i'w wneud?

Ms Weston: Nid wyf yn meddwl y buasai wedi gwneud unrhyw wahaniaeth, oherwydd yr oedd cytundeb yn bodoli fel rhan o amodau'r grant fod angen i'r ymgeisydd roi'r wybodaeth ariannol yr oedd ei hangen arnom. Weithiau mae'n digwydd ei bod yn anodd cael gafael ar wybodaeth ac ni fyddwn yn adrodd hynny i'r cyngor nac yn gofyn i'r cyngor ymyrryd, oni bai ei fod yn broblem mor fawr nes peryglu'n ddifrifol ein cyfranogiad ni yn y prosiect.

[342] **Lorraine Barrett:** Diolch. A oedd ar Mr Edge eisiau dod i mewn ar hyn o gwbl?

Mr Edge: Y cwbl yr oedd arnaf eisiau'i ddweud oedd bod y telerau cytundeb sylfaenol, sef y llythyr derbyn amodau safonol, bob amser yn dweud 'rhaid ichi ddarparu gwybodaeth reolaidd inni'. Pan ddaethom i mewn â'r 'beibl', fel yr arferwn i ei alw—y cytundebau tew ar gyfer pob grant dros £1 filiwn—dim ond ymhelaethu ar y ffaith sylfaenol honno a wnaeth hynny.

[343] **Janet Davies:** Alison, you will have a total of 10 minutes for anything you want to ask, including any questions about the closure of the centre.

[344] **Alison Halford:** Following on from Lorraine Barrett's questions, the issue of whether the CVA was sharing information with you is important. Mr Tyndall told us that, from his reading of the files, the information was just not passing over to you. It is regretted that Mathew Prichard's letter has only just been given to you. However, I will read it so that all of you can comment on it. It says,

'the first issue concerns the accusation that the CVA in some way withheld information from the ACW. ACW is entitled to attend all formal ordinary and special meetings of the trust, and received all papers connected with these meetings. My chief executive and I pleaded at all times with ACW to be represented by senior officials at these meetings but they almost never came.'

Does anyone have a comment on Mathew Prichard's comments in that letter?

Ms Weston: Could I say, first of all, that I am not aware that anybody here today has made an accusation, and so I cannot answer that point. I think that he must be referring to another meeting.

On the issue of attendance at meetings of the CVA, it was, and probably remains, normal practice for the officer of the arts council who was closest to the particular art form or discipline to be the link officer who would go regularly to meetings. That is what happened in the case of the CVA. There was always—I will not say 'always' because I am not certain enough—but most of the time the art form officer and, occasionally, the marketing officer, was present at meetings of the CVA. I have not reviewed minutes of board meetings, but I can assure you that that is the case.

[343] **Janet Davies:** Alison, cewch gyfanswm o 10 munud ar gyfer unrhyw beth y bydd arnoch eisiau ei ofyn, gan gynnwys unrhyw gwestiynau ynghylch cau'r ganolfan.

[344] **Alison Halford:** Yn dilyn ymlaen oddi ar gwestiynau Lorraine Barrett, mae'r cwestiwn a oedd y ganolfan yn rhannu gwybodaeth gyda chi yn bwysig. Dywedodd Mr Tyndall wrthym nad oedd y wybodaeth yn trosglwyddo i chi, yn ôl ei ddarlleniad ef o'r ffeiliau. Gresyn mai dim ond newydd gael copi o lythyr Mathew Prichard yr ydych. Fodd bynnag, fe'i darllenaf fel y gallwch i gyd roi sylwadau arno. Mae'n dweud,

A oes gan unrhyw un sylw ar sylwadau Mathew Prichard yn y llythyr hwnnw?

Ms Weston: A gaf fi ddweud, yn gyntaf oll, nad wyf yn ymwybodol fod neb yma heddiw wedi gwneud cyhuddiad, felly ni allaf ateb y pwynt hwnnw. Yr wyf yn meddwl mae'n rhaid ei fod yn cyfeirio at gyfarfod arall.

