

## Y Pwyllgor Cyllid

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Lleoliad:  
**Ystafell Bwyllgora 2 – y Senedd**

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Dyddiad:  
**Dydd Mercher, 17 Hydref 2012**

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Amser:  
**09:15**

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Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



I gael rhagor o wybodaeth, cysylltwch â:

**Gareth Price**  
Clerc y Pwyllgor  
02920898409  
[FinanceCommittee@wales.gov.uk](mailto:FinanceCommittee@wales.gov.uk)

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### Agenda

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**Cyfarfod briffio preifat (9:15 – 9:30)**

**1. Cyflwyniad, ymddiheuriadau a dirprwyon (9:30 – 9:35)**

**2. Cynigion ar gyfer cyllideb ddrafft Llywodraeth Cymru 2013–14 – Tystiolaeth gan lywodraeth leol (9:35 – 10:30)** (Tudalennau 1 – 12)

FIN(4) 16–12 – Papur 1 – Cyngor Ceredigion  
Gwyn Jones, Cyfarwyddwr Cyllid, Cyngor Ceredigion

FIN(4) 16–12 – Papur 2 – Cyngor Bwrdeistref Sirol Wrecsam  
Mark Owen, Pennaeth Cyllid, Cyngor Bwrdeistref Sirol Wrecsam

**Break (10:30 – 10:45)**

**3. Cynigion ar gyfer cyllideb ddrafft Llywodraeth Cymru 2013–14 – Tystiolaeth gan sefydliadau addysg (10:45 – 11:45)** (Tudalennau 13 – 26)

FIN(4) 16–12 – Papur 3 – Prifysgol Caerdydd

Yr Athro Hywel Thomas – Dirprwy Is-ganghellor, Ymgysylltu a Rhyngwladol, Prifysgol Caerdydd

Dr Sue Hybart, Cyfarwyddwr Gynllunio, Prifysgol Caerdydd  
Hugh Jones, Prif Swyddog Gweithredol, Prifysgol Caerdydd

FIN(4) 16-12 - Papur 4 - Coleg Glannau Dyfrdwy  
David Jones, Pennaeth, Coleg Glannau Dyfrdwy  
John Graystone, Prif Weithredwr, Colegau Cymru

**4. Papurau i'w nodi** (Tudalennau 27 - 29)

**5. Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r cyfarfod ar gyfer y canlynol:**

Eitem 6.

**6. Ystyried y dystiolaeth ar gynigion cyllideb ddrafft Llywodraeth Cymru ar gyfer 2013-2014 (11:45 - 12:00)**

## Finance Committee FIN(4) 16-12 - Paper 1

### Written Evidence provided by Ceredigion County Council to the National Assembly for Wales's Finance Committee on the Welsh Government's 2013/14 Draft Budget

#### Introduction

Ceredigion is one of the largest counties in Wales geographically, covering nearly 1,800sq kilometres. The 78,000 population is concentrated along the Coastal corridor of towns and settlements, with Aberystwyth accommodating around 18,000. Even so, the County is sparsely populated and the whole County is defined as a rural area. The County, similar to other rural areas, is experiencing an ageing population combined with a fall in the number of young people. The Council's net budget for 2012/13 is £128m which is funded via £100m from the Welsh Government and £28m via Council Taxpayers.

#### Looking at the budget allocations for 2013/14, do you have any concerns from a strategic overarching perspective?

1. It has been clear for a few years that the economic downturn would have an adverse effect on public sector spending, and as a consequence funding provided by Central Government to the Welsh Government, and subsequently to Local Government, would be reduced. It appears that this reduction in funding could continue for a number of years, and this will inevitably place more pressure on the Welsh Government and Local Government's budgets.
2. The Institute for Fiscal Studies, during a recent presentation at the Welsh Local Government Association's Finance Conference, reported that spending reductions could continue until at least 2016/17, but could last until the end of this decade.
3. The 2012/13 Local Government Settlement for Ceredigion was one where for the second consecutive year the allocation of the Aggregate External Finance (AEF), in cash terms, was negative (-1.0% for 2012/13). This is, of course, before allowing for inflationary impact during a period when the Consumer Price Index ranged from a low of 2.4% (June 2012) to a high of 5.2% (September 2011). So the real term reduction is substantially more.
4. The 2012/13 Welsh Government Revenue Settlement provided an Indicative Allocation for both 2013/14 and 2014/15. Having these early indications helps with medium term financial planning as the AEF represents nearly 80% of the Local Authority's net revenue

expenditure. It's noted, however, that the Welsh Government has not, within its draft budget for 2013/14, provided an Indicative Allocation for 2015/16 due to the 'uncertainties in terms of economic forecasts and UK Government responses'. Whilst those difficulties are appreciated it has to be noted that this also adversely affects Local Authorities' ability to plan for the future.

5. The Welsh Government's draft budget refers to the changes in Welfare Benefits, and to the difficulties in assessing the cumulative impact of the changes. This is also of concern to the Local Authority and it's difficult to quantify the impact of such changes, e.g. possible increase in the number of individuals or families presenting themselves as homeless; potential demand on Social Services, etc.
6. Linked with the welfare reform changes is the demise of Council Tax Benefit (CTB) and the introduction of a new Council Tax Reduction Scheme. Although the details of this scheme are yet to be finalised, it appears that it will result in more people being liable to pay Council Tax than previously, as a large number of existing CTB recipients receive 100% benefit. It could result in every Council Taxpayer being liable to pay up to 20% of the Council Tax chargeable. This will have an adverse effect on the Local Authority due to the reduced funding from the Department of Works and Pensions (the amount of the reduction is not yet known); increased collection costs and the impact of an estimated reduction in collection rates.
7. The reduction in funding provided by the UK Government to Welsh Government and its subsequent re-distribution to Local Government has been even worse as far as Welsh Government's Capital Expenditure allocations are concerned. This is at a time when the need for capital expenditure is as much as ever in order to improve infrastructure, e.g. highways, provide improved facilities and opportunities to reconfigure the way services are delivered, whilst at the same time helping the local economy. It is appreciated that the Welsh Government has considered innovative ways for making better use of the limited capital resources available, e.g. the introduction of the Local Government Borrowing Initiative to ensure that vital highway improvements can be undertaken.
8. The recent announcement of the initial funding for some of the 21<sup>st</sup> Century Schools Programme's projects is also welcomed, as this programme needs to be progressed as soon as possible.
9. It is essential that the impact of new legislation, and its financial implications for Local Authorities, has to be clearly acknowledged by the Welsh Government, and adequate budgetary provision included in the Local Government Revenue Settlement to enable Local Authorities to deliver.

