

## Agenda – Y Pwyllgor Cyfrifon Cyhoeddus

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Lleoliad:	I gael rhagor o wybodaeth cysylltwch a:
Ystafell Bwyllgora 3 – Senedd	Fay Bowen
Dyddiad: Dydd Llun, 6 Tachwedd 2017	Clerc y Pwyllgor
Amser: 13.00	0300 200 6565
	<a href="mailto:SeneddArchwilio@cynulliad.cymru">SeneddArchwilio@cynulliad.cymru</a>

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(Rhag-gyfarfod preifat 13.00 – 13.30)

- 13.00 – 13.10 – Trafod y llythyr ymgynghori drafft ar gyfer yr Ymchwiliad Cefnogi Pobl
- 13.10 – 13.30 – Craffu ar Gyfrifon 2016–17: Paratoi ar gyfer y sesiynau tystiolaeth

### 1 Cyflwyniad, ymddiheuriadau, dirprwyon a datgan buddiannau

(13.30)

### 2 Papur(au) i'w nodi

(13.30 – 13.35)

(Tudalennau 5 – 7)

#### 2.1 Craffu ar Gyfrifon 2016–17: Gwybodaeth ychwanegol gan Llywodraeth Cymru (16 Hydref 2017)

(Tudalennau 8 – 14)

#### 2.2 Craffu ar Gyfrifon 2016–17: Gwybodaeth ychwanegol gan Chwaraeon Cymru (1 Tachwedd 2017)

(Tudalennau 15 – 28)

#### 2.3 Penodi Prif Weithredwr Awdurdod Refeniw Cymru (18 Hydref 2017)

(Tudalennau 29 – 30)

### 3 Craffu ar Gyfrifon 2016–17: Cyngor Celfyddydau Cymru

(13.35 – 14.30)

(Tudalennau 31 – 145)

Papur briffio gan y Gwasanaeth Ymchwil

PAC(5)–28–17 Papur 1 – Adroddiad Blynyddol a Chyfrifon 2016–17 Cyngor

Celfyddydau Cymru



PAC(5)-28-17 Papur 2 – Llythyr Cylch Gwaith Blynyddol Cyngor Celfyddydau Cymru gan Lywodraeth Cymru

Nick Capaldi – Prif Weithredwr, Cyngor Celfyddydau Cymru

Gwyn Williams – Cyfarwyddwr Cyllid, Cyngor Celfyddydau Cymru

**(Egwyl 14.30 – 14.40)**

#### **4 Craffu ar Gyfrifon 2016–17: Llyfrgell Genedlaethol Cymru**

(14.40 – 15.40)

(Tudalennau 146 – 224)

Papur briffio gan y Gwasanaeth Ymchwil

PAC(5)-28-17 Papur 3 – Adroddiad Blynyddol a Chyfrifon 2016–17 Llyfrgell Genedlaethol Cymru

PAC(5)-28-17 Papur 4 – Llythyr Cylch Gwaith Blynyddol Llyfrgell Genedlaethol Cymru gan Lywodraeth Cymru

PAC(5)-28-17 Papur 5 – Gohebiaeth gan Lywodraeth Cymru (18 Hydref 2017)

PAC(5)-28-17 Papur 6 – Gohebiaeth gan Archwilydd Cyffredinol Cymru (25 Hydref 2017)

Linda Tomas – Llyfrgellydd Cenedlaethol

Rhodri Glyn Thomas – Llywydd, Llyfrgell Genedlaethol Cymru

David Michael – Cyfarwyddwr Adnoddau Corfforaethol, Llyfrgell Genedlaethol Cymru

#### **5 Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r cyfarfod ar gyfer y busnes a ganlyn:**

(15.40)

Eitem 6

**6 Craffu ar Gyfrifon 2016–17: Trafod y dystiolaeth a ddaeth i law**  
(15.40 – 16.00)

Mae cyfyngiadau ar y ddogfen hon

## Cofnodion cryno – Y Pwyllgor Cyfrifon Cyhoeddus

Lleoliad:

Ystafell Bwyllgora 4 – Tŷ Hywel

Dyddiad: Dydd Llun, 23 Hydref 2017

Amser: 14.02 – 15.58

### Preifat

#### Yn bresennol

Categori	Enwau
Aelodau'r Cynulliad:	Nick Ramsay AC (Cadeirydd) Mohammad Asghar (Oscar) AC Neil Hamilton AC Vikki Howells AC Adam Price AC Lee Waters AC
Swyddfa Archwilio Cymru:	Huw Vaughan Thomas – Archwilydd Cyffredinol Cymru Matthew Mortlock
Staff y Pwyllgor:	Fay Bowen (Clerc) Meriel Singleton (Ail Clerc) Claire Griffiths (Dirprwy Clerc) Hywel Dafydd (Ymchwilydd) Sally Jones (Ymchwilydd) Katie Wyatt (Cynghorydd Cyfreithiol)



## **1 Cyflwyniad, ymddiheuriadau, dirprwyon a datgan buddiannau**

- 1.1 Croesawodd y Cadeirydd yr Aelodau i'r cyfarfod ac estynnwyd croeso i Adam Price AC a etholwyd yn aelod o'r Pwyllgor ar 18 Hydref.
- 1.2 Cafwyd ymddiheuriadau gan Rhianon Passmore AC. Ni chafwyd dirprwy ar ei rhan.

## **2 Papur(au) i'w nodi**

- 2.1 Cafodd y papurau eu nodi.
- 2.1 **Gwasanaethau rheilffyrdd: gohebiaeth gan Bwyllgor yr Economi, Seilwaith a Sgiliau (10 Hydref 2017)**

## **3 Adroddiad Archwilydd Cyffredinol Cymru: Caffael Cyhoeddus yng Nghymru**

- 3.1 Rhoddodd Archwilydd Cyffredinol Cymru wybodaeth ar lafar am ganfyddiadau ei adroddiad ar gaffael cyhoeddus yng Nghymru, a gyhoeddwyd ar 17 Hydref. Hysbyswyd y Pwyllgor gan yr Archwilydd Cyffredinol y byddai adroddiad arall ar y Gwasanaeth Caffael Cenedlaethol yn cael ei gyhoeddi erbyn diwedd y flwyddyn.
- 3.2 Nododd yr Aelodau yr adroddiad a chytunwyd i ymgymryd ag ymchwiliad pan gyhoeddir adroddiad yr Archwilydd Cyffredinol ar y Gwasanaeth Caffael Cenedlaethol.

## **4 Rhaglen Cefnogi Pobl Llywodraeth Cymru**

- 4.1 Trafododd yr Aelodau y papur cwmpasu ar gyfer yr ymchwiliad i'r Rhaglen Cefnogi Pobl
- 4.2 Cytunodd yr Aelodau y dylai'r ymchwiliad ganolbwyntio ar effaith datblygiadau polisi ehangach; trefniadau dosbarthu cyllid a chynllunio ariannol; a monitro a gwerthuso effaith y rhaglen. Cytunodd yr Aelodau hefyd i gynnal ymgynghoriad ysgrifenedig.

## **5 Plant a phobl ifanc sydd wedi bod mewn gofal**

- 5.1 Clywodd yr Aelodau ddadansoddiad llafar o'r ymatebion i'r ymgynghoriad gan Hywel Dafydd o'r Gwasanaeth Ymchwil. Siaradodd Sally Jones o'r Tîm Cyfathrebu am

ganfyddiadau'r cyfarfodydd grwpiau ffocws a gynhaliwyd gyda phlant a phobl ifanc sydd wedi bod mewn gofal.

5.2 Trafododd yr Aelodau gwmpas yr ymchwiliad a thystion posibl ar gyfer Rhan 1 yr ymchwiliad.

## **6 Arferion a gweithdrefnau gwaith y Pwyllgor: briffio'r Aelodau – trafodaeth ar ddull gweithredu**

6.1 Trafododd yr Aelodau bapur ar y deunydd briffio maent yn ei gael i'w cynorthwyo gyda'u gwaith paratoi ar gyfer sesiynau casglu tystiolaeth.

# Eitem 2.1

Shan Morgan  
Ysgrifennydd Parhaol  
Yr Ysgrifennydd Parhaol



Llywodraeth Cymru  
Welsh Government

Nick Ramsay AC  
Cadeirydd y Pwyllgor Cyfrifon Cyhoeddus  
Cynulliad Cenedlaethol Cymru  
Bae Caerdydd  
CF99 1NA

16 Hydref 2017

Aunwyl Mr Ramsay,

Diolch i chi am y cyfle i ymddangos gerbron y Pwyllgor yn gynharach y mis hwn i graffu ar Gyfrifon Blyneddol Llywodraeth Cymru. Roedd llofnodi Cyfrifon Blyneddol 2016-17 yn yr haf yn garreg filltir o bwys imi fel Ysgrifennydd Parhaol a Phrif Swyddog Cyfrifyddu Llywodraeth Cymru. Rwyf yn gobeithio bod y sesiwn graffu wedi bod o fudd i'r Pwyllgor.

Yn dilyn y sesiwn mae'r Pwyllgor wedi gofyn am dair eitem:

1. Amgaeir copi o'r llythyr trosglwyddo a roddwyd imi gan fy rhagflaenydd, Syr Derek Jones.
2. Gofynnodd y Pwyllgor am ffigurau ar newidiadau i enillion unigol dros £100,000 yn y cyfnod adrodd. Gweler tabl yn Atodiad 1 sy'n nodi'r manylion. Ar ddiwedd y cyfnod adrodd roedd dau neu ragor o aelodau o staff yn ennill dros £100,000; yn y ddau achos mae'r rhain yn ymwneud â dyrchafiad neu symud i swyddi gwag sy'n gofyn am lefel uwch o gyfrifoldeb.



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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

**Tudalen y pecyn 8**  
We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding



3. Ac yn olaf, gweler dolen i Ddatganiad Llywodraeth Cymru ar Bolisiau Tâl:  
<http://gov.wales/about/civilservice/how-we-work/facts-figures/ourfinance/PayPolicyStatement/?skip=1&lang=cy>

Gobeithio y bydd yr adnoddau hyn o gymorth i'r Pwyllgor. Mae croeso ichi gysylltu â mi os oes gennych unrhyw gwestiynau am y deunydd amgaeedig.

yu gywir,

Shan Morgan

**Shan Morgan**

Ysgrifennydd Parhaol/ Permanent Secretary  
Llywodraeth Cymru/ Welsh Government



## **Handover Note from Sir Derek Jones to Shan Morgan on Principal Accounting Officer Issues**

We have discussed informally the immediate challenges which you will face as Principal Accounting Officer for the Welsh Government, but I also thought that it might be helpful if I were to set down for you the live issues, as they seem to me, which you are taking over; and the general context of PAO business within which you will do so.

This does not, of course, include a definitive list of all the challenges which you will face in the role – you will be fully briefed on those in due course – but reflects my own view on the more immediate issues to which I suggest you will need to give your attention.

### **Context**

The organisation is well-placed in terms of governance, audit and accountability processes; the teams involved in operating them; and their leadership. (Internal Audit recently received a very positive report from an external peer-professional benchmarking exercise.) The procedures for financial control and risk management are also generally very sound, as are the processes for supporting the Audit and Risk Committees; and indeed the Committees themselves – see below.

You also have available to you a strong cohort of Additional Accounting Officers. The PAO role is unique - the overall accountability that goes with it is essential to your authority, even if that makes it a lonely place at times! But in practice you can also rely on your AAOs for carrying out a range of business on your behalf, including where appropriate at the PAC.

### **Establishing constructive relationships**

I cannot stress too highly how much it has helped me in the role to have established positive and professional relationships with both the Public Accounts Committee and with the Auditor General for Wales. I have always given high priority to my appearances in front of the Committee and sought to take a positive and open approach to the encounters. I have also benefited enormously from a constructive and candid “no surprises” regular dialogue with the AGW. I know that you are determined to establish the same relationships.

Another key relationship of course will be between yourself and the Chair of your Audit and Risk Committee, where I have been extremely well supported by the current Chair, who has always been a wise source of counsel and advice. When the time comes to appoint a new Chair you will want to consider how you fill this important role very carefully.

## **Arms-Length Bodies**

You will have seen that shortly before your arrival the Wales Audit Office published a very helpful discussion paper on governance of Arms-Length Bodies. We had a constructive and illuminating seminar with the senior teams of the Welsh Government and the Wales Audit Office which fed into the final version of the paper. So there are important strategic issues about our relationship with our Arms-Length Bodies which you will want to consider moving forward. Related to this issue, and arising from recent experience with some of them, I think that there is more which can be done to ensure that our sponsorship and oversight role is being discharged as effectively as it can. Work to take this forward is in the early stages and you will want to satisfy yourself that it is rigorous and that improvements are being implemented.

## **Grants Management**

You will soon have the latest annual grants management report to the Public Accounts Committee to sign off and the Committee will no doubt invite you to give evidence on the report. This is an annual occurrence and the Committee can ask you some quite wide-ranging questions. We have been focussed on improving our procedures for managing grants for some years, following a series of WAO reports which highlighted some shortcomings. With the assistance of the WAO we have been making steady progress but there are still areas where we can improve – and of course, given the sheer volume and variety of the grants that we make, there will always be a small number of cases where things go wrong.