Ar fater presenoldeb yng nghyfarfodydd y ganolfan, yr oedd, ac mae'n debyg ei fod o hyd, yn arferiad cyffredin i'r swyddog o gyngor y celfyddydau a oedd agosaf at y ddisgyblaeth neu ffurf gelfyddydol arbennig fod yn swyddog cyswllt a fyddai'n mynychu cyfarfodydd yn rheolaidd. Dyna a ddigwyddodd yn achos y ganolfan. Yr oedd bob tro—ni ddywedaf 'bob tro' oherwydd nid wyf yn ddigon sicr—ond y rhan fwyaf o'r amser yr oedd swyddog y ffurf gelfyddydol ac, weithiau, y swyddog marchnata, yn bresennol yng nghyfarfodydd y ganolfan. Nid wyf wedi adolygu cofnodion cyfarfodydd y bwrdd, ond gallaf eich sicrhau mai dyna'r gwir.

[345] **Alison Halford:** Sir Richard, can you help us out, in your overarching responsibility?

Sir Richard Lloyd Jones: I do not know. I am just trying to recall whether there was ever any approach to me from the Centre for Visual Arts, saying ‘we do not like the way that you are running the council; why do you not send Mr Jenkins or someone to our meetings?’ I do not remember any such representation. However, I am afraid that I might have been a bit of a villain in this story if it had, because I hold the view pretty strongly that senior people in Government departments and quangos should not go to management meetings. It blurs the line. All your questions have been rightly focused on the issue of are the procedures right and are we insisting on the right things. It may be fine for a junior member of staff to go to report what is happening. However, I must make my view clear that I do not think that sending a council member, for example, as a regular matter to a board like the CVA trust, is a good thing.

[346] **Alison Halford:** We do not want to dwell on this point because there are still one or two more issues to discuss. However, Mr Tyndall seemed to indicate that there was a communications problem, and we were exploring this. You are indicating that you do not recollect any communications problem.

Sir Richard Lloyd Jones: It was not brought to me. I suppose what I am saying is that, if it had been—it could well have been brought to me—

[347] **Alison Halford:** Because your chief executive will obviously top and tail things before they get to your very august level. Would you be able to comment—

[345] **Alison Halford:** Syr Richard, a allwch chi ein helpu, yn eich cyfrifoldeb trosfwaol chi?

Syr Richard Lloyd Jones: Ni wn i ddim. Yr wyf wrthi’n ceisio cofio a gysylltodd Canolfan y Celfyddydau Gweledol erioed â mi, yn dweud ‘nid ydym yn hoffi’r ffordd yr ydych yn rhedeg y cyngor; pam nad anfonwch Mr Jenkins neu rywun i’n cyfarfodydd?’ Nid wyf yn cofio unrhyw neges o’r fath. Fodd bynnag, mae gennyf ofn efallai fy mod i wedi bod yn dipyn o ddihiryn yn y stori hon os digwyddodd, oherwydd yr wyf fi’n weddol gryf o’r farn na ddylai pobl uchel yn adrannau’r Llywodraeth a chwangos fynd i gyfarfodydd rheoli. Mae’n cymylu’r llinell. Mae’ch holl gwestiynau chi wedi canolbwyntio’n gwbl briodol ar fater a ydyw’r gweithdrefnau’n iawn ac a ydym yn mynnu’r pethau iawn. Fe all fod yn iawn i aelod is o’r staff fynd i adrodd ar beth sydd yn digwydd. Fodd bynnag, rhaid imi fynegi fy safbwynt yn glir nad wyf yn meddwl bod anfon aelod o’r cyngor, er enghraifft, fel mater rheolaidd i fwrdd fel ymddiriedolaeth y ganolfan, yn beth da.

[346] **Alison Halford:** Nid oes arnom eisiau ymdroi ar y pwynt hwn oherwydd mae un neu ddau o faterion eto i’w trafod. Fodd bynnag, yr oedd Mr Tyndall fel petai’n dweud fod yno broblem gyfathrebu, ac yr ydym yn ymchwilio i hyn. Yr ydych chi’n dweud nad ydych yn cofio unrhyw broblem gyfathrebu.

Syr Richard Lloyd Jones: Ni ddaethpwyd â hi ataf fi. Mae’n debyg mai’r hyn yr wyf yn ei ddweud yw, petasai wedi—fe ellid yn hawdd fod wedi dod â hi ataf fi—

[347] **Alison Halford:** Oherwydd bydd eich prif weithredwr yn amlwg yn tocio ac yn cywain pethau cyn iddynt gyrraedd eich lefel aruchel iawn chi. A allech roi sylwadau—

Sir Richard Lloyd Jones: It was not very august, I am afraid. However, I would expect to be advised by the chief executive if there was a serious problem, which he or she felt they could not resolve. As chairman, I was there to go and, if necessary, be unpleasant to people who were not doing as we required. That was one of the few things I could really offer the council.