**Looking at the budget allocations for 2013/14, do you have any concerns about any specific areas?**

10. Local Government staff are currently subjected to a third consecutive year of 'pay freezes', and it's difficult to see this being extended to a fourth year. The pay freezes to date have no doubt assisted Local Authorities with their budget setting as employee costs represent a large proportion of an Authority's net budget. A pay award for 2013/14 will therefore have a substantial budgetary impact which will have to be taken into account.
11. In addition to the above, there will also be an additional cost pressure associated with Pensions Auto-Enrolment. All Local Authorities, by May 2013, will have either implemented auto-enrolment or decided to defer implementation until October 2017. There's a large number of local government employees, especially part-time or lower paid employees, who are currently not members of the Local Government Pension Scheme. If a substantial number of these are auto-enrolled, and decide to remain within the pension scheme, the Local Authorities will be faced with a substantial increase in their Employer Contributions to their respective pension schemes.
12. The Welsh Government's requirement in the last two Revenue Settlements to safeguard the level of funding for Schools and Social Services budgets at a minimum level of 1% above the uplift for the Welsh Government's revenue funding allocation from the UK Government has resulted in added pressure on other service budgets which had to take a larger proportion of the reduction in funding. The Schools and Social Services budgets are the two largest budgets and therefore the impact on other budgets is compounded. The need to continue with this safeguard needs to be reviewed.
13. Although there are specific budget pressures across all services, it has nevertheless to be acknowledged that the main service pressures in Ceredigion are within Social Services. This is very much a demand led and growing service due to demographic changes, and an increasing need to spend on Children's services. This can be subject to further pressures depending on the impact of new legislation and whether the estimated cost of that impact is fully funded by Welsh Government.
14. There have been additional costs incurred by Local Authorities in relation to the Carbon Reduction Commitment Scheme which is aimed at encouraging carbon reduction. This could be an area where capital investment is required to implement projects that would reduce carbon emissions and thus help meet the carbon reduction targets. However, as already mentioned, there has recently been a significant reduction in the allocation of capital funding from Welsh Government which effectively hinders the opportunity for investment in this area.

15. The economic downturn and its effect on the local economy has an adverse impact on the generation of income for the Authority, e.g. a substantial reduction in Planning fees income due to the slow-down in the construction industry.
16. For a rural Local Authority like Ceredigion, a reduction in the Local Transport Services Grant, and/or the Bus Services Operators Grant, can have a substantial impact for the residents of Ceredigion. It would therefore be of concern if these grants were reduced.
17. It is noted and appreciated that there will be additional funding of £10m over the next two years to support a programme of vital flood and coastal defence improvements across Wales. This is particularly relevant to Ceredigion following the recent flooding north of Aberystwyth in early June, and the fact that Ceredigion is a coastal Authority. An increase is welcomed but is an extra £4m in 2013/14 and a further £6m in 2014/15 sufficient?
18. Generally, providing services in rural areas, whether it's social care, refuse collection, school transport, etc creates additional cost pressures due to the geographic area to be covered. This needs to be taken into account if additional responsibilities are to be allocated to Local Authorities.
19. Retaining Specific Welsh Government Grants is essential to assist Local Authorities to deliver services and meet targets, e.g. Sustainable Waste Management Grant. It is imperative that these are at least retained at existing levels.
20. It is noted, and appreciated, that the Welsh Government is providing additional funding towards the improvement of the ICT infrastructure, e.g. an additional £10m for each of the next two years to support the Next Generation Broadband Programme. It is imperative that this covers the whole of Wales, especially the rural areas that rely more than ever on good ICT links, and this will help support and sustain the local rural economy.

**What do you think will be the impact of the 2013/14 draft budget proposals on your ability to deliver services and meet the priorities of the Welsh Government?**

21. The Local Authority will endeavour, as it has done to date, to deliver services and meet the Welsh Government priorities even when budgets are reduced.
22. The Authority is already in the process of preparing its budget for 2013/14 based on the Indicative Allocation that was issued as part of the Welsh Government's 2012/13 Revenue Settlement. Having such an

early indication enables the Authority to do so with a degree of confidence, subject to the Final Settlement not materially changing from the Indicative Allocation. It is accepted that the Final Settlement could significantly change as a result of Specific Grants being transferred into the Revenue Support Grant, however such changes are known, and can be planned for, through the sharing of information relating to the work undertaken by the Distribution Sub Group (DSG).

23. The ability to deliver the services may require the Authority to utilise some of its Reserves during the worst Settlement periods to lessen the budgetary impact, however the use of Reserves under such a scenario has to be carefully assessed as it will not be sustainable. Having an awareness of the medium to long-term impact of UK and Welsh Government funding will be part of the assessment process.
24. The Authority, like all other Authorities, will seek to achieve further efficiency savings and cost savings via smarter procurement, joint / collaborative working, etc in order to stay within budget and deliver the required services.
25. The Welsh Government has stated in its draft budget that: “the challenge of maintaining and protecting services is likely to become even greater over the next Spending Review period”.

### **General comments**

26. It is clear that there will be competing demands for budget increases across the various sectors, e.g. Health, Local Government, etc. and difficult decisions will need to be made by all parties. It is imperative that we act and work together to deliver the best outcomes for Wales and where budgets are curtailed that such curtailment is shared by all.
27. Finally, it's noted that the draft budget refers to the Legislative Programme and, in particular, paragraph 14.32 refers to the Housing Bill and states that: “The Bill will contain provisions to enable local authorities to charge a higher rate of council tax on long term empty properties...”. This is somewhat surprising as the closing date for consultation on the proposal to amend the regulations, to give discretionary powers to Local Authorities to levy a higher charge, is 20<sup>th</sup> October 2012. The first question in that consultation paper is: “What are your views on whether the Housing Bill should include a power to allow local authorities in Wales the discretion to charge more than the standard full rate of council tax on long-term empty properties?” It appears that that decision has already been made!

**W Gwyn Jones**

**Director of Finance**





## **Finance Committee**

FIN(4) 16-12 – Paper 2

### **Written Evidence by Wrexham County Borough Council to the Finance Committee of the National Assembly for Wales on the Welsh Government Budget 2013/14**

#### **Introduction and Purpose**

1. The Finance Committee of the National Assembly for Wales invited Wrexham County Borough Council to provide comments on the Draft Budget for 2013/14. Given the timing of the request, it has been possible to undertake a preliminary review of the budget documents published on 2 October 2012. This paper provides observations on the proposals and thanks the Committee for the opportunity to provide input to the budget process.
2. Wrexham is located inland to the north east corner of Wales. It has a population of about 135,000, covers 505 sq kilometres and has a net budget for 2012/13 of £211m. It is bordered by Flintshire to the north west, Powys to the south and England to the east. The area has strong socio-economic links with Cheshire and Merseyside. The National Statistics area classification of the local authority is: Manufacturing Towns. Wrexham is the principal town in the authority, with approximately half of the population living either within the town of Wrexham or its surrounding conurbation of urban villages. The remainder of the area is rural. The authority has a strong manufacturing employment sector with Wrexham Industrial Park, one of the United Kingdom's largest industrial parks, being home to many manufacturing and technology businesses. Glyndwr University, formerly North East Wales Institute of Higher Education (NEWI), is also based in Wrexham, as is Wrexham Maelor Hospital, the area's general hospital.

#### **Budget Allocations – Strategic Overarching Concerns**

3. The level of information provided for forward planning purposes is beneficial and improves the management of the significant challenges which all levels

of government are facing (recently outlined in Local Government Expenditure in Wales, Recent Trends and future Pressures – published by the Institute of Fiscal Studies). It is noted that many of the indicative allocations for 2013/14 have been maintained and this is greatly appreciated. To have to make a major change in the Authority's budget plans for next year at this stage would have been extremely difficult given the other pressures facing the Council. It is noted that the "central services and administration" departmental allocation for 2013/14 has reduced by 3.9%. Such a reduction would be expected in this financial climate and it is surprising that it increases in 2014/15 (table 8.1, page 32).