The challenge here is accepting that those cases which do go wrong need to be considered carefully and lessons learned where appropriate, but without over-reacting to the publicity and criticism – keeping the right balance of risk appetite. A lot more goes right than goes wrong.

## **Tackling Fraud**

Related to grants management, there has been some interest recently from the PAC about our counter-fraud measures and you will wish to consider how we should move forward on this front. The arrangements which we have for combatting fraud and for taking action where we have concerns about specific cases are sound and have improved steadily over the last few years but I am sure that there will be further improvements which we can make moving forward. Not least, because there have been a small number of high profile cases which I anticipate the Committee will keep in mind.

## **Legacy Issues**

There have been a few high-profile cases which have arisen in the last few years where the PAC has been quite critical of the way in which we have handled them. Although the specific issues arising from each case individually have largely been dealt with, I think that the PAC will expect you to familiarise yourself, broadly, with the main issues for each one and the

lessons which came out of them, to help us avoid having similar issues in the future. The cases which I have particularly in mind are AWEMA, RIFW, Life Sciences, Senior Public Sector Pay and the furniture contract.

### **Brexit and Austerity**

These are – of course – very major policy issues with which Welsh Government Ministers are wrestling. But they also bring their own challenges for the Accounting Officer going forward. The Audit and Risk Committee quite rightly took a strong interest in how I was approaching these issues as Permanent Secretary and Accounting Officer and I am sure that they will continue to do so with you. The medium and long-term prospects for replacing European funding (including funding which currently pays for permanent staff) remain very uncertain.

### **Audit and Risk Committees**

When I restructured my senior management team in 2015 I also took the opportunity to set up a new system of Audit and Risk Committees to support the new Additional Accounting Officer arrangements. These new arrangements will soon have been in place for two years and you might feel that that would be a good time to take stock, to review their effectiveness, and to see what improvements you might want to make. I told my last meeting of the ARC Committee that in my view the Committees in future should concentrate upon management focus on Value for Money and simplification of processes to ensure capability and resourcing within the organisation are managed effectively, particularly in view of significant current and future pressure on resources. I would expect these strains to increase with the ongoing impact of the European Transition process.

### **Tax**

Finally, as well as the challenge of spending money wisely, there is the new challenge of raising revenues efficiently and effectively. Our plans for the management of devolved taxes are well advanced (and recently positively reviewed by the WAO). But I am sure that the PAC and WAO will want to keep a close watching brief on this process up to and beyond the first switchover of taxes in 2018.

**Sir Derek Jones**

**March 2017**

## Atodiad 1

Newidiadau i gyflogeion Llywodraeth Cymru sy'n ennill dros £100,000 yn ystod 01 Ebrill 2016 – 31 Mawrth 2017

Grwp Llywodraeth Cymru	Teitl y Swydd	Ystod Cyflog	Ystod Cyflog	Rheswm dros newid cyflog
		£,000 01-Ebrill-2016	£,000 31-Mawrth-2017	
Iechyd a Gwasanaethau Cymdeithasol	Prif Swyddog Meddygol	0	190-195	Ymunwr
Swyddfa'r Prif Weinidog a Swyddfa'r Cabinet	Yr Ysgrifennydd Parhaol	0	160-165	Ymunwr
Iechyd a Gwasanaethau Cymdeithasol	Prif Swyddog Deintyddol	0	125-130	Ymunwr
Yr Economi, Sgiliau a Chyfoeth Naturiol	Dirprwy Ysgrifennydd Parhaol	135-140	135-140 (*)	Cynnydd
Addysg a Gwasanaethau Cyhoeddus	Dirprwy Ysgrifennydd Parhaol	135-140	135-140 (*)	Cynnydd
Addysg a Gwasanaethau Cyhoeddus	Prif Arolygydd	95-100	120-125	Cynnydd

## Atodiad 1

Newidiadau i gyflogeion Llywodraeth Cymru sy'n ennill dros £100,000 yn ystod 01 Ebrill 2016 – 31 Mawrth 2017

Tudalen y pecyn 14

Yr Economi, Sgiliau a Chyfoeth Naturiol	Cyfarwyddwr Trafnidiaeth a Seilwaith TGCh	95-100	100-105	Dyrchafiad
Y Prif Weinidog a Swyddfa'r Cabinet	Yr Ysgrifennydd Parhaol	165-170		Ymadael
Iechyd a Gwasanaethau Cymdeithasol	Prif Swyddog Meddygol	185-190		Ymadael
Iechyd a Gwasanaethau Cymdeithasol	Cyfarwyddwr Cyllid	130-135		Ymadael
Addysg a Gwasanaethau Cyhoeddus	Prif Arolygydd	125-130		Ymadael
Iechyd a Gwasanaethau Cymdeithasol	Uwch-swyddog Meddygol dros Ofal Sylfaenol	105-110		Ymadael

(\* Cynnydd gwirioneddol yn y cyflog o fewn y bandio gwreiddiol o £5k.

### Public Accounts Committee – PAC(5)–28–17 PTN2 (6 November 2017)

#### Scrutiny of Accounts 2016–17

#### Additional Information from Sarah Powell, Chief Executive, Sport Wales (1 November 2017)

Dear Nick Ramsay AM

Thank you once again for the opportunity to discuss the work of Sport Wales with the Public Accounts Committee.

As promised, please find attached information about the 5x60 and Dragon Sport programmes and our investment into them, together with information on our evaluations and how these have shaped the development of our approach to school and community sport in Wales.

Sport Wales is the national organisation responsible for developing and promoting sport and physical recreation. We are the main adviser on sporting matters to the Welsh Government, a producer of official statistics and are responsible for distributing funds from the National Lottery to sport in Wales.

Investing in and working with a wide range of partners, on both a national and local level, we aim to increase the frequency of participation in sport and physical activity, as well as improving elite performance. We take a broad view of sport – from traditional sports, such as swimming and hockey, to zumba and dance.

Dragon Multi-skills and 5x60 are two schemes that are run by Local Authorities on behalf of Sport Wales. They focus on primary and secondary school respectively and have a focus on extracurricular activity. The two schemes build on the early developments achieved through Play to Learn to enable a continuum of progressive learning and skill development throughout a young person's time at school.

An implicit part of our way of working is to learn and evaluate, whether this is through formal evaluations or in more informal ways. We have continually looked to review and evolve our approaches. From the feedback and research undertaken we have now developed a more holistic approach and have developed a '[Physical Literacy Journey](#)' as opposed to bespoke age-specific programmes. This reflects the changes we have made in approach following several independent and internal reviews and evaluations of the programmes which are highlighted in the attached document.

This recent '15 Year Success story' video reel <https://vimeo.com/211272295> demonstrates the benefits and achievements of our investment in PE and school and community sport.

The alignment of a physical literacy journey to an individual's own life journey has enabled us to highlight potential connections to those outside of the sport sector, providing a shared agenda in which education, health and community sport come together naturally.

We are currently tendering for an organisation to undertake a review of our Young People programmes. This review will sit alongside a complementary review of the Free Swimming Initiative (which includes an offer for under 17s). It is important and appropriate for us to consider their collective contribution to community sport and physical activity, as well as their impact across a number of Welsh Government priorities, as well as Welsh Government Sponsored Bodies' and Public Service Boards' well-being objectives.

I hope that you find this information useful. I would be happy to provide any further information to you and the Committee.



## **Young People Programmes**

### **Dragon Multi-Skills and Sport**

#### **Programme journey**

Dragon Multi-Skills and Sport (2012 – present) focuses on the physical competency of the child so that they develop the appropriate skills at the appropriate stage of their physical development, which can be transferred across sports. Rather than giving the child a ball and telling them to try and score, Dragon Multi-Skills focuses on core physical skills including agility, balance, co-ordination and spatial awareness to embed the proper basic skills before being introduced to sport specific activities (through the Dragon Sport 2000 – 2012). The Dragon Sport element then introduces young people to mini versions of sport specific activities.

The original aim of the Dragon Sport programme (2000) was to introduce children aged 7–11 yrs to enjoyable and meaningful experiences of sports with clearly identified opportunities to feed into and progress through sports development programmes in clubs and the community. This aim would be achieved through proactively recruiting more parents, teachers and others into sports leadership and providing them with pathways into coaching, officiating or administration. There were initially 22 employed Dragon Sport Coordinators each working for a local authority which also had a budget towards resources and equipment.

#### **Aim of the programme**

Dragon Multi-Skills and Sport is the next step on the physical literacy journey after Play to Learn (3–7years). The aim is for young people aged 7–11 years:

- To continue along their physical literacy journey by developing the key physical skills that are applicable to and transferable across a range of different sports.

- To proactively recruit more parents, teachers and young leaders into sports leadership and provide them with pathways into volunteering, coaching, officiating or administration.
- To support community clubs in developing their provision for children aged 7–11 years, strengthening links between clubs and schools.

## **Investment**

The Dragon Multi-Skills & Sport programme, (previously Dragon Sport) has been funded by Sport Wales since 2000. Initially each of the 22 local authorities were provided with a budget to employ a Dragon Sport Co-ordinator as well as supplying funds for resources and equipment to run the programme locally. From 2012, budgets were combined from the 5x60 & Dragon Multi-Skills & Sport programmes to make an Active Young People (AYP) budget where local authorities determine the delivery and expenditure towards each programme.

<b>Financial Year</b>	<b>Amount (£)</b>
2016-17	1,046,612
2015-16	1,108,554
2014-15	1,155,060
2013-14	1,027,872
2012-13	1,108,455
2011-12	1,485,266
2010-11	1,038,296
2009-10	1,256,388
2008-09	1,914,458
2007-08	1,279,207

### **Formal learning and evaluation**

- Local / Regional Management Information Reports: to help inform stakeholders of the provision in their local area; to performance manage staff; report on KPI targets to Welsh Government
- Dragon Sport Review - Multi-skills - Interim Report (**March 2010**) by **Sue Burgess**
- Review of Dragon Sport (**August 2010**) by **Arad Consulting**
- Pilot Evaluation of Dragon Multi-skills (*May 2012*) by *Bright Purpose*
- Current tender out for independent evaluation (2017) TBA

### **5x60**

#### **Programme journey**

The overall aim of the 5x60 programme was to increase the number of children and young people who take part in extra-curricular sport and physical recreation on a regular basis. With Dragon Sport well established among primary schools and contributing towards increased participation levels in extra-curricular and club activity within the primary phase, a drop

in participation levels when children reached secondary school age remained; particularly among girls and after Year 9.

5x60 was piloted in eight schools from January 2005 and the initial pilot phase was reviewed by InVEST. It was recommended that the programme should continue to be rolled out across Wales, and in September 2006, 27 schools started the programme with a further 12 schools joining the scheme in January 2007. By September 2009 every mainstream secondary schools across Wales were involved in the programme.

All 22 local authorities in Wales received funding to deliver the 5x60 programme based upon their number of main stream secondary schools. The funding formula did not include Special Schools although local authorities were able to allocate resources for Special Schools, should they have wished. The budget allocation amounted to a total of £20,000 per school which was broken down to £15,000 for staff costs and a revenue budget of £5,000 which was used by the 5x60 officer.

## Aim of the programme

Building upon the early developments achieved through Play to Learn and Dragon Multi-Skills & Sport, the aim is for young people aged 11–16 years:

- To continue along their physical literacy journey by further developing the key physical skills that are applicable to and transferable across a range of different sports and physical activities, as well as reinforcing their positive experiences;
- To support community clubs in developing their provision for children aged 11–16 years, strengthening links between clubs and schools;
- To proactively recruit young leaders into sports leadership and provide them with pathways into volunteering, coaching, officiating or administration.

## Investment

The table below illustrates the national 5x60 budget allocation from 2009–10 to 2017–18:

Financial Year	Amount (£)
2017–18	4,247,902
2016–17	4,339,650
2015–16	4,576,409
2014–15	4,703,027
2013–14	4,903,027
2012–13	4,900,000
2011–12	4,900,000
2010–11	4,900,000
2009–10	4,900,000
2008–09	3,800,000 (pilot)

Managed by the local authority, 5x60 officers were either employed part-time (20 hours per week) based in one school, or employed full-time based

in two schools. More recently, as a result of Sport Wales becoming outcome driven and flexible, local authorities have been encouraged to plan, resource and deliver against evidence based local needs and priorities. For example, many local authorities have re-configured their staffing structure so that an officer now has responsibility for a school cluster i.e. secondary school, feeder primary schools and community setting.

The programme has continued to evolve with the key drivers for change being:

- Commissioned reviews and evaluations of the 5x60 programme;
- Response to findings raised from the 2011, 2013 and 2015 School Sport Surveys;
- ‘The Vision for Sport in Wales’ (2011) and Sport Wales’ Community Sport Strategy’ (2012–2020);
- The growth of the ‘Young Ambassador’ programme and leadership pathway;
- Prominence and importance of a lifelong ‘physical literacy journey’ by Sport Wales; and
- A shift in Sport Wales’ focus away from being output driven and prescriptive towards becoming outcome driven and flexible.