Mr Jenkins: Since you mentioned me, Miss Halford, I am not aware—during my time, which is the early part of the project—of any such difficulty. May I also point out that, as the papers point out, I was present myself at the steering committee meetings leading up to this. However, immediately the trust was formed, I formed exactly the same view as Sir Richard; that it was not for a senior official, and certainly not for the chief executive, to be party to the trust's decisions. There is the arm's length principle that works from Government to a sponsored body, but there is also the arm's length principle that works from a sponsored body to a trust. It was a matter for the trust to manage this affair, not the arts council. Therefore, I withdrew. However, my information, my knowledge and memory of the period that I was there is that there was an arts council observer, from the art form department mainly, at every trust meeting.

Syr Richard Lloyd Jones: Nid oedd yn aruchel iawn, mae gennyf ofn. Fodd bynnag, byddwn yn disgwyl cael gwybod gan y prif weithredwr petai problem ddifrifol, y teimlai ef neu hi na allai ei datrys. Fel cadeirydd, yr oeddwn i yno i fynd ac, os oedd angen, bod yn annifyr wrth bobl nad oedd yn gwneud fel y gofynnem. Dyna un o'r ychydig bethau y gallwn mewn gwirionedd ei gynnig i'r cyngor.

Mr Jenkins: Gan ichi gyfeirio ataf fi, Miss Halford, nid wyf yn ymwybodol—yn ystod fy nghyfnod i, sef rhan gynnar y prosiect—o unrhyw anhawster o'r fath. A gaf fi nodi hefyd, fel y noda'r papurau, fy mod i'n bresennol fy hun yng nghyfarfodydd y pwyllgor llywio yn arwain at hyn. Fodd bynnag, unwaith y ffurfiwyd yr ymddiriedolaeth, ffurfiais i yr un farn yn union â Syr Richard; sef nad oedd yn weddus i uwch swyddog, ac yn sicr nid i'r prif weithredwr, fod yn gyfrannog ym mhenderfyniadau'r ymddiriedolaeth. Ceir yr egwyddor hyd braich sydd yn gweithio o gyfeiriad y Llywodraeth at gorff sydd yn derbyn nawdd, ond mae egwyddor hyd braich hefyd yn gweithio o gorff sydd yn derbyn nawdd at ymddiriedolaeth. Mater i'r ymddiriedolaeth oedd rheoli'r mater hwn, nid cyngor y celfyddydau. Felly, mi dynnais yn ôl. Fodd bynnag, fy ngwybodaeth a'm cof i o'r cyfnod yr oeddwn i yno yw fod arsyllydd o gyngor y celfyddydau, o'r adran ffurfiau celf yn bennaf, ym mhob cyfarfod o'r ymddiriedolaeth.

[348] **Alison Halford:** Fine. My final questions are for Mr Shortridge; it would be completely improper to waste the Permanent Secretary's time all afternoon for no apparent reason. Mr Shortridge, would it be wrong for me to say that there could have been a conflict of interest in your roles? You had to take over from Miss Weston and yet you were still the Permanent Secretary.

Mr Shortridge: No, I do not see any conflict of interest at all. In effect, because of the relationship that exists between me as the departmental accounting officer and the sponsored body accounting officer, in the absence of the sponsored body accounting officer, in effect, I subsumed the delegated responsibility that I would normally have given to an accounting officer if one had been in post.

[349] **Alison Halford:** But we would then have had no Permanent Secretary with overarching responsibility for that particular organisation, if you had subsumed it, as you say?

Mr Shortridge: But the nature of the arrangements are such that I can exercise both of them satisfactorily.

[350] **Alison Halford:** You can drop one off and pick it back up again.

Mr Shortridge: The two are complementary and I do not think it is right to use a conflictive model. I think that the other thing that you just need to bear in mind was the question 'if not me, who?' Under the circumstances, I think that there was a shared view that I was the most appropriate person to take on these responsibilities.

[348] **Alison Halford:** Iawn. Mae fy nghwestiynau olaf i Mr Shortridge; byddai'n gwbl amhriodol gwastraffu amser yr Ysgrifennydd Parhaol drwy'r prynhawn heb reswm ymddangosiadol. Mr Shortridge, a fyddai'n anghywir i mi ddweud y gallasai fod gwrthdaro buddiannau yn eich rolau chi? Yr oedd yn rhaid i chi gymryd yr awenau oddi wrth Miss Weston ac eto yr oeddech yn dal i fod yn Ysgrifennydd Parhaol.