4. The Council are finding the severe reductions in capital extremely hard to cope with (page 7, paragraph 2.6). It is resulting in a constant scaling back and delay in the delivery of the capital programme, much of which is focussed on the economy and children's services.
5. The draft budget does not appear to take account of inflationary increases which often run at a higher level for council services e.g. waste, energy and care fees. One of the aspects which offset this during the past couple of years is the level of national pay restraint and this will need to be extended, particularly for teaching staff, given the relative scale of these budgets.
6. The Council has placed a major emphasis on making savings and delivering efficiencies. It is therefore essential that any new central government legislation and policy changes are supported by adequate resources to enable them to be implemented.
7. The Council have major concerns around the implications of the welfare changes and it is noted that the Welsh Government recognises them as a "significant challenge" (page 7, paragraph 2.3 and page 27, paragraph 6.12). It is critical that Welsh Government and Treasury agree a fair basis for the amount of funding to be transferred to Wales in respect of council tax benefit as, based on the current understanding of the situation, Welsh claimants could be at more of a financial disadvantage than those in other areas.

8. Local Government works closely with Health and the financial challenges facing Health result in a significant knock on risk to the Council's Budget particularly in the areas of adult and children's social care.

#### **Budget Allocations – Specific Areas of Concern**

9. Following on from the previous paragraph, the Council are under pressure in the current year in the adult and children's social care services. This is driven by demography changes and demand is increasing at a time when Health is trying harder to pull back from joint funding arrangements.
10. The income received for planning applications and industrial rentals are currently contributing to an overspend position within the Council. The more that Welsh Government can work with the Authority following the funding of the Wrexham Industrial Estate link road and also to further improve rail connections, the more these difficulties can be offset.
11. School building capital grant reductions have put major pressures on the Council and are resulting in the programme length being extended now the Council has to find 50% of the costs. The limited potential for the sale of assets in the current economic climate to raise capital receipts is hindering the raising of match funding required at a local level.
12. One of the Council's priority areas is sustainability and therefore Section 7 of the Budget is of particular interest. However, there is no explicit mention of any funding being allocated to the "Green Deal" initiative.
13. Injecting some pace into the discussions on the Local Authority Housing Subsidy System could ensure resources being available to improve the public sector housing stock and will help generate employment (page 14, paragraph 4.1).
14. Concerns are being generated locally by the reductions and changes anticipated in the Budget in respect of local bus services. The "Delivery Partner" section mentions a move to more regionalised arrangements but is not explicit about the reductions (page 50, paragraph 10.31).

15. The amount allocated in the Budget to regulation and inspection remains fairly constant over a three year period e.g. Auditor General for Wales and the Ombudsman remain at £4.7m and £4m respectively. Given the radical changes in England, it would be expected that there could be some further efficiency savings generated within these areas.

### Expectations, Commitments and Priorities

16. The continued protection of schools and social services as part of the guidance associated with the Welsh Government budget is having a detrimental effect on other services provided by the Council. These budgets represent such a high proportion of the Council's spending (£129m ie 61%) that stipulating annual increases is unsustainable in the current financial climate.
17. The Council supports the specific targeted funding contained within the pupil deprivation grant and notes it will continue at £20m until 2014/15 (page 11, paragraph 3.4).
18. The Council is very supportive of the continuation of the £33m support for Learning Disability Resettlement Grant (page 41, paragraph 9.23) and its inclusion in the Local Government Revenue Support Grant.
19. The Council has found that the Outcome Agreement regime has been a way of driving performance in line with the Programme for Government. It is noted that this resource continues into the future (page 48, paragraph 10.15).
20. New areas of responsibility through the introduction of policies or legislation require funding to accompany them. This must be assessed and provided for as part of Welsh Government's legislative programme. It is equally important to consider the impact of the withdrawal of funding in advance ie the removal of specific grants.

21. The approach taken by Welsh Government to develop a Wales Infrastructure Plan is supported (page 4, paragraph 1.4). It is important that this is described in a manner which does not raise expectations beyond what is reasonably deliverable i.e. it should be realistic and not try to show that more is happening than is prudent.
22. The provision of additional £175m capital investment compared to £129m for current year is a positive statement for delivering in priority areas (page 5, paragraph 1.5). The Council are particularly supportive of the £13m flying start for delivery of additional childcare facilities (page 17, paragraph 4.10).

### Conclusion

23. One aspect welcomed is the early provision of information to assist with financial planning at the local level. An example of this is the statement that Welsh Government aims to issue indicative grant funding levels in December (page 42, paragraph 9.32).
24. It is pleasing to see evidence that Welsh Government have listened and acted on the feedback received during earlier consultation processes e.g. providing a greater level of detail on Invest-to-Save (page 24, paragraph 5.29).
25. It remains difficult to gain a clear insight into how the proposed Budget will impact on local government at this stage and any further improvement in this respect would be helpful although it is recognised that the Provisional Local Government Capital and Revenue Settlement is usually published quickly following on from the Welsh Government Budget (eg this year on 16 October 2012).
26. The different styles used in the presentation of the Draft 2013/14 Budget are very good and certainly improve the accessibility of the main published document i.e. "Our Budget" and "Your Money".

Mark S Owen  
Head of Finance

Wrexham County Borough Council

# Eitem 3

## NATIONAL ASSEMBLY FOR WALES FINANCE COMMITTEE 17 OCTOBER 2012: WRITTEN EVIDENCE FROM CARDIFF UNIVERSITY

### 1. **Looking at the budget allocations for 2013–14, do you have any concerns from a strategic, overarching perspective?**

We recognise that the Welsh Government is working with a very challenging settlement given the severe budget cuts and the likelihood that public expenditure will continue to be constrained. The focus of this budget – ensuring growth in the economy – is entirely appropriate but it is not certain that this can be achieved without sufficient investment in higher education. Investment in higher education is critical for a buoyant economy in Wales and there is great potential at this point to drive future economic growth and the creation of opportunities and jobs through prioritising such investment.

Higher education is a key driver of long-term economic growth. Research by the OECD for instance identifies that, while a range of factors may have a short-run impact, long-run economic growth is above all determined by two factors which are strongly associated with universities: knowledge accumulation and technological progress.<sup>i</sup> Similarly the evidence points to the fact that countries with high levels of innovation on average tend to have a stronger track record of investment in higher education and higher proportions of graduates in their populations.<sup>ii</sup>

Higher education contributes to the economy via, for example, the supply of graduates and postgraduates and through research and development expenditure. Universities also have a significant direct impact on the economy in Wales. They are major employers in their own right with a total turnover of over £1.2bn. Based purely on patterns of expenditure, for every £100m that is invested in higher education £102m will accrue to industries located in Wales (a comparatively high 'multiplier effect'). Universities also play a significant role in leveraging additional resource into Wales. In 2007/8 for instance the university sector gained £238m of export earnings for Wales and generated an additional direct boost to the Welsh economy of more than £90m a year from attracting students from outside Wales.

Funding for higher education is an investment that leads to increased income generation throughout the economy. Higher education also contributes significantly to the Welsh Government's social justice agenda. Access to a university education has always been an important springboard to better living standards in Wales for individuals and families. For many people in Wales a degree has helped to advance their careers, broaden their horizons and raise their aspirations. The expansion of higher learning is one of the most important ways in which social mobility can be advanced.