### **Formal learning and evaluation**

- Local / Regional / National Management Information Reports: to help inform stakeholders of the provision in their local area; as a local performance management tool; and to report on KPI targets to Welsh Government
- Initial pilot phase **review (2006) by InVEST**
- Evaluation of the 5x60 programme: Report on the progress to the Welsh Assembly Government **(2009) by Greenstreet Berman Limited**
- Process Evaluation of 5x60 scheme: Final Report **(2010) by Greenstreet Berman Limited**

- Physical Activity, Extracurricular Sport and the '5x60' Initiative: Leisure Lifestyles and Young People in Wales, 2007–2009 (2011) – **PhD Thesis by Anna Leyshon** (Cardiff Metropolitan University)
- Sports Participation amongst 14–21 year olds. How do we encourage young people to stay involved in sport? (2012) **Final report to Sport Wales by Brightpurpose**
- 5x60 Evaluation Report: Linking schools with the community to sustain participation (2012) **by S Wilcox (research project – University of South Wales)**
- School Sport Investment Review (2015) – **internal review by Sport Wales**
- Current tender out for independent evaluation (2017) **TBA**

### **Physical literacy journey**

Dragon Multi-skills and Sport and 5x60 are two approaches to supporting a young person's physical literacy journey. They build on the early developments achieved through Play to Learn to enable a continuum of progressive learning.

As such, it's important to recognise that we have shifted our thinking and delivery; one from silo programmes for specific age groups to the importance of a lifelong 'physical literacy journey'. This now encompasses early childhood through to later adult life with Physical Literacy as the overarching key focus.

Sport Wales has embraced the concept of Physical Literacy as a key strand of its core business since 2010. Sport Wales introduced the sectors' Vision for Sport in Wales in 2011, in which one of the aspirations is to get 'every child hooked on sport for life'. A strategic priority within the Vision was 'Skills for a life in Sport' where every child and young person is provided with the skills and confidence from an early age to be physically literate through high quality, engaging sporting experiences. This signified a change in approach to both strategic design and delivery away from siloed, age/phase-specific programmes to a broader continuum of learning / journey of experiences.

The Physical Literacy journey captures every interaction that an individual has with sport and physical activity from cradle to grave and in every aspect of life; be it in formal education, within the community, in a workplace or as part of family life.

It follows therefore that the concept of a physical literacy journey illustrates how all of Sport Wales' priorities and subsequent agendas fit together, providing a natural thread linking each together in achieving one overall vision. The alignment of a physical literacy journey to an individual's life journey also highlights the potential connections to those outside of the sport sector, providing a shared agenda in which education, health and community sport come together naturally.

This recent '15 Year Success story' video reel <https://vimeo.com/211272295> demonstrates the benefits and achievements of our investment in PE and school and community sport.

## **Learning and developments**

An implicit part of our way of working is to learn and evaluate, whether this is through formal evaluations or in more informal ways. We have continually looked to review and evolve our approaches. Our current focus on the physical literacy journey, as opposed to bespoke age-specific programmes, is part of Sport Wales' journey. We recognise that we could have been better and more explicit at communicating where we have sought feedback, reviewed and subsequently amended our approach. With the development of our new approach to investing in community sport in Wales, we have involved and been transparent. We are now continuing to take this approach with the development of the new Vision for Sport in Wales.

## **Current review**

We are currently tendering for an organisation to undertake a review of our Young People Programmes. This review will sit alongside a complementary review of the Free Swimming Initiative (which includes an offer for Under



17s). It is important and appropriate for us to consider their collective contribution to community sport and physical activity, as well as their impact across a number of Welsh Government priorities, as well as Welsh Government Sponsored Bodies' and Public Service Boards' well-being objectives.

Sport Wales, as with other public-sector organisations, has a diminishing resource. We will need to ensure that future delivery has greater levels of sustainability.

We are wanting to know whether the programmes have achieved their stated outcomes for children and young people when first introduced (or since they have been revised), and whether they can achieve a greater impact on sport and physical activity participation levels.

The findings and recommendations from this review will help shape and steer our strategy and proposals for community sport in Wales.

## **Case studies**

### **Active Story Time**

In June, colleagues in Conwy held 3 days of Active Story Time training for the staff members of the 10 libraries in Conwy, and for 36 healthy preschool settings. Over the 3 days, more than 80 people attended the training that was delivered by Sharon Mason from 'Play Learn Play'.

The aim of the project is to encourage these community settings to introduce a new element in to their current story time. Through bringing books to life by using the puppets and movements we can ensure that the children of Conwy are active, healthy and gaining skills for life. Through supporting these settings to encourage children to get moving, we are ensuring that they have a positive start on their physical literacy journey.

Below is a short video of the training days explaining its purpose. There are several settings already running sessions.

[https://www.youtube.com/watch?v=\\_qc0GoJyhWo](https://www.youtube.com/watch?v=_qc0GoJyhWo)

### **Young Ambassador-led training for school governors in Conwy**

Young Ambassador-led approach regarding School Governor Training on physical literacy and the impact of multi-sport opportunities as part of extra-curricular provision.

This is a new and different approach to try and influence School Governors with responsibility for Health and Well Being areas of the National Curriculum, regarding the understanding, importance and priority given to physical literacy within their schools. (delivered by GOLD Young Ambassadors on a County wide basis) – also linking this to the LA education services agenda “promoting learner health and well-being “and a KPI focusing on pupil voice.

There has been a positive impact – evidenced in the School Sport Survey results. The percentage of pupils participating in sport on 3+ occasions a week increased from 39% in 2013 to 79% in 2015. There has also been a 19-percentage point increase in pupils feeling listened to.

### **St Christopher’s SEN School, Wrexham**

Leadership and Participation opportunities within a SEN setting

Last year 20 pupils successfully completed the Sports leaders Level 2. The group have gained over 80 hours leadership experience. The pupils themselves persuaded the 5x60 Officer to start the Level 3 course this year. The pupils now volunteer in the community and mentor younger pupils. The pupils also volunteer at the SEN Festivals for Wrexham Junior Schools.

The school is very proud of the pupil’s achievements and how it proves that boundaries can be broken. These Leaders have seen first-hand what is

possible to achieve and it has been an amazing journey for everyone at the school.

### **Tackling Crime, anti-social behaviour and the disengaged, Flintshire**

Through working with key partners such as the Drug and Alcohol team, the youth service, education and schools and North Wales Police we have launched an anti-social behavior 'door step' club system. The clubs currently run in Hope, Hawarden, Flint, Deeside and Mold. Participation ranges between 15 – 45 per session. We have mainly used football as a vehicle for engagement but have also utilized golf, fitness and the spa in this approach, where through working with clubs, NGBs and providers we have been able to offer a sustainable provision and at an affordable price to encourage further participation.

### **Young Leaders Pathway**

Monmouthshire sports development team have purchased a licence from Sports Leaders UK which will allow them to train every Year 5 pupil on the Play Maker Leadership Award (circa 1000 pupils). The award focuses on developing learner's leadership skills. Bronze Young Ambassadors will be identified from the Play Makers to lead and advocate sport and physical activity within the school setting.

### **Active Gwent – Physical Literacy**

The Active Gwent region have worked collaboratively to develop physical literacy opportunities across the region. During 2016/17, 500 physical literacy sessions have been established in communities across Gwent. Developing junior club structures across the region has been a focus through up-skilling over 490 coaches and 570 parents on their understanding of how to develop physically literate children and young people.

## **Active Gwent Positive Futures Programme**

**Funding:** £70k Sport Wales funding matched by Gwent Police & Crime Commissioner

Gwent Positive Futures is a sport based social inclusion programme, using sport as a tool to engage young people in communities identified as 'hot spots' by partners or through referral into alternative education settings. In 2016–17 the programme has engaged over 9,000 young people into sport and physical activity, leading to:

- Increases in sport participation amongst disengaged children and young people;
- Reduction in anti-social behaviour at key times where sport based diversionary activity has hooked in young people;
- Reductions in anti-social behaviour at key periods of the year; and
- Increases in school attendance, personal development and engagement in young people at risk of becoming 'NEETs'.



Llywodraeth Cymru  
Welsh Government

Dyfed Alsop  
WRA Implementation Director  
Welsh Government  
Cathays Park  
Cardiff  
CF10 3NQ

18 October 2017

*Annwyl Dyfed,*

Further to my letter of 1 September, I am writing to appoint you as Chief Executive of the Welsh Revenue Authority (WRA), in exercise of my powers in section 9(3) of the Tax Collection and Management (Wales) Act 2016, "TCMA".

### **Terms and Period of Appointment**

Your appointment will commence on the 18 October 2017 and will expire on the 7 August 2019, as per the terms of your loan agreement between your employer – Valuation Office Agency/ HM Revenue & Customs - and the WRA. Please note service as the Chief Executive of WRA is service in the civil service of the state. As an existing senior civil servant your terms and conditions set by the Cabinet Office still apply.

### **Duties**

As the Chief Executive of the WRA you are responsible for (among other things) ensuring the functions of WRA are performed efficiently and effectively. Your performance will be assessed annually by the WRA Board in accordance with your duties. This assessment will be submitted in writing to the Permanent Secretary of the Welsh Government.

### **Accounting officer**

As set out in section 33 of TCMA, the Chief Executive of WRA is the accounting officer of WRA. The accounting officer has in relation to the accounts and finances of WRA the responsibilities, which are specified by the Welsh Ministers. The Permanent Secretary will write to you separately setting out your specified Accounting Officer responsibilities.

Bae Caerdydd • Cardiff Bay  
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CF99 1NA

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.



Llywodraeth Cymru  
Welsh Government

## WRA Board

As Chief Executive of the WRA you are a member of the WRA Board (section 3(1)(c) of the TCMA). You will cease to be a member of WRA Board when you cease to be Chief Executive.

## Protected taxpayer information

Under section 17 TCMA, an individual who is or has been a relevant official must not disclose protected taxpayer information unless the disclosure is permitted by section 18 TCMA. Wrongful disclosure is an offence under section 20 TCMA, which could result in imprisonment, a fine, or both. As Chief Executive, you are a relevant official and as such must make a declaration acknowledging the obligation of confidentiality under section 17. A declaration for you to sign will be provided to you in due course.

This is an exciting time for devolution in Wales and I look forward to working with you. I attach great importance to the role of WRA, and in particular its ability to work in close partnership with the Welsh Government and others to deliver a world-class tax administration in system in Wales.

I am sending copies of this letter to the Permanent Secretary, the Auditor General for Wales; the Clerks to the Public Accounts Committee and Finance Committee; and Chair of the WRA.

In gywir,

Mark

## Mark Drakeford AM/AC

Ysgrifennydd y Cabinet dros Gyllid a Llywodraeth Leol  
Cabinet Secretary for Finance and Local Government

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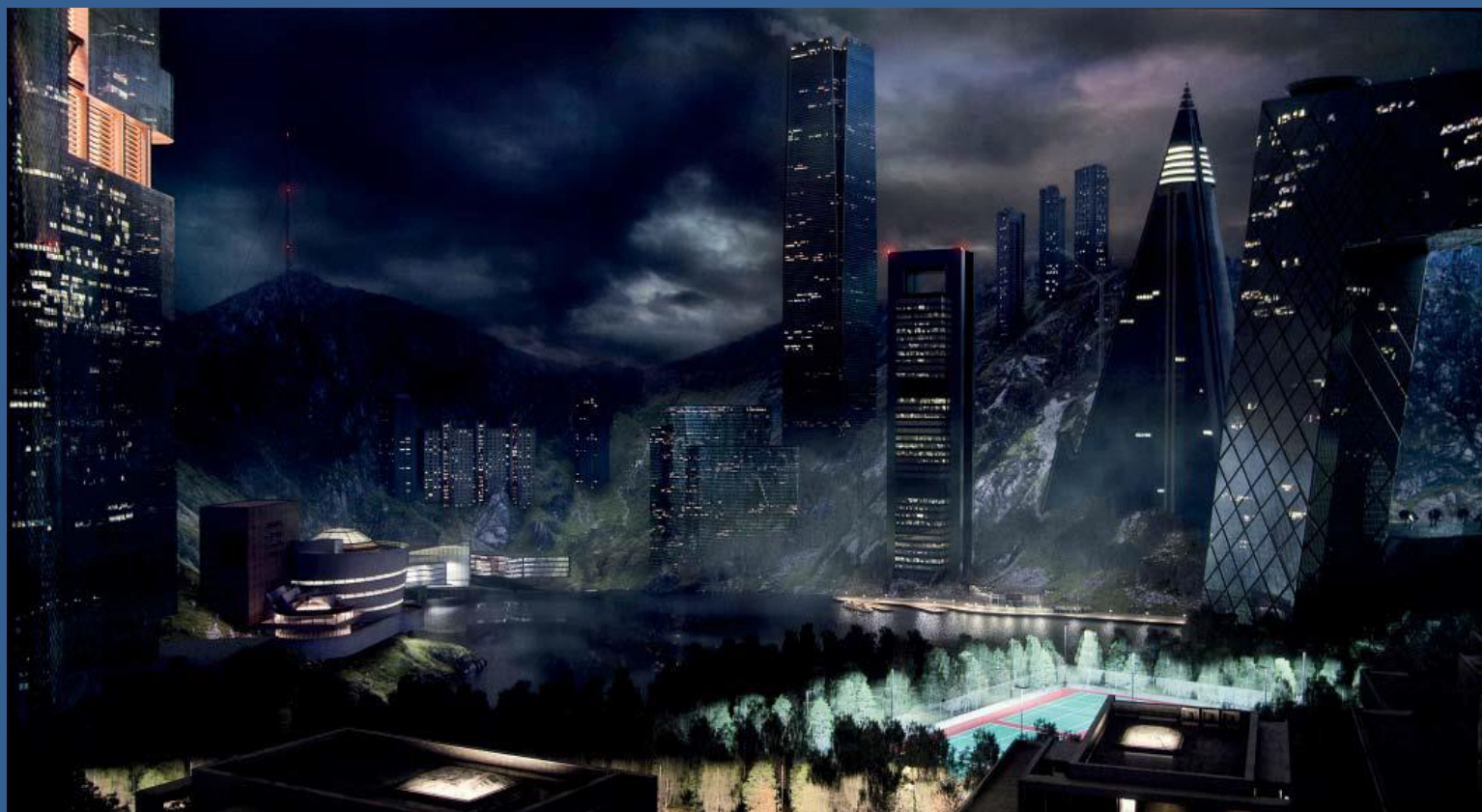
Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Mae cyfyngiadau ar y ddogfen hon

# GENERAL ACTIVITIES

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## What we do...