Mr Shortridge: Na, ni welaf unrhyw wrthdaro buddiannau o gwbl. Mewn effaith, oherwydd y berthynas sydd yn bodoli rhyngof fi fel y swyddog cyfrifo adrannol a swyddog cyfrifo y corff sydd yn derbyn nawdd, yn absenoldeb swyddog cyfrifo y corff sydd yn derbyn nawdd, mewn effaith, ymgynhwysais y cyfrifoldeb dirprwyedig y buaswn fel arfer wedi'i roi i swyddog cyfrifo petasai un yn y swydd.

[349] **Alison Halford:** Ond wedyn ni fuasai gennym Ysgrifennydd Parhaol gyda chyfrifoldeb trosfwaol dros y corff arbennig hwnnw, os oeddech chi wedi'i ymgynnwys, fel y dywedwch?

Mr Shortridge: Ond mae natur y trefniadau yn gyfryw fel y gallaf ymarfer y ddau ohonynt yn foddhaol.

[350] **Alison Halford:** Gallwch ollwng un a'i godi eto.

Mr Shortridge: Mae'r ddau'n cyd-fynd ac nid wyf yn meddwl ei bod yn iawn defnyddio model sydd yn gwrthdaro. Credaf mai'r peth arall y mae angen ichi ei gadw mewn cof oedd y cwestiwn 'os nad fi, pwy?' Dan yr amgylchiadau, yr wyf yn meddwl y rhennid y farn mai fi oedd y person mwyaf priodol i ymgymryd â'r cyfrifoldebau hyn.

[351] **Alison Halford:** As regards the recovery of the funds and equipment on the closure of the Centre for Visual Arts, you had obviously been told that £20,000 has not been accounted for, and that £87,000 is still left in the body of the building. Could you tell us what involvement you had in the decision-making process at that time?

Mr Shortridge: It was certainly my decision that the arts council should not seek to recover grant immediately and that what the arts council should seek to do was to make the assets available so that they could be used by other organisations for the purposes for which the grant had originally been made. It was also on my behalf that the Assembly made clear that it wanted to have an appropriate closure plan in place and for the assets to be secured. I think that the officials of the arts council would have done that themselves, but I certainly sought to ensure that that was the case.

[352] **Alison Halford:** Therefore, you did agree that the arts council was right not to recover £3.2 million of public funding? Many lottery tickets have been sold.

Mr Shortridge: If the decision had been made to seek recovery, the trust would have had to go into liquidation and there would have been a fire sale of comparatively few saleable assets. The judgment that I took and others shared was that, under all the circumstances, the best thing to do was to ensure that these assets could continue to be used for the purposes that they were originally acquired for.

[353] **Alison Halford:** Is it acceptable in the public sector, in these circumstances, to sell off assets such as the information technology equipment? Are you aware how much the IT equipment cost originally to the taxpayer?

[351] **Alison Halford:** O ran cael yr arian a'r offer yn ôl wedi cau Canolfan y Celfyddydau Gweledol, yn amlwg dywedwyd wrthyhych chi fod £20,000 heb gyfrif amdano, a bod £87,000 yn dal ar ôl yng nghorff yr adeilad. A allech ddweud wrthym pa ran fu gennych chi yn y broses benderfynu ar y pryd hwnnw?

Mr Shortridge: Fy mhenderfyniad i yn sicr oedd na ddylai cyngor y celfyddydau geisio adennill grant yn syth ac mai beth y dylai cyngor y celfyddydau geisio'i wneud oedd cynnig yr asedau i'w defnyddio gan gyrff eraill i'r dibenion y gwnaethpwyd y grant ar eu cyfer yn wreiddiol. Ar fy rhan i hefyd y cyhoeddodd y Cynulliad fod arno eisiau gweld bod cynllun cau priodol yn ei le a bod yr asedau wedi'u sicrhau. Yr wyf yn meddwl y buasai swyddogion cyngor y celfyddydau wedi gwneud hynny eu hunain, ond yn sicr ceisiais i sicrhau mai dyna a ddigwyddai.

[352] **Alison Halford:** Felly, fe gytnasoch fod cyngor y celfyddydau yn iawn i beidio ag adennill £3.2 miliwn o arian cyhoeddus? Mae llawer o docynnau loteri wedi'u gwerthu.