**2. Looking at the budget allocations for 2013–14, do you have any concerns about specific areas?**

The fact that there is no planned increase in the Higher education budget in 2013–14 (nor is there an increase planned for 2014–15) is a concern especially given that the student loan budget is increasing in both of these years. An increasing student loan budget means that there is less funding for other aspects of high education such as research, postgraduate studies, and innovation. Also, the student loan money doesn't necessarily benefit Welsh higher education institutions as students may study anywhere in the UK.

We have concerns in respect of full-time undergraduates where there are risks associated with:

- The reduction of the recurrent grant for teaching which relate specifically to higher-cost subjects where the cost exceeds the fee (e.g. Science, Technology, Engineering, Medicine, Dentistry);
- The potential loss of students achieving grades ABB or higher at A-Level due to the new English policy of unrestrained recruitment of students with higher grades at A-Level;
- Potential under-recruitment across the sector due to strategic reallocation and/or changes in recruitment patterns associated with the new funding and student support mechanisms in Wales and the UK.

The lack of any capital budget is also concerning as this will inhibit improvements to infrastructure which will impact on the student experience, on the ability to expand research activity, as well as on the Welsh sector's ability to compete. For example, in order to be able to counter the English policy of unrestrained recruitment of students achieving grades ABB or higher at A-Level, Welsh HEIs need to be able to offer excellent facilities and an excellent quality of education.

These concerns are compounded by the historical funding gap between Wales and England (and Scotland) which means that the Welsh HE sector is already at a disadvantage. HEFCW's most recent report identified a funding gap with England of up to £69m and rising in 2007/08 based on GIA per fundable FTE. The Learned Society, based on HEFCW's data, estimated the negative funding gap with England per student had grown from £20 to £900 per student between 2000/01 and 2008/09 and the cumulative gap between 2000 and 2009 was £361m (and more for Scotland).

There is a danger that insufficient investment in higher education now, on top of the historical funding gap, will begin to damage the competitiveness of the Welsh higher education sector and hence its ability to deliver for Wales.



Whilst it is essential that Welsh HEIs deliver for Wales, it must also be remembered that Welsh HEIs operate within a UK sector and need to be able to compete at a UK level for research funds (both public and private), industry contacts and student recruitment (both home and international). A lack of investment in higher education, especially in comparison to other UK countries, will mean that Welsh HEIs are less able to compete with other UK HEIs. This will impact adversely on their ability to bring sources of funding into Wales and also to bring spending power into Wales.

**3. What do you think will be the impact of the 2013–14 draft budget proposals on your ability to deliver services and meet the priorities of the Welsh Government?**

Cardiff University will continue to deliver its core services and will continue to contribute to the priorities of the Welsh Government. However, further investment in higher education now would enable further contribution to these priorities and would also enable the University to expand, support and drive forward its activities in areas such as research, postgraduate studies, knowledge transfer and the provision of expensive subjects. The expansion of these activities would have a significant long-term positive effect on the economy.

Research

Cardiff University is the most research-intensive University in Wales. Its research already contributes significantly to growing the Welsh economy and, given the investment to enable expansion, has the potential to contribute even further.

This budget, however, risks the HEFCW funding for research (QR) being diminished when it is essential that this fund is at the very least maintained and, ideally, increased. QR funding enables HEIs to invest in improving and updating their research activities through general investment in research infrastructure and training of new researchers as well as by identifying and investing in important new and emerging areas of work. QR funding also enables HEIs to apply for Research Council funding.

Wales needs an increase in research activity as this will lead to an increase in the exploitation of research and knowledge transfer. Wales needs greater levels of entrepreneurship and innovation and Welsh Universities can be the catalysts for the growth of the Welsh economy through spin-out companies, innovation partnerships with locally-based businesses and the drawing in of expertise world-wide.

The Welsh Government's investment in Ser Cymru will go some way towards increasing research activity by bringing in world-leading researchers and this will increase innovation and knowledge transfer. However, increased research activity will necessitate investment in the research environment. World-leading academics require fit for purpose infrastructure – state of the art equipment and additional and

appropriate space. Without adequate funding for research infrastructure there is a danger that the Ser Cymru programme might not be as successful as it could be. Thus it is essential that HEFCW QR funding for research is sustained.

#### Postgraduate Studies

Wales also needs to invest in funding for the highest level of skills development, and particularly postgraduate research students (PGRs). The Global Entrepreneurship Monitor Wales (2007) Report showed that those with the highest qualifications were more likely to be entrepreneurially active, and investment to encourage the growth of PGR students in top rated research departments, together with proper funding of their training and development, will deliver not only the new generation of academics and potential research stars, but Wales' next generation of cutting edge entrepreneurs.

The Welsh Government's current programmes such as the Young Recruits Programme and Pathways to Apprenticeships have merit and will go some way to improving job prospects but higher level skills development and initiatives that encourage University-Industry collaboration will lead to more innovation and will create more opportunities and more jobs in the long term.

#### Science, Technology and Engineering Provision

The importance of Science, Technology, Engineering and Maths (STEM) graduates in society has long been recognised in terms of the benefits that these disciplines bring to the economy, standard of living and well-being. The current HEFCW funding model means that those institutions that offer courses predominantly in the lower-cost subject areas will benefit more from the increased fee income than those who offer more higher-cost, STEM subjects. Institutions with more expensive subjects will be dependent on continued government funding for teaching to sustain excellent provision in the higher-cost and priority subject areas. Without adequate funding for these expensive areas, HEIs will not be able to afford to run these courses and Wales cannot afford to lose its STEM students and graduates. A strategy for the sustainable provision of these subjects is therefore vital as any damage from cuts in funding will not be easily reversed.

#### Medicine and Dentistry Teaching

Cardiff University has the only Medical and Dental Schools in Wales which, together with the University's other health-related Schools with an all-Wales remit, such as Optometry and Pharmacy, contribute to the social well-being of Wales by providing the next generation of health professionals for 21<sup>st</sup> Century healthcare.

The cost of teaching Medicine and Dentistry far exceeds the new higher fee of £9,000 per annum and without sustained and adequate public funding both the Medical and the Dental School will quickly

cease to be viable. Wales certainly cannot afford to lose its only Schools of Medicine and Dentistry and associated healthcare students and graduates – the adverse impact on healthcare in Wales would be significant. It is vital therefore that there is an explicit commitment to sustaining funding for these very high cost subjects in future years to ensure continued provision in these areas.

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<sup>i</sup> OECD. “The OECD Innovation Strategy - Getting a head start on tomorrow.” 2010.

<sup>ii</sup> Universities UK. “Higher Education in Focus: Driving Economic Growth - Higher Education a core strategic asset to the UK.” 2011.