The Arts Council of Wales is the country's official public body for funding and developing the arts.

Every day, people across Wales are enjoying and taking part in the arts in Wales. We help to support and grow this activity. We do this by using the public funds that are made available to us by the Welsh Government and by distributing the proceeds we receive from the National Lottery.

By managing and investing these funds in creative activity, the Arts Council contributes to people's quality of life and to the cultural, social and economic well-being of Wales.



Take a look at our short animation explaining why [The Arts Matter](#)

<http://www.arts.wales>

# Arts Council of Wales at a glance



# Chair's statement

## Enabling the arts to thrive, not merely to survive



As I reflect on my first year as Arts Council of Wales Chair, I feel enormously excited by the evidence I've found of a nation alive with creative energy.

I've made it my business this past year to travel widely across Wales,

seeing work, meeting artists, talking to the partners who work so hard with us to keep the arts alive. The dynamism, imagination and sheer energy that I've witnessed – in many different places – has been as humbling as it has been inspiring.

We're well used to the excellence of our national companies, routinely performing with distinction at home and across the world. And no-one who was there will forget the sight of 200,000 people flooding Cardiff city centre for the extraordinary Roald Dahl celebration promoted by Wales Millennium Centre and National Theatre Wales. But I've also been hugely moved by the work of those achieving equally outstanding outcomes in more local settings.

From Ucheldre in Holyhead to Valleys Kids and Head for Arts in the South Wales Valleys, Wales has an impressive network of organisations embedded in their local communities demonstrating day in, day out just how important the arts are to people's well-being and quality of life.

This has also been evident in our place-based community regeneration programme *Ideas: People: Places*. From Swansea High Street to Caernarfon Quay, I've seen how exceptionally skilled artists are helping local communities to find their voice and contribute to the key projects that are improving the places in which they live and work.

Identifying and nurturing talent is part of the Arts Council's creative DNA. So it's been a particular pleasure to see the impact of our educational partnership with the Welsh Government, *Creative Learning through the Arts*. Creative skills are key. They will permeate all areas of business activity in the future – the successful economies in the years to come will be those that can capitalise on their creative potential, enabling social inclusion and putting people and skills – 'human capital' – at their core. In today's society this is as critical as any other economic resource.

*Creative Learning* is ensuring that creative practice and techniques illuminate and support all aspects of the school curriculum, raising standards of attainment and learning. We're seeing some extraordinary effects, with the programme present in more than 500 schools across Wales over the three years to date.

Developing the creative skills of our young people is a natural priority. But our mission to make the arts central to people's lives extends further. Given the impact that the arts can have, it's essential that they're able to be enjoyed by the widest possible cross-section of the Welsh public.

Working with Council this year, I've been determined that we must do more to reach those communities who have yet to benefit from the activities that we support. Talent is everywhere, opportunity is not. This must change.

There have also been changes to the Arts Council itself. In the face of continuing pressure on public funds, it's important that as much money as possible goes directly to the arts. Over recent years we've cut our costs and reduced staff numbers by around 25%. It's been a challenging process for our hard-working and committed staff, but it's been the right thing to do.

Finally, I must thank my excellent Council colleagues who give so generously of their time and expertise. At the end of the year we saw the retirement of two stalwart members of Council – our Vice Chair, Kate Woodward, and Margaret Jervis. They have brought wisdom, experience and insight to our work. They leave a Council that is immeasurably better for the contribution that they've made.

A handwritten signature in black ink that reads "Phil George". The signature is written in a cursive, flowing style.

**Phil George**  
Chair

# Performance Report and Operational Review

**78%**

of adults in Wales attended the arts

(2015/16: 79%)

Source: Wales Omnibus Survey

**83%**

of children in Wales attended the arts

(2015/16: 89%)

Source: Children's Omnibus Survey

**9,973**

participatory sessions were run by our portfolio of funded organisations in Welsh, resulting in attendances of

**191,620**

**3,361**

Disabled Visitors Cards issued via our *Hynt* scheme

**7,543**

participatory sessions run by our portfolio of funded organisations were targeted at people in the protected characteristics group, resulting in attendances of

**137,131**

**86%**

of children in Wales took part in arts activity

(2015/16: 89%)

Source: Children's Omnibus Survey

# Chief Executive's statement

## Taking action to make the arts stronger



Much of our work is about creating a supportive environment in which artists and arts organisations can prosper. We believe passionately that the arts improve our well-being

and quality of life, and we're determined that these benefits should be available to everyone in Wales. This is our arts development mission. But it's a mission that comes under stress when resources tighten.

From 2000, there was more than a decade of sustained public and Lottery investment in our cultural life. However, the five years of funding cuts that followed have meant that the value of the growth in Welsh Government funding in the 1990s and 2000s has been eroded. Combined grant-in-aid and National Lottery funding is worth less today than it was 21 years ago.

If the arts in Wales are not only to survive but to thrive, they'll need strong, entrepreneurial leadership. So we're working with artists and organisations to enable them to be imaginative and innovative, squeezing the maximum benefit possible from the public investment that they receive.

This is why we launched during the year our new *Resilience* programme providing targeted support to some of Wales' most important arts organisations.

A resilient organisation is embedded within the community that it serves, and it adopts a business model that can withstand change, whether planned or unexpected. A resilient organisation is one that has the skill, capacity and drive to endure in the longer term.

These organisational characteristics apply as much to the Arts Council as to those who we fund. It's very important that we demonstrate that we're subject to the same disciplines as organisations across the public sector. So during 2016/17 we undertook a comprehensive review of our costs and staffing, reducing both so that we could invest more funding directly into the arts.

The pressure on public funds continues unabated. In this report you'll find out how we've responded to this challenge during 2016/17. We explain what we've done and set out some of our successes. But we also identify where we've fallen short, in a small number of areas, of the targets we had hoped to achieve.

Most importantly, we highlight some of the exceptional activity that people across Wales have been able to enjoy over the year. At their best – and it's the best we strive to encourage – the arts excite, inspire and entertain. Making the arts stronger, and ensuring that they touch people's lives across Wales – these are the goals that drive our work.

*Nick Capaldi*

Nick Capaldi  
Chief Executive



# Our Priorities

## Our priorities are described through our 8 corporate objectives

The Welsh Government is the largest sponsor of the Arts Council's activities. Our strategy therefore reflects the broader vision and ambition of the Government.

- |                |  |
|----------------|--|
| <b>Make</b>    | <ol style="list-style-type: none"> <li>1. Creating the environment for the arts to flourish.</li> <li>2. Increasing the value of international working in the arts – culturally, socially and economically</li> </ol>  |
| <b>Reach</b>   | <ol style="list-style-type: none"> <li>3. Finding new opportunities, ways and places for people to enjoy and take part in the arts</li> <li>4. Developing the creativity of children and young people</li> </ol>   |
| <b>Sustain</b> | <ol style="list-style-type: none"> <li>5. Encouraging innovation, resilience and sustainability</li> <li>6. Protecting and growing the economic base for the arts in Wales</li> <li>7. Demonstrating the value of the arts</li> <li>8. Making the Arts Council an efficient and effective public body</li> </ol> |

The Welsh Government’s expectations of us are set out in an annual Remit Letter. The Remit Letter describes the priorities of the Welsh Government. These are delivered through Council’s corporate objectives.

Our Remit Letter for 2016/17 set out ten areas of priority.



# Public benefit

## Making the arts central to the life and well-being of the people of Wales.

Our mission statement ensures that public benefit occupies a prominent place in all aspects of our work. It is strengthened by our commitment to the Welsh Government's Well-being of Future Generations legislation and, in setting our objectives and planning our activities, our Council members have given serious consideration to the Charity Commission's general guidance on public benefit.

### About the Arts Council of Wales

The Arts Council of Wales – Cyngor Celfyddydau Cymru – was established by Royal Charter on 30 March 1994, and exists to support and develop the arts in Wales. It does so for the benefit of people throughout Wales, and to support Welsh art internationally.

We are also a Welsh Government Sponsored Body (WGSB), a National Lottery Distributor, and a registered charity (number 1034245).

Our [Royal Charter](#) sets out our objectives.

They are to:

- develop and improve the knowledge, understanding and practice of the arts;
- increase the accessibility of the arts to the public;
- work through the Welsh and English languages; and,
- work with other public bodies in Wales, and with the other Arts Councils in the UK, to achieve these aims.

A copy of our Royal Charter can be found on our [website](#).

As a Welsh Government Sponsored Body we allocate taxpayers' money for the benefit of the Welsh public.

The funding that we distribute has a number of public purposes:

- it increases the choice of activity that can be enjoyed and experienced in Wales
- it reduces the costs of the arts to audiences and participants
- it encourages innovation and risk-taking, raising the quality of the arts made and promoted in Wales

Public funding also helps to address market failure – investing in those activities that the commercial sector either won't, or isn't able to, support. In all aspects, our funding is intended to encourage the best of the arts and to enable as many people as possible to enjoy and take part in the arts.

We undertake detailed research each year to assess the extent to which we're meeting these objectives. In the pages that follow, we set out the key highlights of our work and the public benefit that these activities deliver.

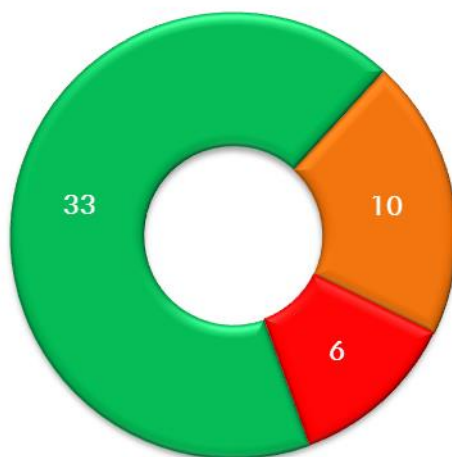
# Our performance overall

## A year of strong performance against our corporate objectives

Our Operational Plan for 2016/17 contained 49 corporate tasks, each with its own targets. Progress is monitored throughout the year through quarterly progress reports that are presented to Council.

Overall, Council welcomed the fact that the majority of our tasks in 2016/17 were successfully completed. At the end of the year:

- 33 tasks had been successfully completed
- 10 tasks were substantially complete
- 6 tasks had not been completed



Where targets were not completed, the reason in most cases was a difference in timing between the year end and completion of the target. The outcome was not, therefore, material. However, Council has noted in previous reports that year-on-year reductions in staffing might impact on our capacity to deliver Council's agreed programme of activity. There was evidence during 2016/17 that resource pressures were beginning to affect some aspects of our performance.