Mr Shortridge: Pe buasid wedi penderfynu ceisio adennill, buasai'n rhaid i'r ymddiriedolaeth ymddiddymu a chawsid arwerthiant brys o gymharol ychydig asedau gwerthadwy. Y farn a gymerais i ac a rennid gan eraill oedd mai'r peth gorau i'w wneud, dan yr amgylchiadau i gyd, oedd sicrhau y gallai'r asedau hyn barhau i gael eu defnyddio i'r dibenion y'u prynwyd ar eu cyfer yn wreiddiol.

[353] **Alison Halford:** A ydyw'n dderbyniol yn y sector cyhoeddus, yn yr amgylchiadau hyn, i werthu asedau megis yr offer technoleg gwybodaeth? A ydych yn ymwybodol faint gostiodd yr offer TG yn wreiddiol i'r trethdalwr?

Mr Shortridge: That is a matter that the arts council is currently pursuing.

[354] **Alison Halford:** I am sorry but I do not understand that.

Mr Shortridge: I think that there are issues arising from figure 11 about the equipment—the assets which have not been found, and the terms upon which the IT equipment was sold to staff—that need further examination, and that is happening.

[355] **Alison Halford:** I understand—and we have been given quite a wodge of papers—that £250,000 went into IT equipment, and to only claw back £7,000 does not give the taxpayer very good value for money, you might consider.

Mr Shortridge: I do not want to challenge your point, but all I would say is that the IT equipment not found and the IT equipment purchased by staff is not all the IT equipment that we are talking about.

[356] **Alison Halford:** I do not know about that. While I gather momentum again, Alun, would you like to take over this particular point?

[357] **Alun Cairns:** I would like to pursue the point in a different way. We have heard about the independent advice that has been received, in terms of the same advisers—the three Ms, here they are, McCann Matthews Millman—from the outset at the concept stage right the way through in terms of their visionary advice. Mr Shortridge, do you feel that there is any recourse against the advice that they gave, considering that it was such bad advice?

Mr Shortridge: Dyna fater y mae cyngor y celfyddydau yn mynd ar ei ôl ar hyn o bryd.

[354] **Alison Halford:** Mae'n ddrwg gennyf ond nid wyf yn deall hynny.

Mr Shortridge: Yr wyf yn meddwl fod yna faterion yn codi o ffigur 11 ynglyn â'r offer—yr asedau na chafwyd hyd iddynt, a'r telerau y gwerthwyd yr offer TG i staff arnynt—sydd angen eu harchwilio ymhellach, ac mae hynny'n digwydd.

[355] **Alison Halford:** Deallaf—a chawsom gryn bentwr o bapurau—fod £250,000 wedi mynd i mewn i offer TG, ac nid yw crafu dim ond £7,000 yn ôl ddim yn rhoi gwerth da iawn i'r trethdalwr am ei arian, gallech feddwl.

Mr Shortridge: Nid oes arnaf eisiau herio'ch pwynt, ond y cyfan a ddywedwn yw nad yr offer TG na chafwyd hyd iddo a'r offer TG a brynwyd gan staff yw'r cyfan o'r offer TG yr ydym yn siarad amdano.

[356] **Alison Halford:** Ni wn i ddim am hynny. Tra byddaf yn hel momentwm eto, Alun, a hoffech chi gymryd tro ar y pwynt arbennig hwn?

[357] **Alun Cairns:** Hoffwn fynd ar ôl y pwynt mewn ffordd wahanol. Clywsom am y cyngor annibynnol a gafwyd, yn nhermau'r un ymgynghorwyr—y tair M, dyma nhw, McCann Matthews Millman—o ddechrau'r cysyniad yr holl ffordd drwodd yn nhermau eu cyngor a'u gweledigaeth. Mr Shortridge, a deimlwch fod unrhyw hawl digolledu yn erbyn y cyngor a roesant, o ystyried ei fod yn gyngor mor wael?

Mr Shortridge: That is something on which I will reflect in the light of this hearing, but I think that a lot of the evidence that you have received this afternoon is indicating that, certainly in the view of those people who were involved at the time, they have not been telling you that, in their judgment, this was bad advice.

[358] **Alun Cairns:** Do you think, in terms of preventing this sort of situation arising in the future—because we always need to be looking forward—do you accept that, whenever the public sector contracts private sector consultants to offer advice, a policy should be looked at in terms of stating the potential recourse against poor advice?