Coleg Glannau Dyfrdwy  
Coleg Llysfasi  
Coleg Llaneurgain  
Hyfforddiant Wrecsam



Deeside College  
Llysfasi College  
Northop College  
Wrexham Training

**Pwyllgor Cyllid**

**FIN(4) 16-12 – Papur 4**

# **Dyraniadau Cyllideb Pwyllgor Cyllid**

Cyflwyniad gan Goleg Glannau Dyfrdwy â ColegauCymru



**Hydref 2012**

## Cyflwyniad

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1. Mae Coleg Glannau Dyfrdwy yn croesawu'r cyfle i ddarparu tystiolaeth lafar i'r Pwyllgor Cyllid ar 17 Hydref 2012, ac yn gwneud hynny gyda chefnogaeth ColegauCymru.
2. Mae Coleg Glannau Dyfrdwy yn un o'r colegau mwyaf, a mwyaf llwyddiannus yng Nghymru gyda phroffil rhagorol gan Estyn am gyflwyniad addysg bellach a dysgu yn y gweithle. Yn 2007 ef oedd y coleg cyntaf yn y DU i ennill Graddau 1 am ei holl ddarpariaeth, a llwyddodd yn 2012 i gael yr adroddiad arolwg gorau gan Estyn. Mae wedi cyflawni hyn ochr yn ochr â pherfformiad ariannol cyson gryf, sydd wedi cael ei ddefnyddio i fuddsoddi yn isadeiledd y coleg ac i gefnogi dau uniad. Ym mis Awst 2013 mae disgwyl i Goleg Glannau Dyfrdwy uno a Choleg Iâl.
3. Mae ColegauCymru yn cynrychioli'r 17 coleg addysg bellach a dau sefydliad AB yng Nghymru<sup>1</sup>. Mae'n cydweithio'n agos â Llywodraeth Cymru i siapio a chefnogi gweithrediad polisi. Cydnabuwyd ei swyddogaeth aeddfed a rhagweithiol o fewn y Papur Gwyn ar Addysg Bellach ac Addysg Uwch a gyhoeddwyd yn ddiweddar.
4. Lluniwyd y papur yma gan Goleg Glannau Dyfrdwy â ColegauCymru mewn ymateb i'r dyraniadau cyllideb ar gyfer 2013-14. Mae rhan gyntaf y papur yn adlewyrchu barn ColegauCymru fel yr amlinellwyd mewn llythyr i Jocelyn Davies AC, cadeirydd y Pwyllgor Cyllid ar 21 Medi 2012. Mae'r safbwyntiau hyn wedi eu cryfhau gan brofiad Coleg Glannau Dyfrdwy, a fernir yn annibynnol i fod yn un o'r colegau mwyaf llwyddiannus yng Nghymru.

## Rhai sylwadau cyffredinol

5. Er gwaethaf y rhagolwg economaidd hynod heriol, barn gyffredinol ColegauCymru yw ein bod ni'n cael y cyfle i ailadeiladu ein dyfodol diwydiannol yn seiliedig ar weithlu fwyfwy medrus gyda darparwyr dysgu yn ymateb i anghenion diwydiant a chyflogwyr yn gyffredinol. Yn ein barn ni mae nifer o ffactorau allweddol y mae'n rhaid i'r Gyllideb fynd i'r afael a hwy.

## Cynnal buddsoddiad mewn allbynnau dysgu o ansawdd

6. Mae'r brif nod yma yn rhywbeth sy'n cael ei adlewyrchu'n haeddiannol yn Llythyr Blaenoriaethau'r Gweinidog dros Addysg a Sgiliau ar gyfer 2012/13 lle mae'n ei gwneud hi'n hanfodol i golegau wella sgiliau eu dysgwyr i lefel 3 ac uwch. Mae'r flaenoriaeth yma wedi ei gefnogi trwy ddyraniadau i golegau yn

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<sup>1</sup> Yn y papur hwn defnyddir y term 'Coleg AB' neu 'Coleg' i gynnwys yr 17 Coleg AB a dau sefydliad AB.

2012/13 o gynnydd ariannol o 2.5% a rhagwelir codiad o 1% yn 2013/14. Mae hyn yn dangos ymrwymiad y Gweinidog i fuddsoddi mewn sectorau sy'n cyflwyno'r targedau allweddol a amlinellwyd yn y *Rhaglen ar gyfer Llywodraeth* yn 2011.

7. Mae Colegau wedi ymateb i'r buddsoddiad yma gyda phroffil ansawdd cynyddol flwyddyn ar ôl blwyddyn. Mae ein hymateb i'r Papur Gwyn ar Addysg Bellach ac Addysg Uwch yn nodi

*"Mae Prif Arolygydd Estyn yn ei hadroddiadau blynyddol yn fynych wedi gwneud sylwadau cadarnhaol am berfformiad colegau AB. Bu i Adroddiadau Canlyniadau Dysgwyr blynyddol yr Adran Addysg a Sgiliau ar gyfer 2010/11 ddangos bod 90% o fyfyrwyr yn cwblhau eu cyrsiau mewn colegau AB ac o'r rhain bod 90% yn cyflawni eu cymwysterau – gan wneud cyfraddau llwyddiant cyffredinol o 81%. Gellir cymharu hyn a chwblhad llwyddiannus o 40% yn 2000/01. Nid yw colegau fodd bynnag yn hunanfodlon gyda'r cynnydd aruthrol hwn ac maent yn ceisio gwella yn barhaus". Mae buddsoddiad mewn colegau yn dwyn budd clir ar ddysgu o ansawdd.*

### **Buddsoddiad mewn sgiliau yn y 'Ras i'r Brig' byd-eang**

8. Mae cynnal y buddsoddiad cyhoeddus hwn mewn sgiliau yn y tymor canolog i hir yn hanfodol. Mae addysg alwedigaethol a gyflwynir gan golegau yn gwneud cyfraniad pwysig ar gyfer cwrdd ag amcanion agenda sgiliau uchelgeisiol Cymru.
9. Mae'r angen i ddatblygu sylfaen sgiliau ar gyfer pwyslais newydd ar dwf diwydiannol a'r diwydiant adeiladu yn cael ei gefnogi gan dystiolaeth gadarn ar alw am lafur yng Nghymru i fyny i 2020. Yn ôl amcangyfrifon diweddar Adroddiad *Dyfodol Gwaith* Comisiwn y DU ar Gyflogaeth a Sgiliau ' ' *Cymru yw'r unig genedl/rhanbarth [yn y DU] lle mae disgwyl i alwedigaethau crefftau medrus dyfu mewn cyflogaeth ac nid dirywio*" a disgwyl i dwf cyflogaeth yng Nghymru fod 'uwchlaw cyfartaledd y DU.....ar gyfer y sector cynradd a chyfleustodau, adeiladu a masnach, llety a chlydiant'.<sup>2</sup> Mae hyn yn rhoi ysgogiad penodol i fuddsoddiad wedi canolbwyntio ar wella sylfaen sgiliau galwedigaethol hanfodol Cymru.
10. Mae'r ysgogiad yma'n cael ei gefnogi gan rhai symudiadau arwyddocaol a all fod yn digwydd yn yr economi fyd-eang ehangach. Bu i'r *Economist* ar 21 Ebrill 2012 roi sylw arbennig i'r hyn y mae'n ei alw yn 'trydydd chwyldro diwydiannol' ar gyfer gweithgynhyrchu ac arloesedd. Nodwyd "bod yr olwyn bron yn dod yn ôl yn grwn" gyda rhai swyddi gweithgynhyrchu tra medrus yn dod nôl i'r Gorllewin o Asia yn y ddegawd nesaf o ganlyniad i gostau llafur ac

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<sup>2</sup> Crynodeb Llywodraeth Cymru o adroddiad UKCES *Working Futures 2010-2020*, Rhagfyr 2011, p.1 & 5.

ygni uwch a'r gwariant cludiant ychwanegol yn ymwneud a chael cynhyrchion nôl i farchnadoedd Gorllewinol.