Council notes that we did not achieve our targets in 6 areas. These were:

- **increasing the diversity of those participating in our Lottery-funded projects** – anecdotal evidence and informal assessment suggests that we are having some successes in broadening the range of people taking part in Lottery funded activity. We have not, however, been able to undertake sufficiently detailed research to establish baseline data. Long term illness within our Research team has meant that we have been unable to progress this piece of work and we will return to this in 2017/18
- **data on participation and engagement of people from groups with “protected characteristics”** – we set ambitious targets in our action plans (Equalities, Welsh Language and Sustainability). Although we met the majority of targets, we did not see the increased engagement of people from ‘protected characteristic’ groups that we had hoped. The fact that we could not evidence a more complete picture of achievement led Council to conclude that progress overall had not been satisfactory. Addressing this will be a priority during 2017/18
- **Momentum** – a further round of the Momentum programme, our arts training programme targeted on NEETS, was dependent on identifying match funding for a European funding bid. Funding priorities elsewhere meant that we were not able to progress this
- **European funding for trans-national projects** – we were unsuccessful in two bids for European funding. We’re re-appraising our approach for 2017/18

- **our recruitment of National Advisers** – our volunteer advisers help us to see, assess and report on the arts across Wales. In spite of several recruitment campaigns we have struggled to find appropriately qualified individuals in all parts of Wales (especially those who are Welsh speaking). Recruitment continues in 2017/18
- **efforts to reduce levels of staff absence and sickness** – Council is committed to reducing levels of staff sickness and absence. Council was therefore disappointed to see the level of sickness and absence at 798 days (3.67% of working days). This is an increase of 1.06% on the previous year’s figures, although 1.84% related to long term absence. Renewed effort will be made in 2017/18 to manage absence and to support staff well-being

We exceeded expectations in a number of areas:

- the **Creative Learning through the Arts** Programme is now firmly established. We’re ahead of plan with nearly a third of Wales’ schools now taking part in the programme
- we have been able to do more to **encourage families to enjoy and take part in the arts** – our Family Arts Campaign exceeded its target for family-friendly events
- we have made it easier **for disabled people across Wales to attend the arts** – our *Hynt* Disability Ticketing scheme has grown significantly since its launch two years ago to include 7,500 members accessing 39 venues

- **our funded project celebrating the Roald Dahl Centenary was a great success** – one of the ‘themed years’ projects, *City of the Unexpected*, was a massive event, achieving world-wide attention. 5,000 volunteers alongside a large team of skilled professionals delivered dance, acrobatics, theatre, music and spectacle. 200,000 people are estimated to have been on the streets of Cardiff over the two days of the event
- **our broadcast partnerships** with BBC Cymru Wales and S4C opened up new opportunities to develop and promote Welsh creative talent. Evaluation of the BBC/Arts Council Horizons/Gorwelion project has confirmed the contribution it has made to supporting emerging musical talent
- **we received excellent feedback** on our Advocacy Toolkit, our information resource for local authority partners. In the face of continuing financial pressures, the case studies, facts and figures have helped to defend support for arts services
- our **Collectorplan** scheme broke all previous records, generating **over £1m of sales of artists’ work**

## Performance highlights against key objectives

Objective	Progress during 2016/17
<p>Creating the environment for the arts to flourish</p> <p>Remit Letter: 2, 3, 8</p>	<p>We want the arts in Wales to have a positive impact, with artists and arts organisations able to create their best work and to sustain themselves through the quality of their activities.</p> <p>Attendance at events promoted by portfolio organisations was 4.2m, exceeding the target by 357,000. Participation levels of 1.1m exceeded target by 103,000.</p> <p>During the year we launched a new “Resilience” programme designed to develop the capability of our Portfolio organisations, enabling them to be less dependent on public funding. 54 members of our Arts Portfolio Wales have been accepted onto the programme.</p> <p>Our capital investment in venues makes a significant contribution to improving the cultural infrastructure across Wales. The Glynn Vivian Gallery in Swansea opened to great acclaim in Autumn 2016 after a significant refurbishment.</p> <p>As part of our quality monitoring processes we recruit National Advisers to see and assess work that we fund. The lack of appropriately skilled advisers across all parts of Wales meant that we did not meet our target in this area. Addressing this will be a priority in 2017/18.</p>
<p>Increasing the value of international working in the arts – culturally, socially and economically</p> <p>Remit Letter: 5, 6, 8</p>	<p>We want our leading artists and arts organisations to realise their international ambitions by exploring new international markets and connecting with new partners.</p> <p>Welsh artists attended a range of international showcases/trade fairs, including South by South West, WOMEX, Celtic Connections and the Lorient Festival.</p> <p>Working in partnership with the British Council we launched a new India:Wales funding initiative, supporting 12 projects connecting artists and organisations in Wales and India through new creative collaborations.</p> <p>In Spring 2017 we organised a cultural delegation as part of a wider Welsh Government trade mission to China. The visit strengthened international links and opened up new market opportunities for Welsh arts organisations.</p> <p>Brexit creates uncertainties over how some aspects of our international working will operate in the future. Nevertheless, we’re fully engaged in current debate around Wales’ relationship within Europe. We continue to advocate the importance of developing new market opportunities for the arts and creative industries.</p>

Objective	Progress during 2016/17
<p>Finding new opportunities, ways and places for people to enjoy and take part in the arts</p> <p>Remit Letter: 1, 2, 4, 7, 10</p>	<p>We are committed to ensuring that the Council's funding is accessible and of benefit to all the citizens of Wales. Ensuring greater access to the arts is a natural priority for a body, such as us, that is in receipt of public funds.</p> <p>We are fully committed to removing the barriers that prevent and impede people from enjoying and taking part in the arts. We are especially keen to attract those from economically disadvantaged communities but our survey work during 2016/17 shows that the gap in attendance and participation between the most and least affluent in Welsh society is not narrowing as much as we would wish.</p> <p>We fell just short of our target for <i>Night Out</i> community events, with 513 performances achieved (against a target of 530).</p> <p>We have detailed action plans for Equalities, Welsh Language and Sustainable Development. We publish specific reports on our performance in each of these areas. We achieved significant successes in our work around the implementation of the new Welsh Language Standards and have integrated Sustainability Development across our policy-setting. We were less pleased with our progress across our Equalities work. (This is discussed in more detail on page 28.)</p>
<p>Developing the creativity of children and young people</p> <p>Remit Letter: 2, 3</p>	<p>We want all young people to have the opportunity to enjoy high quality arts and to develop their own talents. Our key priority in 2016/17 was working together with the Welsh Government on the establishment of our major partnership project, <i>Creative Learning through the Arts</i>.</p> <p>During the year we exceeded our targets for the Lead Creative Schools programme, with activity now taking place in over a third of Wales' schools. We also launched a new fund, <i>Experiencing the Arts</i>, supporting schools to find new ways of enabling children and young people to visit professional arts organisations.</p>
<p>Encouraging innovation, resilience and sustainability</p> <p>Remit Letter: 5, 6, 9</p>	<p>Resilience will be key to arts organisations' future survival. We want to deliver a strategy for the Arts Council, and the arts in Wales, that encourages innovation and entrepreneurship and that enables the work of our artists and arts organisations to become more resilient and sustainable.</p> <p>During the year we have been developing a programme of business development support for our key organisations. The aim is to enhance their business capability so that they are less dependent on public funding.</p>



Objective	Progress during 2016/17
Protecting and growing the economic base for the arts in Wales	<p>These are challenging times for public funding. We encourage organisations to be entrepreneurial, generating increased income where they can. This is less easy for many of the partners who work with us to support the arts. Local authorities in particular – our traditional partners in arts funding and development – face increasing difficulties in maintaining current levels of funding.</p>
Remit Letter: 5, 6, 8, 9	<p>A priority during 2016/17 was to work with local authorities to find more sustainable solutions that meet local needs and protect services for communities in their locality. We are also trialling new models of community engagement and investment through our Ideas: People: Places programme with 7 major projects being piloted across Wales.</p>
	<p>On a more positive note, our <i>Collectorplan</i> scheme generated over £1m of sales for individual artists. Artists are frequently amongst the lowest paid of creative professionals – this income is therefore essential to their livelihoods.</p>
Demonstrating the value of the Arts	<p>We want to promote a positive and engaging view of the arts in Wales, making sure that the arts sector and the wider public in Wales understand what we, the Arts Council, are trying to achieve.</p>
Remit Letter: 1-7, 10	<p>We manage a research programme that helps us to be better informed about the arts in Wales. In 2016/17 we published 2 Omnibus Reports, a Local Authority Expenditure Survey, and our Arts Portfolio Wales Survey.</p>
	<p>Our quarterly e-Newsletters and social media tweets keep people informed about the arts in Wales. We also organise our own conferences, symposia and events, and have a presence at other national events (such as the National Eisteddfod and Urdd Eisteddfod).</p>
Making the Arts Council an efficient and effective public body	<p>As a public body we have a responsibility to create a strong, confident organisation providing services that are relevant and useful. We provide professional services across a range of disciplines. We do so in ways which reduce cost and recognise our responsibility to become a more environmentally sustainable organisation.</p>
Remit Letter: 1-9	<p>Financial transactions and supplier payments are made promptly. In 2016/17 we exceeded our target with 96% of invoices paid within the suppliers' terms (target 93%). We paid 85% within 10 days (target 85%).</p>
	<p>We deal efficiently with Complaints and Freedom of Information (Fol) requests. 19 Fol requests were received this year, all of which were dealt with in full and within the required timescale.</p>

# Building Resilience



**John Williams**  
Chair,  
Capital  
Committee

“If the arts are to thrive, artists, audiences and participants need high quality facilities in which they can make, enjoy and take part in the arts. The Arts Council has a track-record of investing in architecturally distinctive projects that have become an important creative, social and economic focal point in their locality.”

## Strengthening the arts infrastructure

For more than two decades the Arts Council has been investing funding from the National Lottery in capital projects. Across Wales we’re helping organisations to enhance and extend their activities by creating the right buildings and physical environments within which to deliver their work. The projects we invest in support organisations to become more sustainable and innovative, able to make, present and exhibit their work in the best possible conditions.

Our priority is to support the consolidation and improvement of those arts organisations that play a leading role in Wales’ cultural life. We were therefore pleased during the year to see the completion of the magnificently refurbished Glynn Vivian Museum and Art Gallery in Swansea.

## Sustainability

We’re committed to sustainable development and expect projects, as far

as possible, to take account of all long-term benefits and costs – environmental, social and economic. We expect the organisations that we fund to embrace the principles enshrined in the Welsh Government’s Well-being legislation, placing sustainability at the heart of their development plans.

## Ensuring value for money

We never fund all of a project’s costs. In many cases we’ll be a minority funder of capital projects and we expect those who we support to secure funding from other sources.

With the support of our expert Capital Committee, we work with officers to ensure that the projects we support are fit for purpose and financially viable. Capital projects can often be complex, and develop over a period of many years. Our comprehensive processes for feasibility, design, procurement and build ensure that projects are well-conceived and planned.

# Principal risks and uncertainties

**Lesley Hodgson**  
Chair,  
Audit & Risk  
Assurance  
Committee



“The public rightly expects that the institutions they finance are efficient and cost effective. Those who we work with expect us to get the basics right and to ensure that we manage our affairs in a straightforward and business-like way. Ensuring that we meet these challenges is the Committee’s core business.”

## Managing our affairs effectively

As stewards of public funds we must operate in an efficient and accountable manner. Our priorities and funding decisions are agreed by Council in accordance with the policies that apply to our use of public funds. The Audit & Risk Assurance Committee’s role is to ensure that we deliver on these commitments, doing so in ways that are transparent, accountable and that represent value for money. An extensive programme of internal audit assists us in this work.

## Protecting the public’s money

An important part of the Committee’s work has been reviewing our defences against fraud and cyber-crime. Attempts to illegally gain access to our funds and ICT systems occur on an almost daily basis. Council takes these issues very seriously and the Committee has been looking carefully at our policies and processes to ensure that they’re robust and secure.

## Taking risks: a balanced approach

Unauthorised access to our systems is just one of a range of potential risks that could compromise our performance. But we mustn’t become so risk averse that

we ignore important opportunities for innovation and growth. We aim to take appropriate but informed risks, as circumstances dictate. However, we wouldn’t behave recklessly; neither would we wilfully squander public money nor endanger our reputation for prudence.

Our systems of internal control identify and prioritise the risks that could prevent us achieving Council’s policies, aims and objectives. They evaluate the likelihood of the risks being realised, consider the impact should they occur, and seek to manage them efficiently, effectively and economically.

We continually seek to improve our internal control systems. Our Corporate Assurance Framework is used to identify the robustness of the underlying controls and assurance processes. Any aspects that need to be strengthened are highlighted and the Committee monitors action taken to ensure that appropriate remedial action takes place.

## Financial risk and capital management

The Council mainly holds financial instruments to finance its operations, for example trade debtors and trade

creditors, and cash balances arising directly from its operations. The financial risk management of exposures arising from trading financial instruments, primarily trade debtors and trade creditors, is through a series of policies and procedures.

These risks are managed as follows:

**Liquidity risk** – the Council is satisfied that it has sufficient liquid resources, in the form of cash at bank and agreed funding for 2017/18, to meet all current contracted commitments. The Council does not consider that its activities are exposed to any significant liquidity risk.

**Interest rate risk** – cash and cash equivalent balances are held in instant

access variable rate bank accounts which on average carried an interest rate of 0.50% (2015/16: 0.38%) in the year.

The Council does not consider that its activities are exposed to significant interest rate risks.

**Foreign currency risk** – changes to exchange rates following last year's EU Referendum have resulted in a reduction in the buying power of the pound overseas. Council has sought to mitigate the effects of currency fluctuations and is not currently exposed, to any significant degree, to foreign exchange risks.