Mr Shortridge: That is a consideration, but I imagine that, whether or not you make it an explicit term of the contract, professional advisers are under a duty of care to the people to whom they are providing their services, so that course should be available in normal circumstances, I would say.

[359] **Alun Cairns:** There are wider themes that such consultants and advisers give the Assembly in relation to a whole range of projects and issues. This is just one of them on which we could reflect. I am trying to draw out a themed approach in terms of the recommendation that the Committee could make to the administration.

Mr Shortridge: Dyna rywbeth y byddaf yn myfyrio amdano yng ngoleuni'r gwrandawriad hwn, ond yr wyf yn meddwl bod llawer o'r dystiolaeth a gawsoch y prynhawn yma'n dangos, yn sicr ym marn y bobl hynny a oedd yno ar y pryd, nad ydynt hwy wedi bod yn dweud wrthyhch mai cyngor gwael, yn eu barn hwy, oedd hyn.

[358] **Alun Cairns:** A ydych yn meddwl, o ran atal y math hwn o sefyllfa rhag codi yn y dyfodol—oherwydd y mae angen inni edrych ymlaen o hyd—a ydych yn derbyn, pryd bynnag y bydd y sector cyhoeddus yn contractio ymgynghorwyr o'r sector preifat i gynnig cyngor, y dylid edrych ar bolisi yn nhermau datgan yr hawl digolledu potensial yn erbyn cyngor gwael?

Mr Shortridge: Mae hynny'n ystyriaeth, ond fe dybiwn, p'run ai y gwnewch hynny'n un o delerau penodol y contract ai peidio, fod ymgynghorwyr proffesiynol dan ddyletswydd gofal i'r bobl y maent yn darparu'u gwasanaethau iddynt, felly y dylai'r llwybr hwnnw fod ar gael mewn amgylchiadau arferol, ddywedwn i.

[359] **Alun Cairns:** Mae themâu ehangach a roddir gan y cyfryw ymgynghorwyr a chynghorwyr i'r Cynulliad yn ymwneud ag amrediad llawn o brosiectau a materion. Dim ond un ohonynt y gallem feddwl amdani yw hyn. Yr wyf yn ceisio meddwl yn nhermau thema am yr argymhelliad y gallai'r Pwyllgor ei wneud i'r weinyddiaeth.

Mr Shortridge: There clearly is an issue around the body satisfying itself that it has adequate arrangements in place to recover from its professional advisers if they have not advised satisfactorily, so I accept that as an issue, but I think that one has to be careful. I would think that for recovery—proving that advice has not met the professional standards—I think that some very high standards of proof would normally be required. However, I accept the principle that you are making as one which is well worth considering.

[360] **Alison Halford:** Two last—

[361] **Janet Davies:** I am sorry Alison, you have not only had your 10 minutes, you have had 14.

[362] **Alison Halford:** Just two.

[363] **Janet Davies:** No, I am sorry, that is the end. We have come to the end of the session because it finishes at 5 p.m. and, although perhaps there were one or two questions we would like to have pursued, I think that we have run out of time. I know that Sir John Bourn wishes to make a brief comment.

Sir John Bourn: I would just like to repeat the point that I made, which I know is accepted, that the report that is before the Committee was one agreed by myself and the accounting officer as to both facts and interpretation, and we can, of course, file evidence for everything that was in this report, and that is the basis on which it was done, as is the convention. The witnesses have spoken, as they were asked to do, and have every right to do, and it is quite right that they were not speaking as accounting officers, and I accept that everything that they said was said in good faith. However, they did make reservations about aspects of the report which cast some doubt on the professionalism and competence of the

Mr Shortridge: Yn amlwg mae'n fater i'r coff ei fodloni ei hun fod ganddo drefniadau digonol i adennill oddi wrth ei ymgynghorwyr proffesiynol os nad ydynt wedi rhoi cyngor boddhaol, felly derbyniaf hynny fel pwynt, ond yr wyf yn meddwl bod yn rhaid bod yn ofalus. Byddwn i'n meddwl er mwyn adennill—profi bod cyngor heb gwrdd â'r safonau proffesiynol—yr wyf yn meddwl y byddai angen safonau uchel iawn o brawf fel arfer. Fodd bynnag, derbyniaf yr egwyddor a wnaethoch fel un y mae'n werth ei ystyried.