11. Mae Cymru angen gweithlu medrus er mwyn sicrhau ein bod ni'n gallu gwneud y mwyaf o unrhyw symudiad o'r fath, mewn unrhyw 'ras i'r brig' y gadwyn gwerth mewn cynhyrchion a gwasanaethau. Bydd angen pobl fedrus a hyblyg gyda *sgiliau lefel canolradd ac uwch* yn unol â Llythyr Blaenoriaethau AB Y Gweinidog.
12. Mae colegau mewn sefyllfa dda iawn i ymateb i'r agenda sgiliau lefel canolradd ac uchel yma, gan eu bod yn cyflwyno amrediad o raglenni o lefel mynediad sgiliau sylfaenol trwodd i ddarpariaeth lefel gradd. Felly mae colegau'n beiriannau cyflogadwyedd a dilyniant – yn rhoi hwb i gynhyrchiant gweithlu Cymru.

### **Buddsoddiad mewn chwaraewyr economaidd pwerus sy'n ymgysylltu'n uniongyrchol â chyflogwyr**

13. Mae Colegau yng Nghymru yn chwaraewyr economaidd canolog. Bu i Lywodraeth Cymru gomisiynu Prifysgol Caerdydd <sup>3</sup> i ymchwilio mewn i effaith economaidd *gweithgaredd pwrkasu* sefydliadau AB a'u staff a myfyrwyr. Bu i ymchwil wedi ei gomisiynu gan Lywodraeth yr Alban ddangos y dychweliad ar fuddsoddiad mewn *cymwysterau*. Mae cyfuno'r ddau ddangosydd yma (a thybio bod colegau AB yng Nghymru yn eithaf tebyg i golegau AB yn yr Alban) yn dangos bod colegau AB yng Nghymru yn cyfrannu yn fras £1.4bn i economi Cymru; ffigwr tebyg i'r hyn a gynhyrchir gan sefydliadau AU. Bydd y ffigwr yma wedi cynyddu'n sylweddol ers dyddiad yr astudiaeth.
14. Yn ychwanegol at y cyfraniadau economaidd uniongyrchol a ddaeth o ganlyniad i fuddsoddiad mewn AB, mae astudiaethau hefyd wedi arddangos manteision ychwanegol i ddysgwyr. Er enghraifft mae astudiaeth yng Nghanada wedi dangos bod myfyrwyr yn elwa o enillion cynyddol a gwell ffyrdd o fyw, trethdalwyr yn elwa o economi ehangach a chostau cymdeithasol llai; a chymdeithas yn gyffredinol yn elwa o gyfleoedd swyddi a buddsoddiad cynyddol, refeniw busnes uwch, gwell argaeledd o arian cyhoeddus a lleddfu baich trethi.<sup>4</sup> Mae'r gwelliannau o ran cynhyrchiant o golegau'n gwella sgiliau a'u gwaith uniongyrchol â chyflogwyr yn ychwanegu budd ychwanegol aruthrol i'r economi sy'n fwy anodd ei fesur – ond sydd hyd yn oed mwy pwysig nag allbwn economaidd uniongyrchol colegau.
15. Mae gwaith gyda busnesau wedi parhau i fod yn flaenoriaeth ganolog i'r sector dros sawl blwyddyn. Ail-gadarnhawyd hyn yn Llythyr Blaenoriaethau'r Gweinidog dros Addysg a Sgiliau<sup>5</sup> oedd yn annog colegau i fod y pwynt cyswllt cyntaf ar gyfer cyflogwyr. Mae Colegau Cymru wedi amcangyfrif bod colegau'n ymgysylltu a thros 25,000 o fusnesau pob blwyddyn i weithio ar ddatblygu cyfres o gynhyrchion wedi eu cynllunio i gwrdd ag anghenion cyflogwyr yn y sector breifat a chyhoeddus yng Nghymru. Mae hyn yn amrywio o waith ar brentisiaethau (pob lefel), rhaglenni hyfforddiant wedi eu

teilwra i staff, a gwaith ar arloesi cynhyrchion a chyngor cyffredinol ar anghenion sgiliau'r dyfodol eu gweithlu. Mae colegau'n gyson yn ailddyblu eu hymdrechion er mwyn sicrhau bod eu gwaith gyda busnesau yn chwim, ar flaen y gad ac yn addas i anghenion cyflogwyr unigol. *Mae hyn yn nod ganolog i'r holl golegau yng Nghymru.*

## Cwestiynau Allweddol

- (i) **Gan edrych ar y dyraniadau cyllideb ar gyfer 2013-14 oes gennych chi unrhyw bryderon o safbwynt strategol cyffredinol?**
- (ii) **Gan edrych ar y dyraniadau cyllideb ar gyfer 2013-14 oes gennych chi unrhyw bryderon ynghylch unrhyw feysydd penodol?**

16. Mae'r gyllideb ddrafft ar gyfer 2013-14 yn nodi y bydd addysg bellach a dosbarthiadau chweched dosbarth yn derbyn £455.7m. Nid yw hi'n glir eto pa gyfran a ddyrennir i golegau AB

17. Fel y nodwyd ym mharagraff 6 uchod bu i'r llythyr dyraniadau cyllido a anfonwyd i golegau addo cynnydd ariannol o 1% yn 2013/14<sup>6</sup>. Mae colegau'n cynllunio ar y sail y bydd yr addewid yma'n cael ei hanrhydeddu. Nid yw hyn yn gynydd mewn gwirionedd. Roedd chwyddiant yn Awst 2012 yn 2.5% a bydd rhaid i golegau sicrhau fod arbedion effeithlonrwydd pellach mewn lle.

18. Yn y flwyddyn gyfredol 2012/13 (mae blwyddyn ariannol y coleg yn rhedeg o Awst i Orffennaf) mae dyraniadau fel a ganlyn: £285.7m arian rheolaidd, £8.7m Llwybrau i Brentisiaeth a £17.5m Sgiliau Oedolion – cyfanswm o £311.9m. Mae'n hanfodol bod y cwantwm yn cael ei gynnal o 2013 ymlaen, hyd yn oed os oes newidiadau blaenoriaeth o fewn y ffyrddau blaenoriaeth ar wahân

19. I Goleg Glannau Dyfrdwy'r dyraniadau ar gyfer 2012/13 yw £19.5m ar gyfer arian rheolaidd, £0.7m ar gyfer LI i B, a £1.3m i Sgiliau Oedolion – cyfanswm o £21.5m. Yn ychwanegol at hyn, mae Coleg Glannau Dyfrdwy wedi sicrhau £14.5m pellach o ffynonellau eraill.

20. Mae'r colegau hefyd yn derbyn cyllid Llywodraeth Cymru ar gyfer cyflwyno dysgu yn y gweithle. Mae hyn trwy gynigion cystadleuol a chyllid yn cael ei dderbyn trwy gytundeb ac nid grant. Y cyfanswm a dderbyniwyd gan golegau yn 2009/10 (y ffigyrau diweddaraf) oedd £28m. Derbyniodd Coleg Glannau Dyfrdwy £5.7m.