**Cash flow risk** - the Council is not exposed to any significant cash flow risks.

## The risks to our performance: what they are and how we deal with them

Principal risks	Key mitigating actions
<p><b>Governance</b> Poor management results in a significant failure to deliver the key objectives in corporate and operational plans</p>	<p>Clearly defined project management disciplines exist to assist Council officers in the delivery of their work. A formal progress report is presented to Council each quarter. This report also forms the basis for Quarterly Monitoring Meetings between Council's senior management team and officials of the Welsh Government.</p>
<p><b>Funding</b> Cuts in public sector funding could damage the arts across Wales</p>	<p>We've once again had to reduce the level of funding to our portfolio of revenue-funded organisations, our Arts Portfolio Wales (APW). We have also had to achieve further savings in our own running costs. This helps us to ensure that as much funding as possible is available for direct arts expenditure.</p> <p>A key area of risk is the continuing reductions in local authority arts funding. We're working with local authority partners to explore alternative strategies for protecting support for creative activity.</p>
<p>Key arts organisations fail as a consequence of funding cuts</p>	<p>Our APW accounts for the majority of our grant-in-aid funding. The Portfolio's artistic, financial and operational effectiveness is closely monitored by officers. Regular reports showing the risk assessment of each of our annually funded organisations are provided to our Audit &amp; Risk Assurance Committee and to Council. When necessary, we take a pro-active approach to working directly with organisations that experience difficulties, investing time and expertise to help them to resolve matters of concern.</p>
<p><b>Grants management</b> Poor or fraudulent funding applications mean that public funds are not used for the purposes intended</p>	<p>We take a risk-based approach to our assessment of applications and the monitoring of grants awarded. We use information collected from grant recipients as part of our monitoring procedures to ensure that the stated outcomes for which we provided funding were, in the end, actually achieved. Council takes fraud, corruption and maladministration very seriously and has policies to prevent, and deal with, both, including "Whistle-blowing" and Anti-fraud polices. These were reviewed during the year.</p>

Principal risks	Key mitigating actions
<p><b>Major projects</b> The Welsh Government loses confidence in our management of the <i>Creative Learning</i> programme</p>	<p><i>Creative Learning</i> is a partnership project with the Welsh Government totalling £20m of investment over 5 years. Management of the project has been reviewed by the Arts Council's internal auditors and 'substantial' assurance given.</p>
<p>Poor management of key Lottery Capital projects causes delays that place additional funding burdens on the Arts Council</p>	<p>We operate rigorous processes for project monitoring and the release of payments. Contractual agreements are in place protecting the Arts Council's investment and funding is paid out against certificated claims for work completed. Expert independent assessors provide technical reports that are used to brief Capital Committee (and ultimately Council).</p>
<p><b>IT</b> Unforeseen or unexpected outages compromise business continuity</p>	<p>A full emergency plan is in place and tested annually. Should an incident arise, alternative offsite IT facilities are available.</p>
<p>There is a breach in our IT security.</p>	<p>Cyber security and IT penetration tests are conducted annually. We comply with IASME security standards.</p>
<p><b>Personal Data</b> Personal data is lost, compromised or stolen</p>	<p>The Council has controls and policies in place to ensure data integrity. Encrypted IT systems ensure that the physical security of data is tightly controlled.</p>
<p><b>Staffing</b> Recurrent pressure to cut costs reduces staff capacity to an unacceptable level</p>	<p>Delivering an expanding programme of activity with fewer staff is a continuing concern for Council. Progress against plans is carefully monitored and reviewed on a quarterly basis, and every effort is made to implement efficient business practices.</p>
<p>Our Organisational Review does not achieve the necessary cost savings.</p>	<p>Proposals agreed by Council achieve the cost savings required. Implementation of those proposals will be scrutinised by Council during 2017/18 to ensure that savings are delivered.</p>
<p><b>Welsh Language</b> The new Welsh Language Standards are not introduced to the deadlines set out in our Compliance Notice</p>	<p>Council adopts a progressive and forward-looking approach to the Welsh Language Measure. We have been able to implement all of the Standards due to be introduced during 2016/17, and we're confident that we'll manage full implementation of the remaining Standards in 2018.</p>

## Financial and business review

The Council has two principal funding sources: grant-in-aid from the Welsh Government; and, as one of the bodies responsible for the distribution of funds for good causes, a share of the proceeds raised by the National Lottery. The Council is required to account separately for its lottery distribution activities.

### Grant making policies

The Council invites applications for recurrent and one-off grants from organisations and individuals and monitors the proper and effective use of those grants. As well as meeting the Council's strategic aims, applications must demonstrate benefit to the people of Wales across all regional, cultural and economic sectors. Recurrent grants are funded from grant-in-aid only but one-off grants may be funded from grant-in-aid or Lottery income.

Recurrent, or annual revenue, grants are made to a portfolio of organisations to deliver high quality artistic services. Consideration of revenue status for any organisation is dependent on the availability of funding, the sustainability of the organisation, and demonstration of strong fit with the Council's strategic priorities. Currently, each revenue-funded organisation enters into a funding agreement for a term of one to three years which sets out the anticipated level of funding, the programme of activity to be delivered, requirements for monitoring and annual review, standard conditions of grant, and any additional conditions.

One-off grants are available to help fund time-limited artistic projects of high quality which best meet the Council's funding priorities. On-going monitoring of our grant aid programmes alerts us to

any specific risk issues. Identified risks lead to an escalation of the level of monitoring and, if necessary, can result in the payment of funding being withheld and/or deferred.

### Reserves

The Council's policy on restricted funds is to separately record grants, donations and other sources of income which are received for a specific purpose or project, or where restrictions are imposed that are narrower than the Council's overall objectives. All of these incoming resources have been utilised in the year for their intended purpose.

Most of the Council's unrestricted funds are committed during the year, in accordance with the conditions of grant-in-aid issued by the Welsh Government. Any surplus funds are carried forward and used in furtherance of the Council's chartered objectives in the following year. There were no designated funds at 31 March 2017 (2016: £Nil).

Our holding of cash reserves is restricted by the Welsh Government's directions on month-end and year-end flexibility. Within those parameters, our policy is to manage cash flow by drawing down funds each month to meet planned expenditure with a modest allowance for unforeseen short-term cash requirements. We review this policy and our reserves position annually.

At 31 March 2017 the unrestricted cash funds were £1,132,000 (2016: £830,000).

**Investment**

Investment powers are governed by the Trustee Act 2000 and the Framework Document issued by Welsh Ministers. The Council’s policy is to achieve the maximum return within these terms. Interest at a negotiated rate linked to bank base rate is received on all credit balances in the Council’s current accounts. From time to time, higher rates may be available for restricted funds on long term deposit.

The Council’s banking service is provided by Santander UK plc.

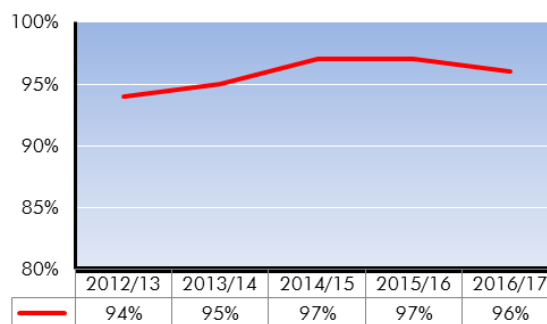
All interest and other investment income earned on cash and bank balances which arise as a result of funding from the Welsh Government is surrendered to HM Treasury via the Welsh Consolidated Fund.

**Payment of creditors**

Council follows the Late Payment of Commercial Debts (Interest) Act 1998, and the UK Government's Better Payment Practice Code. Council is required to

pay suppliers' invoices not in dispute within 30 days of receipt of goods or services or valid invoice, whichever is the later.

We aim to pay 100% of invoices, including disputed invoices once the dispute has been settled, in line with these terms. During the year ended 31 March 2017, the Council paid 96% (2015/16: 97%) of all invoices within the terms of its payment policy. In line with Welsh Government policy, the Council has a further aim to pay invoices within 10 days. For 2016/17 85% (2015/16: 88%) of invoices have been paid within 10 days. It is not anticipated that our policy will alter in future years and we will continue to adopt challenging performance targets.





## Financial results

	2016/17 £000	2015/16 £000
<b>The General Activities accounts, excluding Lottery distribution activities, show:</b>		
Total income for the year	35,728	36,214
Excess of income over expenditure	631	847
Net current assets	3,200	2,295
Total fund balances at 31 March	2,624	1,993
<b>and</b>		
Forward commitments of grants in respect of the following year	26,744	25,840
<b>The separate Lottery Distribution accounts show:</b>		
The Council's share of the proceeds from the National Lottery	16,300	19,233
<b>The combined:</b>		
Total income for both general and Lottery activities was	52,147	55,588
<b>and</b>		
Total charitable arts expenditure for both general and Lottery activities was	51,421	51,721

The Council's income for 2016/17 was £0.49m (1.3%) less than the previous year. The reduction of £1.26m in grant-in-aid from the Welsh Government was offset by an increase of £0.77m in other income, primarily relating to the funding received for year 2 of our five-year *Creative Learning through the Arts* (CLTA) Programme from the Welsh Government's Education Department and from our own Lottery funds.

During the year we awarded grants to our revenue funded organisations, Arts Portfolio Wales, of £25.8m (2015/16: £27.0m). We committed £3.8m (2015/16: £3.4m) to the CLTA Programme and spent £5.4m (2015/16: £4.1m) through grants and direct

expenditure on strategic initiatives and services.

Income for the year exceeded expenditure by £631,000. £623,000 related to restricted funds and £8,000 unrestricted. The majority of the net restricted income related to the CLTA programme which is managed across the academic year and where the timing of some grant commitments fell after the financial year end. The net unrestricted income reflects the timing of commitments for some of our planned programmes but, with the agreement of the Welsh Government, we carried forward some funds to 2017/18 to offset the costs associated with our Organisational Review.

At 31 March 2017 we had unrestricted reserves of £1.4m (2016: £1.4m) and restricted reserves of £1.2m (2016: £0.6m). The level of our unrestricted reserves is directly affected by the Welsh Government's policy on year-end cash balances, as outlined in the *Reserves* section above. The Council is permitted to carry over from one financial year to the next no more than 2% of its total non-Lottery income. Any proposal to carry over sums in excess of this amount, as this year, must be agreed by our sponsoring department of the Welsh Government.

# Equalities



**Richie Turner**  
Chair,  
Equalities  
Monitoring  
Group

**“We aspire to a society that embraces equality and celebrates difference, wherever it’s found in race, gender, sexuality, age, language, disability or poverty. However, there are still too many barriers that impede people’s access to the arts. Breaking down these barriers must be one of our defining priorities for the future if we’re to back up our good intentions with real action.”**

## Evaluating our approach

During 2016/17 we reviewed what we had achieved since the publication of our first Strategic Equality Plan in 2012. We also consulted on the content of a new Plan for the period 2017 to 2021. It was a revealing process.

The evidence tells us that we need to do more to raise the profile of our equality objectives both within our organisation and across the wider arts sector.

Our research shows that the presence of people with protected characteristics in the population as a whole is not being matched in the activities that we are funding. The gap is especially striking in the very low number of disabled people and those from black and minority ethnic (BAME) backgrounds employed or represented on boards of management. This is an issue of considerable concern to Council.

## Doing better

Whether attending, taking part or working in the arts, we need to see the

involvement of a wider cross-section of the population.

Our goal must be an arts workforce that better reflects the diversity of Wales at local and national levels and is in line with the Welsh workforce statistics. This means an arts sector that recognises and values the contribution of people with protected characteristics in all fields, and at all levels of employment in the arts.

By 2021 disabled people will represent 12.9% of the arts workforce and at least 3.9% of the arts workforce will be from BAME backgrounds. So we’re challenging ourselves as an organisation, our portfolio of revenue-funded companies and those we support in the wider arts sector to attach greater importance to equalities.

Transforming the arts sector’s performance will be challenging, but we’re adamant that it’s the right thing to do. We’ll respond to the challenge in a spirit of collaboration and with an openness to dialogue. However, our collective failure as a sector to match the

demographic profile of the population as a whole – the very least we should expect – cannot be allowed to continue.

# Welsh language

“Nothing makes Wales more distinctive than the Welsh language. The language provides the means to understand and enjoy an extraordinarily rich literature and culture. The arts thrive on this and are a key component in continuing the Welsh language’s vital role at the heart of Welsh life.”

**Marian Wyn Jones**  
Chair,  
Welsh  
Language  
Monitoring  
Group



## A fundamental commitment

We adopt an inclusive and broad approach to Language. As a bilingual organisation, our commitment to the Welsh language is integral to our work. Wales is a bilingual nation – legally, socially, culturally, and as individuals and communities.

Around half of the Arts Council’s staff are Welsh language speakers. And we promote vigorously the right of people to explore their own culture, their own creativity through the language of their choice, whether as consumer, participant or artist.

## Responding to the Welsh Language Standards

An important task for the Monitoring Group during the year has been the implementation of new Welsh Language Standards, as defined in legislation.

The Standards are designed to ensure that the Welsh language should be treated no less favourably than the English language; and, that people in

Wales should be able to live their lives through the medium of the Welsh language if they choose to do so.

A number of the Standards were required to be in place by January 2017. This was fully completed by the due date. Further Standards will be implemented during 2017/18.

## Promoting creativity through the medium of Welsh

For us, engaging with the Welsh Language is not a matter of compliance – it is a deeply cultural issue. The arts in Wales reflect the diversity of language, providing important opportunities to enjoy an extraordinarily rich literature and culture. Our funding and strategy supports this.

However, the evidence demonstrates that there is currently a serious lack of high quality product through the medium of Welsh, especially in theatre. This is a weakness in arts provision that Council is keen to address.

# Issues of well-being and sustainability

**Melanie Hawthorne**  
Chair,  
Sustainable  
Development  
Monitoring  
Group



“We fully endorse the Welsh Government’s commitment to well-being and sustainability. We believe that civic society in Wales will be stronger and more durable if we embrace the values of fairness and social justice. Looking to the longer term now in the decisions we make today will help safeguard the prospects of future generations.”

## Explaining our approach

During the year we published a policy statement setting out how the Arts Council of Wales implements its vision for developing and sustaining a creative Wales, reflecting the requirements of the Well-being of Future Generations (Wales) Act 2015.

The Well-being of Future Generations legislation aims to improve the social, economic, environmental and cultural well-being of Wales. The positive role that the arts can play sits comfortably with the well-being goals. A thriving arts sector, committed to excellence and innovation, contributes to the cultural, social, economic and environmental well-being of Wales.

The Council is committed to investing in the future of the people of Wales and we aim to ensure all our organisational actions and policies are resilient and sustainable.

From the day-to-day management of our offices to the conduct of policy reviews, we have placed sustainable development at the heart of our thinking.