[360] **Alison Halford:** Dau gwestiwn olaf—

[361] **Janet Davies:** Mae'n ddrwg gennyf Alison, yr ydych nid yn unig wedi cael eich 10 munud, cawsoch 14.

[362] **Alison Halford:** Dim ond dau.

[363] **Janet Davies:** Na, mae'n ddrwg gennyf, dyna ddiwedd. Yr ydym wedi dod i ddiwedd y sesiwn oherwydd mae'n gorffen am 5 p.m. ac, er efallai fod un neu ddau o gwestiynau y buasem wedi hoffi mynd ar eu hôl, yr wyf yn meddwl ein bod wedi rhedeg allan o amser. Gwn yr hoffai Syr John Bourn wneud sylw byr.

Syr John Bourn: Hoffwn ailadrodd y pwynt a wneuthum, sydd wedi'i dderbyn, mi wn, fod yr adroddiad sydd gerbron y Pwyllgor yn un a gytunwyd gennyf fi a'r swyddog cyfrifo o ran ffeithiau a dehongliad ill dau, a gallwn, wrth gwrs, ffeilio tystiolaeth dros bopeth a oedd yn yr adroddiad hwn, a dyna'r sail y gweithredwyd arni, yn unol â'r confensiwn. Mae'r tystion wedi siarad, fel y gofynnwyd iddynt wneud, ac y mae ganddynt bob hawl i wneud, ac mae'n berffaith iawn nad oeddent yn siarad fel swyddogion cyfrifo, a derbyniaf fod popeth a ddywedasant wedi'i ddweud yn ddidwyll. Fodd bynnag, fe fynegasant amheuan ynghylch agweddau o'r adroddiad a fwriodd beth amheuaeth ar

National Audit Office staff, and I ought to say on the behalf of my people that, in the nature of today's proceedings, they have not had the opportunity to examine these reservations, and they would not necessarily accept them all. I would just like to place that on the record, Chair.

[364] **Janet Davies:** Right. Thank you very much.

Mr Jenkins: Chair, just a quick response to that, accepting that point by Sir John. Mr Cairns asked us whether we would be willing to submit a list of other reservations that we have. We have not covered them all this afternoon. With your permission, we would like to submit a list of other reservations which Sir John and his staff may like to consider.

[365] **Janet Davies:** I think that, if that list comes in, clearly, Sir John's staff should be able to comment as well.

Mr Shortridge: Just as a point of clarification for the Committee, as accounting officer for the Assembly, and as the accounting officer who had responsibility for the arts council for one year, I and my colleagues looked very carefully at the report and gave the assurance to the Auditor General in the normal terms. I am not aware of any factual inaccuracy relating to the matters for which I had personal responsibility.

[366] **Janet Davies:** Thank you very much.

Sir Richard Lloyd Jones: I ought to respond as well to Sir John.

[367] **Janet Davies:** I am sorry, Sir Richard, but this is going on and on. I do not want to get into a situation where we are having it batted back and forth.

broffesiynoldeb a chymhwysedd staff y Swyddfa Archwilio Genedlaethol, a dylwn ddweud, ar ran fy mhobl, nad ydynt, yn natur gweithrediadau heddiw, wedi cael y cyfle i archwilio'r amheuon hyn, ac na fyddent o reidrwydd yn eu derbyn i gyd. Hoffwn gofnodi hynny, dyna'r oll, Gadeirydd.

[364] **Janet Davies:** Iawn. Diolch yn fawr iawn.

Mr Jenkins: Gadeirydd, dim ond ymateb sydyn i hynny, â derbyn y pwynt hwnnw gan Syr John. Gofynnodd Mr Cairns inni a fyddem yn fodlon cyflwyno rhestr o amheuon eraill sydd gennym. Nid ydym wedi'u trafod i gyd y prynhawn yma. Gyda'ch caniatâd chi, hoffem gyflwyno rhestr o amheuon eraill yr hoffai Syr John a'i staff eu hystyried efallai.

[365] **Janet Davies:** Yr wyf yn meddwl, os daw'r rhestr honno i law, yn amlwg, dylai staff Syr John allu rhoi sylwadau hefyd.

Mr Shortridge: Dim ond fel pwynt o eglurhad i'r Pwyllgor, fel swyddog cyfrifo ar ran y Cynulliad, ac fel y swyddog cyfrifo a oedd â chyfrifoldeb dros gyngor y celfyddydau am flwyddyn, edrychais i a'm cydweithwyr yn ofalus iawn ar yr adroddiad, a rhoesom y sicrwydd i'r Archwilydd Cyffredinol yn y termau arferol. Nid wyf yn ymwybodol o unrhyw anghywirdeb ffeithiol ynghylch y materion yr oedd gennyf fi gyfrifoldeb personol drostynt.