21. Mae'r tabl isod yn dangos dadansoddiad o incwm a gwariant ar gyfer colegau AB yn 2009/10 (y ffigyrau diweddaraf). Mae colegau ar gyfartaledd yn denu oddeutu 20% ar ben cyllid Llywodraeth Cymru. Dros y deg mlynedd diwethaf ar brisiau heddiw mae colegau wedi creu oddeutu £1 biliwn. Cynhyrchir yr incwm yma trwy adennill costau llawn cyrsiau ar gyfer busnes, cyflwyno



prosiectau, ymgynghori, recriwtio rhyngwladol, bwytaï a ffreuturiau, siopau ferm, cyfleusterau hamdden a ffynonellau eraill.

22. Mae'n bwysig bod colegau AB yn parhau i gael yr hyblygrwydd i greu incwm ychwanegol. Mae gwargedau'n cael eu defnyddio i fuddsoddi mewn adeiladau ac offer, gwella cyfleusterau a sybsideiddio darpariaeth o fewn y coleg. Er enghraifft, Coleg Glannau Dyfrdwy sy'n creu oddeutu 23% o'i incwm o ffynonellau allanol ac yn gosod targed gwarged blynyddol o 3% o incwm. Mae'r pwynt olaf yn gyson a nifer o golegau eraill ar draws y DG. Dros yr wyth mlynedd diwethaf mae hyn wedi ei gyflawni gyda gwarged cyfartalog o 4% yn cael ei gyflawni sy'n dod i gyfanswm o £8.5m dros y cyfnod yma. Mae hyn wedi ei fuddsoddi; ynghyd a grantiau cyfalaf a benthyciad i wella'r ystad ac isadeiledd yn sylweddol ar yr holl gampysau ar draws Gogledd Ddwyrain Cymru.

#### Incwm a Gwariant Sector AB 2009/10

Incwm	£000	% o'r cyfanswm
Cyllid LIC (yn cynnwys DYG)	342,703	79.5
Ffioedd hyfforddi a chytundebau addysg	46,715	10.8
Incwm arall	40,980	9.5
Incwm Buddsoddi	557	0.1
<b>Cyfanswm Incwm</b>	<b>430,956</b>	<b>100.0</b>
<b>Gwariant</b>		
Staff	271,431	64.3
Costau gweithredu eraill	128,774	30.5
Dibrisiant	20,395	4.8
Llog sy'n daladwy	1,270	0.3
<b>Cyfanswm Gwariant</b>	<b>421,870</b>	<b>100</b>

23. Mae colegau wedi bod yn gwneud arbedion effeithlonrwydd. Mae un ar ddeg uniad wedi cymryd lle neu'n mynd rhagddynt. Bu i arolwg gan ColegauCymru yn 2011 nodi bod yr uniadau oedd wedi cymryd lle bryd hynny wedi arbed yn fras swm o £500,000 y coleg y flwyddyn, yn bennaf mewn rheolaeth, swyddogaethau gweinyddol a systemau. Bu i'r un arolwg ddangos bod colegau wedi gwneud arbedion cyfartalog o tua £160,000 y coleg y flwyddyn trwy wasanaethau rhanedig.<sup>7</sup> Mae Coleg Glannau Dyfrdwy wedi cynnal ei berfformiad ariannol sector arweiniol er gwaethaf uno gyda Choleg Garddwriaeth Cymru (2009) a Choleg Llysfasi (2010) gan yr etifeddwyd y ddau gyda diffygion ariannol a rhagamcaniadau negyddol ar gyfer y dyfodol.

24. Mae hyn yn amlygu'r manteision y gellir ei gyflawni drwy ailsefydlu effeithiol a strategol o isadeiledd gwasanaeth cyhoeddus yng Nghymru – gwnaed arbedion, ni chollwyd unrhyw swyddi, mae cyrsiau a llefydd i ddysgwyr wedi eu hehangu gyda mwy o arian yn cael ei wario ar y rheng flaen ac mae buddsoddiad wedi cymryd lle. Mae angen i sefydliadau a sectorau sy'n cofleidio newid yn y ffordd yma gael eu cydnabod a ni ddylai ariannu'r dyfodol gosbi sefydliadau sy'n cael eu rheoli'n effeithiol.
25. Mae Colegau mewn trafodaethau ar hyn o bryd a'r undebau llafur ar y cyd ar gyfer cyflwyno cytundeb cyffredin. Mae'r Gweinidog dros Addysg a Sgiliau wedi nodi y dylai unrhyw gytundeb cyffredinol newydd fod yn niwtral ran cost ar gyfer y sector AB cyfan. Bydd rhai colegau'n amlwg yn ennillwyr ac eraill yn colli allan wrth i gostau staff gynyddu mewn rhai a lleihau mewn eraill. Mae'n debygol y bydd unrhyw newidiadau yn cael eu cyflwyno'n raddol dros gyfnod o dair blynedd i leihau unrhyw effaith. Mae sector AB modern a deinamig yng Nghymru angen cytundebau cyflogaeth fodern a deinamig. Bydd hyn yn sicrhau swyddi, gwella gwasanaethau i ddysgwyr a chwarae rhan allweddol mewn gwella perfformiad economaidd Cymru.
26. Mae colegau hefyd yn debygol o wynebu costau cynyddol o ganlyniad i gynydd mewn cyfraniadau cyflogwyr i gynllun pensiwn athrawon a chynlluniau pensiwn llywodraeth leol amrywiol. Yn yr achos diwethaf gall cyfraniadau cyflogwyr eisoes fod dros 20% o'r cyflogau. Ochr yn ochr â hyn, mae rhagdybiaethau cynllunio ar gyfer y blynyddoedd i ddod yn tybio y bydd cyfyngiadau cyflogau parhaus o fewn y sector gyhoeddus.
27. Mae'r Papur Gwyn ar addysg bellach ac addysg uwch yn cefnogi colegau i gael hyblygrwydd ariannol cynyddol o fewn cyd-destun cyffredinol polisiau Llywodraeth Cymru. Mae colegau wedi croesawu'r cylch cyllido tair blynedd sydd wedi rhedeg o 2011/12 i 2013/14. Mae hyn wedi gwella gallu'r coleg i gynllunio a gwneud penderfyniadau hirach er budd y dysgwyr. Yn flaenorol roedd y dyraniadau i bob coleg yn aml yn amrywio flwyddyn ar ôl blwyddyn gydag ychydig o amser i gynllunio'n effeithiol. **Byddem yn annog Llywodraeth Cymru i barhau gyda chynllun tair blynedd bellach i ddilyn ymlaen ar ôl 2013/14.**
28. Mae galw mawr am gyllid cyfalaf fel bod colegau'n gallu dod a'u hadeiladau i fyny i safon yr 21ain ganrif. Cydnabyddir bod swmp y buddsoddiad yn canolbwyntio ar ysgolion ond mae colegau wedi rhoi amrediad eang o gynigion uchelgeisiol ymlaen fydd angen eu hariannu yn yr hir dymor.
- (iii) **Beth ydych chi'n feddwl fydd effaith cynigion cyllideb ddrafft 2013-14 ar eich gallu i gyflwyno gwasanaethau a chwrdd â blaenoriaethau Llywodraeth Cymru?**