All capital projects in which Council invests are expected to meet BREEAM sustainability standards. We have established an ambitious Environmental Policy for our own operations and have, during the year, retained our Green Dragon Level 5 Accreditation.

## Environmental performance

We take our environmental performance seriously and have, in recent years, focussed our efforts on initiatives that offer longer term benefits.

We have concentrated on extending the use of our information technology infrastructure to provide business and environmental benefits. All staff are able to access our systems remotely, via secure links, and have full electronic access to all systems and supporting documents. This has enabled us to reduce the volume of paper we process and store.

We are continuing to promote changes in behaviour. The vast majority of our arts development teams are equipped with laptops and smartphones, enabling them to operate on a mobile basis.

This has helped reduce travel to work journeys for some of our staff, and enables more effective travel to clients. We have invested in high quality video conferencing capacity in all three offices and actively promote its use as an alternative to travel. We are able to link to any public sector location in Wales, and further afield, including internationally. This enables staff, either using the high quality equipment in our offices or via their laptops, to participate in meetings with colleagues and a wide range of clients and stakeholders without the need to travel.

We promote the minimisation of waste amongst our staff by encouraging reduction, reuse and recycling and waste separation, thus reducing the amount sent to landfill. We reuse or recycle our surplus and redundant IT and office equipment. We use licensed and appropriate organisations to dispose of our waste.

All our major suppliers of office equipment and supplies have environmental policies and reporting mechanisms in place, and we consider environmental performance and awareness when selecting contractors and suppliers.

### Management information

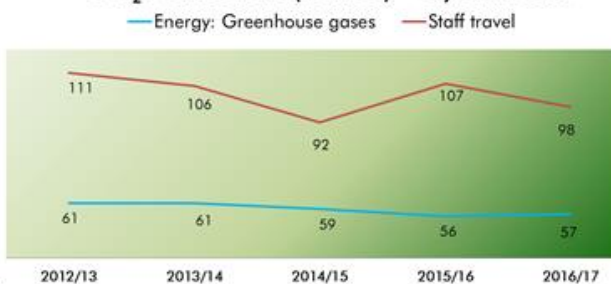
Managers and staff are provided with monthly reports analysing printing and copying activity, to encourage lower overall usage. Our internal reporting systems enable us to capture and measure details of our use of consumables, waste, energy, and staff travel, and thus our carbon dioxide equivalent (CO<sub>2</sub>e) emissions.

However, as all three of our offices are leased on a shared occupancy basis, with certain costs included within our

service charges, this continues to restrict our ability to accurately assess our total environmental impact from energy usage. Our major use of electricity is in our Cardiff office and the landlord has confirmed that 100% of the supply is from verifiable Natural Renewable sources (wind, water and hydro).

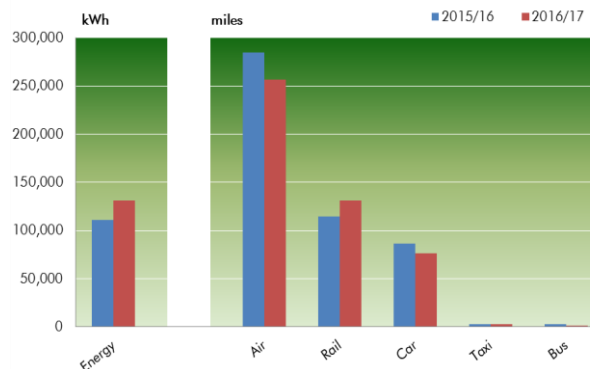
We promote the use of environmentally friendly means of transport, and encourage staff to make journeys by the most efficient means possible, taking account of both environmental and financial considerations. However, we have to balance this against the delivery of our strategic priorities to develop the arts in Wales, and to promote Welsh arts and artists internationally. As a result, there are inevitable fluctuations in the level of CO<sub>2</sub>e emissions attributable to travel, especially when we are active internationally. During this year, complementing Welsh Government priorities, we undertook programmes of international work in India and China.

### CO<sub>2</sub>e emissions (tonnes) - 5 year trend



Our *Creative Learning through the Arts* Programme, which began in 2015/16, is delivered through schools across the whole of Wales. This inevitably adds to our levels of travel and amounted to 8 tonnes of CO<sub>2</sub>e included in our reported totals for 2016/17 (2015-16: 6 tonnes).

### Energy Consumption within our offices & Business mileage



WASTE	2016/17	2015/16
<b>Waste:</b>		
<b>Non-financial (tonnes)</b>		
Landfill	0.12	0.12
Reused/recycled	2.74	1.43

ENERGY	2016/17	2015/16
<b>Greenhouse gas emissions (CO<sub>2</sub>e tonnes)</b>		
Gross emissions, scope 2&3 (indirect)	57	56
<b>Energy consumption (kWh)</b>		
Electricity (non-renewable)	N/A	111,033
Electricity (renewable)	123,359	N/A
Gas (2015/16 in tonnes – kWh not available)	7,381	941
<b>Financial indicators (£)</b>		
Expenditure – energy	14,521	13,448
Water supply costs (office estate) – currently unable to assess, included in service charge	N/A	N/A

STAFF TRAVEL	2016/17	2015/16
<b>Travel emissions (CO<sub>2</sub>e tonnes)</b>		
Rail	10	8
Air <sup>1</sup>	64	71
Car/vans	24	28
<b>Travel cost (£)</b>		
Rail	28,081	27,364
Air	24,935	24,788
Car/vans	34,905	39,889
<b>Travel (miles)</b>		
Rail	130,946	114,171
Air	256,538	284,562
Car/vans	76,106	86,644

Our air travel reflects the fact that, complementing Welsh Government priorities, we undertook programmes of international work in India and China during 2016/17.

<sup>1</sup>Includes the influence of radiative forcing in air travel emissions to capture the maximum climate impact. Radiative forcing is a measure of the environmental impact of emissions of NO<sub>x</sub> (nitrous oxides) and water vapour when emitted at high altitude.



# The year ahead

We remain focused on our mission and objectives. Encouraging more people, from across Wales' diverse communities, to enjoy and take part in the arts remains our main goal. We will be placing particular emphasis on tackling the barriers, social, cultural and economic that prevent our achievement of this goal.

Council has focused its programme of work for 2017/18 around its strategy of Make: Reach: Sustain.

## The guide for this work is the Welsh Government's Well-being of Future Generations Act

The arts self-evidently contribute to our well-being and quality of life. And we know that the arts can bring substance and imagination to the delivery of a wide range of civic strategies. Ensuring that we make a positive contribution to the Well-being agenda will be a priority that informs all aspects of our work in 2017/18.

## As a Welsh Government Sponsored Body we also work within a strategic framework agreed with the Government

The Welsh Government's expectations of us are set out in an annual Remit Letter. A copy of our Remit Letter for 2017/18 can be found on our [website](#).

Our Remit Letter sets out ten areas of priority.

1. **Being creatively active** – a long-standing priority for the Arts Council, we are fully committed to working in partnership with the Welsh Government to deliver this priority. We want as many people as possible to experience and enjoy the arts: to be inspired by imagination and creativity, excited by ambition and spectacle, intrigued by the new and unfamiliar. We will therefore build on the successes of the key organisations that we fund, encouraging them to continue to reach out to new audiences.
2. **Tackling poverty and disadvantage** – we are working to create more opportunities to introduce people who currently feel excluded from the arts to the benefits of creative activity. Over the past five years, we have seen more people from disadvantaged communities taking part in the arts. But we're determined to ensure that we play our part in bringing high quality arts opportunities within reach of more of the most disadvantaged people in our most deprived areas.
3. **Creative Learning** – we will continue to work in partnership with the Welsh Government to implement our joint strategy *Creative Learning through the Arts*. We will also be looking more broadly at skills development to explore ways in which creativity can provide young people with the capability to succeed in the world of work.
4. **Jobs, skills and the economy** – the arts provide jobs and create wealth for Wales' economy. Exploiting the commercial potential of the arts and creative industries will be an area of priority. The arts are important in their own right. But we also know that the creative and cultural industries are a vital engine for Wales' economy. They

contribute directly in terms of job and wealth creation, through the creation, distribution and retail of goods and services.

5. **Health and well-being** – Arts & Health is a growing area of activity. Academic research is demonstrating the positive impact that engaging with creative activity and the arts can have on health and well-being. As well as preventing ill health. The arts can help to regenerate, strengthen and enrich some of our poorest communities and improve the quality of life of disadvantaged and vulnerable people.
6. **Regeneration** – Wales is experiencing a period of sustained economic difficulty. The partnership between the Arts Council of Wales and its partners, especially those in local government, provide the foundation for the funding and development of the arts in Wales. New regeneration vehicles such as City Deal and the Capital City Region are re-defining how investment packages are assembled. But these developments cannot be justified solely on the basis of the physical infrastructure that they create. They need to be part of an holistic view of the way that a city lives and breathes and the well-being it creates. These will be important issues for the arts to address.
7. **International work** – promoting a country's arts can be a highly effective way of raising its visibility and reputation. Seeing the arts of Wales alongside the best that the world can offer raises standards and increases choice. We will also work to improve the international impact and recognition for the arts and culture of Wales on the world stage, bringing national and international cultural events to Wales. Through our international division, Wales Arts International, we'll continue to work with our international partner, the British Council, to promote opportunities for international exchange and collaboration.
8. **Digital broadcast and publishing** – new technology offers exciting opportunities for creativity, public engagement and the economic exploitation of intellectual property. We will help the arts to build the capacity and skills to understand what new technology has to offer and for making the most of those opportunities.
9. **Resilience** – we help our funded organisations to increase earned income and reduce the level of dependency on public funding. As we plan for the future, we will continue to find new ways of ensuring that the arts – and the Arts Council itself – have the resilience to weather the current economic pressures.
10. **A diverse and bilingual Wales** – Wales is a bilingual nation – legally, socially, culturally and as individuals and communities. Nothing makes Wales more distinctive than the Welsh Language. The language provides the means to understand and enjoy an extraordinarily rich literature and culture. The arts thrive on this and are a key component in continuing the Welsh language's vital role at the heart of Welsh life. We will promote vigorously the right of people to explore their own culture and creativity through the language of their choice, whether as consumer, participant or artist.

*Nick Capaldi*

**Nicholas Capaldi**  
Accounting Officer  
7 July 2017

Endorsed on behalf of Council:

*Phil George*






**Phil George**  
Chairman  
7 July 2017

# Accountability Report

# Corporate Governance






## Our Trustees

Council Members who served since 1 April 2016 were:

		Attendance at meetings during 2016/17			
		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee
		Number of meetings held:			
		7	6	5	3
	<b>Phil George</b> <b>Chair</b> from 1 April 2016	7			
	<b>Dr Kate Woodward</b> <b>Vice Chair</b> from 1 April 2008 to 31 March 2017  Chair of Wales at the Venice Biennale of Art Committee (to 31 March 2017)	3			
	<b>Marion Wyn Jones</b> from 1 April 2012 <b>Vice Chair</b> from 1 April 2017  Chair of Welsh Language Monitoring Group	7			
	<b>Iwan Bala</b> from 1 November 2016	2/3			
	<b>Andy Eagle</b> from 1 November 2016  Member (from 9 December 2016) of HR & Remuneration Committee	2/3			0/1

Attendance at meetings during 2016/17			
Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee
Number of meetings held:			
7	6	5	3

	<p><b>Kate Eden</b> from 1 April 2017</p>				
	<p><b>Michael Griffiths OBE</b> from 1 April 2012</p> <p>Member of Audit &amp; Risk Assurance Committee Member of HR &amp; Remuneration Committee</p>	7	4		1
	<p><b>Melanie Hawthorne</b> from 1 April 2012</p> <p>Chair of Sustainability Monitoring Group</p>	6			
	<p><b>Dr Lesley Hodgson</b> from 1 April 2012</p> <p>Chair of Audit &amp; Risk Assurance Committee</p>	6.5	6		
	<p><b>Margaret Jervis MBE DL</b> from 1 April 2008 to 31 March 2017</p> <p>Chair of HR &amp; Remuneration Committee (to 31 March 2017)</p>	6			3
	<p><b>Andrew Miller</b> from 1 April 2012</p> <p>Member of HR &amp; Remuneration Committee</p>	7			2

Attendance at meetings during 2016/17					
		Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee
Number of meetings held:					
		7	6	5	3
	<b>Rachel O'Riordan</b> from 1 April 2017				
	<b>Dafydd Rhys</b> from 1 April 2017				
	<b>Richard Turner</b> from 1 April 2010 Chair of Equalities Monitoring Group	6			
	<b>Alan Watkin</b> from 1 April 2010 Member of Capital Committee	7		3.5	
	<b>John C Williams</b> from 1 April 2010 Chair of Capital Committee	6		5	
<i>Attendance of independent Committee members:</i>					
Andrew Butler			6		
Katrina Michael			3		
Arwel Thomas			5		

Attendance at meetings during 2016/17			
Council	Audit & Risk Assurance Committee	Capital Committee	HR & Remuneration Committee
Number of meetings held:			
7	6	5	3
Ruth Cayford		5	
Mark Davies		2	
Roland Wyn Evans		2	
Alan Hewson		5	
Philip Westwood			3

In accordance with the Council’s Code of Best Practice, members of Council and independent Committee members make declarations of interest in respect of directorships, memberships of boards of management (or equivalent) or employment which may conflict with their Arts Council of Wales’ responsibilities. The register of interests of Members of Council and of independent Committee Members is available for public inspection, by appointment, at each of the Council’s offices during normal working hours.