[366] **Janet Davies:** Diolch yn fawr.

Syr Richard Lloyd Jones: Dylwn innau ymateb i Syr John.

[367] **Janet Davies:** Mae'n ddrwg gennyf, Syr Richard, ond mae hyn yn mynd ymlaen ac ymlaen. Nid oes arnaf eisiau mynd i mewn i sefyllfa lle caiff hyn ei fatio yn ôl a blaen.

Sir Richard Lloyd Jones: I simply wanted to say that we have not meant to traduce NAO staff, but I believe that this situation could have been avoided if it was clear that we were going to be asked to attend this meeting, and had had a chance to see the report before it was published. The other question I would like to ask, please, is about the status of this hearing. I think that it is possible that we shall be faced with press inquiries afterwards, and if you have any guidance to us as to what we should say, that would help.

[368] **Janet Davies:** I do not think that I can give you guidance. All I can say, as far as status is concerned, is that it is a normal Audit Committee hearing. I also need to thank you for your great efforts in giving us full and helpful answers in what was a rather unusual situation. However, I can assure you that you will receive a draft transcript, so if you feel that there are any factual inaccuracies, you can come back and point them out. That will be published as part of the minutes, and you need to be aware of that. When we publish our report, it will be included as an annex to the report. Certainly, I cannot give you any advice on what you say to the press.

The only other business that we have this afternoon is to note some papers and approve the minutes of the last hearing. You are free to leave. I do not want to suggest actions to you, but I think that you may wish to leave. Thank you.

Syr Richard Lloyd Jones: Dim ond eisiau dweud yr oeddwn nad ydym wedi bwriadu pardduo staff y Swyddfa Archwilio Genedlaethol, ond credaf y gallesid osgoi'r sefyllfa hon pe bai'n glir y byddai'n ofynnol inni ddod i'r cyfarfod hwn, a phe baem wedi cael cyfle i weld yr adroddiad cyn ei gyhoeddi. Y cwestiwn arall yr hoffwn ei ofyn, os gwelwch yn dda, yw ynghylch statws y gwrandawriad hwn. Yr wyf yn meddwl ei bod yn bosibl yr wynebwn ymholiadau gan y wasg wedyn, ac os oes gennych unrhyw arweiniad inni ynghylch beth y dylem ei ddweud, byddai hynny'n gymorth.

[368] **Janet Davies:** Nid wyf yn meddwl y gallaf roi arweiniad ichi. Y cyfan y gallaf ei ddweud, cyn belled ag y bo statws yn y cwestiwn, yw mai gwrandawriad arferol gan y Pwyllgor Archwilio ydyw. Mae angen imi ddiolch ichi hefyd am eich ymdrechion mawr i roi atebion llawn a buddiol inni mewn sefyllfa a oedd braidd yn anarferol. Fodd bynnag, gallaf eich sicrhau chi yr anfonir trawsgrïpt drafft atoch, felly os teimlwch fod unrhyw wallau ffeithiol, gallwch ddod yn ôl a'u nodi. Cyhoeddir hynny fel rhan o'r cofnodion, ac mae angen ichi fod yn ymwybodol o hynny. Pan gyhoeddwn ein hadroddiad, fe'i cynhwysir fel atodiad i'r adroddiad. Yn sicr, ni allaf roi unrhyw gyngor ichi ar beth a ddywedwch wrth y wasg.

Yr unig fusnes arall sydd gennym y prynhawn yma yw nodi rhai papurau a chymeradwyo cofnodion y gwrandawriad diwethaf. Yr ydych yn rhydd i fynd. Nid oes arnaf eisiau awgrymu ichi beth i'w wneud, ond yr wyf yn meddwl efallai y byddwch yn dymuno mynd. Diolch i chi.

*Daeth y sesiwn gymryd tystiolaeth i ben am 5.03 p.m.
The evidence-taking session ended at 5.03 p.m.*

1. Hoffai'r tyst ei gwneud yn glir nad oedd y cyfarfod hwn yn agored i'r cyhoedd, ond i'r aseswyr a benodwyd yn unig.

1. The witness wishes to clarify that this meeting was not open to the public, but to the appointed assessors only.