29. Bu i lythyr y Gweinidog Addysg osod pedair prif flaenoriaeth ar gyfer y sector yn 2012/13 a 2013/14.<sup>8</sup> Y rhain oedd

- Dilyniant a chefnogaeth i ddysgwyr: uchafu llwybrau dilyniant i lefel 3 ag uwch, hyfforddiant a chyflogaeth
- Codi safonau a chyflawniad: cyflwyno gwelliannau mewn safonau a pherfformiad, yn arbennig llythrennedd a rhifedd dysgwyr
- Ymgysylltiad cyflogwyr a menter; ymgysylltiad effeithiol a chyflogwyr a datblygu diwylliant o fentergarwch
- Datblygu darpariaeth cyfrwng Cymraeg; cynyddu argaeledd ac annog dysgu cyfrwng Cymraeg/dwyieithog

30. Mae colegau'n ymateb yn gadarnhaol i'r blaenoriaethau allweddol yma ac yn ceisio adeiladu ar eu cynnig lefel 3 i ddysgwyr. Byddant yn parhau i godi safonau. Ar hyn o bryd ar gyfartaledd mae 90% o ddysgwyr yn cwblhau eu cyrsiau a 90% yn cyflawni eu cymwysterau. Bydd colegau'n gweithio'n galed i gynyddu eu cyfradd cwblhau lwyddiannus o 81%. Mae perfformiad presennol Coleg Glannau Dyfrdwy yn 86%.

31. Mae ymgysylltiad cyflogwyr i golegau'n fusnes craidd. Bydd colegau'n mynd ati i ddatblygu ymhellach eu cysylltiadau â chyflogwyr lleol a cheisio bod eu pwynt cyswilt cyntaf. Mae colegau wedi croesawu buddsoddiad mewn hyrwyddwyr dwyieithrwydd ac yn cydnabod y sialens hir dymor o gynyddu cyfleoedd ar gyfer dysgwyr sy'n dymuno astudio trwy gyfrwng y Gymraeg neu'n ddwyieithog. Maent yn cydnabod bod datblygu staff sy'n gymwys i ddysgu trwy gyfrwng y Gymraeg yn rhywbeth na ellir ei gyflawni dros nos ac y bydd angen buddsoddiad cynaliadwy yn y dyfodol rhagweladwy.

32. Mae'n debygol unwaith y bydd yr uniadau a gynlluniwyd wedi eu cwblhau erbyn Awst 2013 y bydd y ffocws i ffwrdd o strwythurau ac yn hytrach ar ganolbwyntio mwy ar wella addysgu a dysgu.

#### **(iv) Cymorth pellach i'r Pwyllgor**

33. I grynhoi rydym yn croesawu'r buddsoddiad parhaus mewn sgiliau yng Nghymru. Rydym yn cydnabod yr hinsawdd ariannol anodd y mae colegau'n gorfod gweithredu ynddo ac mae'r papur yma'n pwyntio at rai meysydd lle mae pwysau ar y colegau, fel yr angen i wneud arbedion effeithlonrwydd yng ngoleuni cynnydd ariannol islaw chwyddiant.

34. Mae buddsoddiad cynaliadwy mewn colegau AB yn darparu'r sail ar gyfer adferiad diwydiannol yng Nghymru a gweithlu medrus a chynyddol gynhyrchiol. Byddai Coleg Glannau Dyfrdwy a Colegau Cymru yn falch o ddarparu'r pwyllgor ag unrhyw dystiolaeth ysgrifenedig bellach mewn perthynas â'r gyllideb neu gyfraniad ehangach y colegau i ddyfodol economaidd cyffredinol neu addysgiadol Cymru.

## Finance Committee

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Meeting Venue: **Committee Room 2 – Senedd**

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Meeting date: **Thursday, 11 October 2012**

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Meeting time: **09:15 – 13:00**

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Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales



This meeting can be viewed on Senedd TV at:

[http://www.senedd.tv/archiveplayer.jsf?v=en\\_300000\\_11\\_10\\_2012&t=0&l=en](http://www.senedd.tv/archiveplayer.jsf?v=en_300000_11_10_2012&t=0&l=en)

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### Concise Minutes:

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#### Assembly Members:

**Jocelyn Davies (Chair)**  
**Peter Black**  
**Christine Chapman**  
**Paul Davies**  
**Mike Hedges**  
**Ann Jones**  
**Julie Morgan**  
**Ieuan Wyn Jones**

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#### Witnesses:

**Goodall, Aneurin Bevan Health Board**  
**Lang, Betsi Cadwaladr University Health Board**  
**Karen Miles, Hywel Dda Local Health Board**  
**Jane Hutt**  
**Jeff Andrews, Welsh Government**  
**Andrew Jeffreys, Welsh Government**  
**Salway, Welsh Government**

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#### Committee Staff:

**Gareth Price (Clerk)**  
**Daniel Collier (Deputy Clerk)**  
**Martin Jennings (Researcher)**  
**Eleanor Roy (Researcher)**

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### 1. Introductions, apologies and substitutions

1.1 The Chair welcomed Members and member of the public to the meeting.

1.2 Paul Davies declared an interest as his wife was employed by Hywell Dda Local Health Board.

1.3 Christine Chapman declared an interest as her husband had undertaken work for Aneurin Bevan Local Health Board.

## **2. Welsh Government draft budget proposals for 2013–14 – Evidence from Local Health Boards**

2.1 The Chair welcomed Dr Andrew Goodall, Chief Executive, Aneurin Bevan Local Health Board; Geoff Lang, Executive Director of Primary Care, Community and Mental Health Services, Betsi Cadwalader Local Health Board; and Karen Miles, Director of Finance and Economic Reform, Hywell Dda Local Health Board.

2.2 The Members questioned the witnesses.

### **Action point:**

Dr Andrew Goodall agreed to provide:

- A note quantifying the cost of unused estate in the NHS including the scale of risk of non-compliance issues around the estate.

2.3 The Committee agreed to write to the NHS Confederation regarding shared services across the NHS.

## **3. Motion under Standing Order 17.42 to resolve to exclude the public from the meeting for the following business:**

Items 4 and 7.

## **4. Consideration of draft report on the Assembly Commission draft budget 2013–14**

4.1 The Committee commented on its draft report on the Assembly Commission draft budget 2013–14.

4.2 The Committee agreed to format the amended report as a letter to the Minister for Finance, which would be published shortly.

## **5. Welsh Government draft budget proposals for 2013–14 – Evidence from Welsh Government**

5.1 The Committee welcomed Jane Hutt, Minister for Finance and Leader of the House; Jo Salway, Head of Strategic Budgeting, Welsh Government; Andrew Jeffreys, Head of Strategic Capital Investment, Welsh Government; and Jeff Andrews, Specialist Policy Adviser, Welsh Government.

5.2 The Committee scrutinised the Minister.

### **Action points:**

The Minister agreed to provide:

- Budgets which have been protected in your proposals and further information on measures being taken by the Welsh Government to consider preventative spending to reduce the demand on public services.
- Further information outlining the full directory of projects which have been funded through the Invest-to-Save programme.

## **6. Papers to note**

6.1 The Committee noted the minutes of the previous meeting.

## **7. Consideration of evidence on Welsh Government draft budget proposals for 2013–14**

7.1 The Committee discussed the evidence on the Welsh Government's draft budget proposals for 2013–14.