All financial transactions between members and the Council are disclosed in note 26 to the financial statements, *Related party transactions*.

### Personal data related incidents

The Council has controls and policies in place to ensure data integrity. ICT systems ensure that the physical security of data is tightly controlled. As far as we are aware, no loss of data occurred during the period under review.

### Our Chief Executive and Accounting Officer

Nicholas Capaldi

### Our Offices

*Mid and West Wales:*

The Mount  
18 Queen Street  
Carmarthen  
SA31 1JT

*North Wales:*

Princes Park II  
Princes Drive  
Colwyn Bay  
LL29 8PL

*South Wales*

*and national office:*

Bute Place  
Cardiff  
CF10 5AL



### **Auditor**

Auditor General for Wales  
Wales Audit Office  
24 Cathedral Road  
Cardiff  
CF11 9LJ

### **Internal auditors**

Deloitte LLP  
5 Callaghan Square  
Cardiff  
CF10 5BT

### **Solicitors**

Geldards LLP  
Dumfries House  
Dumfries Place  
Cardiff  
CF10 3ZF

### **Bankers**

Santander UK p.l.c.  
9 Queen Street  
Cardiff  
CF10 2UD

## Statement of Council's and the Accounting Officer's responsibilities

Under Article 11 of the Royal Charter dated 30 March 1994 (as amended) the Council is required to prepare for each financial year a statement of accounts in the form and on the basis determined by Welsh Ministers. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Council and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the accounting principles and disclosure requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and, to the extent that it clarifies or builds on the requirements of the SORP, the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by Welsh Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the SORP and the *Government Financial Reporting*

*Manual* have been followed, and disclose and explain any material departures in the financial statements; and

- prepare the financial statements on a going concern basis.

The Principal Accounting Officer for the Welsh Government has designated the Chief Executive as the Accounting Officer of the Council. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Council's assets, are set out in *Managing Welsh Public Money* published by the Welsh Government.



**Nicholas Capaldi**  
Accounting Officer  
7 July 2017

Endorsed on behalf of Council:



**Phil George**  
Chairman  
7 July 2017

## Accounting Officer's confirmations

In accordance with Article 11 of the Council's Royal Charter the Auditor General for Wales conducts the Council's external audit on terms approved by the Welsh Ministers.

So far as I am aware, as the Accounting Officer, there is no relevant audit information of which the Council's auditor is unaware. I believe that I have taken all the steps that would be expected of me as Accounting Officer to make myself aware of any relevant audit information and to establish that the Council's auditor is aware of that information.

I consider that the annual report and financial statements as a whole are fair, balanced and understandable and I take personal responsibility for them and the judgments required for determining that they are fair, balanced and understandable.



**Nicholas Capaldi**  
Accounting Officer  
7 July 2017

# Governance Statement

This Governance Statement is the personal responsibility of me, Nicholas Capaldi, the Arts Council of Wales' Accounting Officer and Chief Executive. It sets out the governance arrangements of the Arts Council of Wales.

It also describes how I have discharged my responsibilities for ensuring that we conduct our business, in respect of both exchequer and lottery activity, in accordance with the law. This includes providing the necessary assurances that we are adhering to proper standards and establishing the necessary safeguards to protect the use of public money.

I explain how these funds are properly accounted for, and used economically, efficiently and effectively to support the delivery of our plans and priorities.

## The legislative framework

We operate within a carefully prescribed and regulated legal environment. The Arts Council of Wales is accountable to the Welsh Government's Minister for Economy and Infrastructure. We work within a framework that sets out the terms and conditions under which Welsh Ministers provide our grant-in-aid funding, and how we are able to use this funding. We manage our funds with probity and in the public interest and, along with other public bodies in Wales, adhere to the principles contained in *Managing Welsh Public Money*.

As a distributor of Lottery funds under the National Lottery etc. Act 1993 (as amended), we are accountable to the UK's Secretary of State for Culture, Media and Sport. Our financial directions are issued by the Secretary of State, and our policy directions by the Welsh Ministers. These set out how we

must operate in respect of Lottery distribution activities.

We are required to account for Lottery distribution activity separately from the rest of our work, and we have appropriate arrangements in place to ensure that we produce two sets of published accounts. Our Lottery Distribution accounts are audited under an arrangement with National Audit Office by the Wales Audit Office. The Wales Audit Office also audits our General Activities account.

As a charity we have to ensure that we comply with the requirements of the Charities Acts 1960, 2006, 2011 and 2016. As such, we follow guidance issued by the Charity Commission, acting solely to further our chartered and charitable objectives.

The activities we carry out in connection with our *Collectorplan* scheme are subject to the Consumer Credit Act and guidance issued by the Financial Conduct Authority.

We have designed our systems, processes and controls to take account of these various responsibilities. Within these frameworks we make independent decisions regarding the strategic direction of the organisation, grant funding, and other financial decisions.

Risk assessment is fundamental in our operations and this Governance

Statement should be read in conjunction with the *Principal risks and uncertainties* section of the Performance Report.

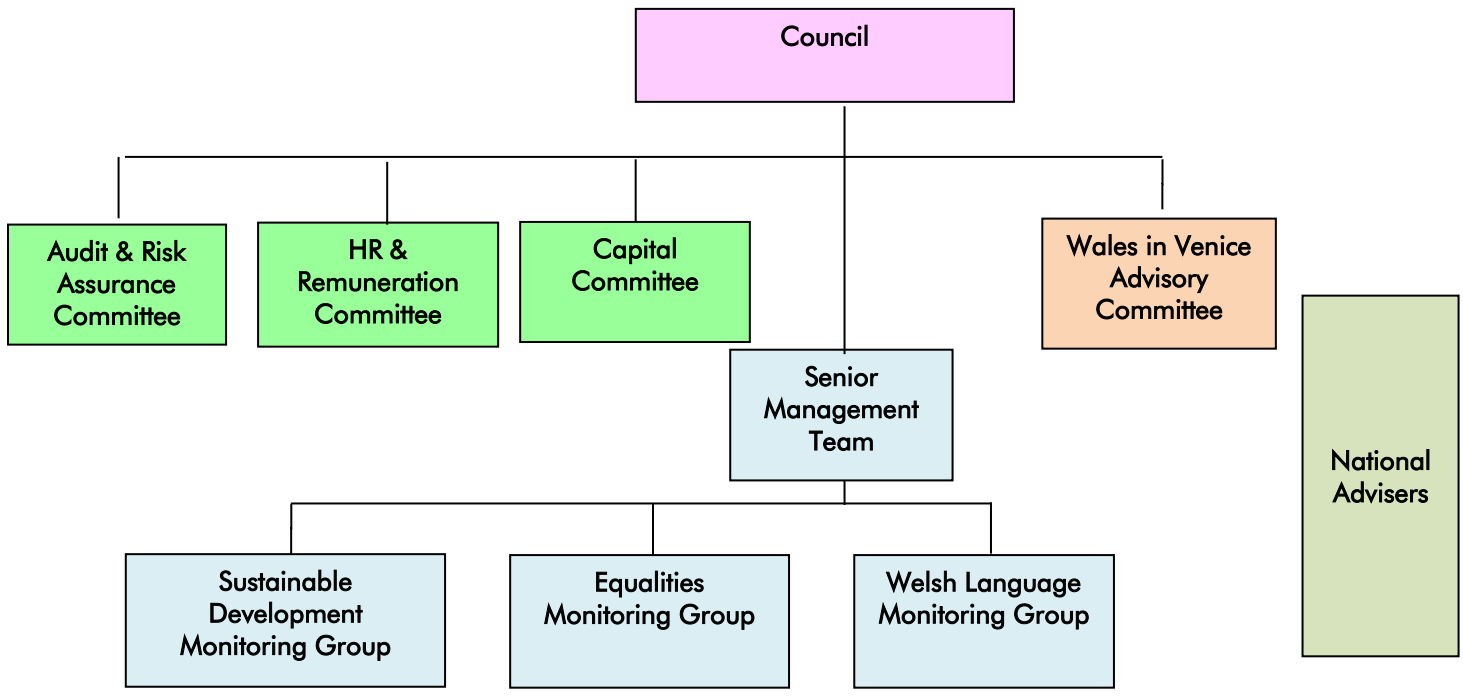
Should the need arise, the Public Services Ombudsman for Wales, the Parliamentary Commissioner for Administration, the Charity Commission, the Financial Conduct Authority, the Information Commissioner, the National Audit Office, and the Wales Audit Office are all able to investigate the Council's affairs.

# Our Governance structure

We are governed by a Board of Trustees – Council – which consists of a Chair and up to seventeen other independent members, one of whom is appointed as Vice-Chair. Each Trustee brings specific expertise and knowledge to the oversight and development of our activities. At the end of March 2017, our Council comprised of the Chair, plus twelve members. Following the expiry of the terms of office of some members, at the time of signing these accounts Council comprised of the Chair plus thirteen members.

**Our Governance arrangements**  
 Our Trustees are appointed by the Minister for Economy and Infrastructure through an open selection process, conducted in accordance with Nolan principles. Appointments are usually for a three year term, renewable for a maximum of two additional terms.

The Chair of Council is a remunerated position, at a rate set annually by Welsh Government. All other Trustees provide their time and expertise on a voluntary basis. However, they are reimbursed for out-of-pocket expenses incurred on Council business, a summary of which is contained in note 8b of these financial statements.



## Council

**Responsibilities**

Council is responsible for the strategic direction and management of our organisation. It is also responsible for ensuring that we, through me as Chief Executive, operate within the various accountabilities required of us.

Council members are responsible for key decisions on corporate policy: the formulation of our Corporate and Operational Plans, and any major alterations to the terms and conditions of service for staff. They set the annual budget, decide on the annual allocation of grants to organisations in the Arts Portfolio Wales, and approve all grants over £50,000 or, in the case of Lottery funded capital projects, over £250,000 and Resilience awards over £100,000. Decisions below these thresholds are delegated to authorised staff and to the Capital Committee.

Members attend arts events across Wales as representatives of Council.

**Summary of Discussions during 2016/17**

As part of its ongoing scrutiny of **Governance**, Council reviewed our Corporate Assurance Framework and risk register and completed an assessment of its own performance. It prepared and monitored the **Corporate** and **Operational Plans**, and received updates on key areas of performance including the **Equalities, Sustainable Development** and **Welsh Language Plans**.

The focus of policy during the year was overseeing the delivery of our Operational Plan. Key projects included the second year of the **Creative Learning** programme, launch of the **Resilience** programme and planning for the development of a new **Arts and Health** strategy.

A significant task for Council during the year was its oversight of our **Organisational Review**. Council set cost reduction targets and agreed new staffing proposals.

**Frequency of meetings and attendance**

Council met 7 times during 2016/17 to discharge its responsibilities. During the year, members in total attended meetings on 73 out of a possible 83 occasions. Council meetings are normally held approximately every 6 weeks. Copies of agendas and minutes of our Council meetings can be found on our [website](#).

To help support its work, Council has appointed three committees to provide specialist advice. These are: Audit & Risk Assurance; Capital; and the HR & Remuneration committees. It also has an *ad hoc* advisory committee, to advise on Wales' presence at the international Biennale of Art in Venice, and three internal monitoring groups.

Each Committee includes Council members, one of whom acts as Chair, and independent committee members appointed through an open selection process for their specialist skills and experience. The minutes of each Committee meeting are provided to Council for discussion and approval. Terms of reference for each committee can be found on our [website](#). Terms of reference are reviewed annually.

All new members of Council and of each Committee undergo an induction process appropriate to their role, and are encouraged to continue their development during their period of appointment.

Our three internal monitoring groups are – **Equalities, Sustainable Development and Welsh Language**. These help drive forward Council's agenda in these areas. Council received minutes of each meeting.

Our **National Advisers** support us in our work, offering their time and expertise on a voluntary basis. Their specialist knowledge and help contributes to policy development, the assessment of grant applications, and advice to officers. They are appointed through an open recruitment process.



## Audit & Risk Assurance Committee

**Responsibilities**      Audit & Risk Assurance Committee is responsible for providing assurance to Council on the effectiveness of our governance, risk management and internal control arrangements. It scrutinises the organisation’s management and administration to test that processes and procedures are being operated to the high standard that Council expects.

**Summary of Discussions during 2016/17**      An important aspect of the Committee’s work is scrutiny of the **Corporate Assurance Framework** and **Corporate Risk Register**. Together these documents provide assurance to Council that the systems, processes and behaviours that exemplify good governance and effective operation are in place.

The Committee receives all **internal audit** reports and monitors the progress of any recommendations that have been raised. In 2016/17 5 reports were presented. Of the areas reviewed, 3 were given a ‘substantial’ assurance rating and 2 ‘moderate.’ A total of 5 advisory and follow-up reports were also presented.

The Committee was asked by Council to scrutinise aspects of the **Organisational Review**. The Committee’s advice on financial and operational matters helped to strengthen the final proposals.

A key issue for Committee during the year was ensuring that the Arts Council’s policies and strategies for **cyber security** and for preventing **fraud** remain fit for purpose.

**Frequency of meetings**      The Committee met 6 times during 2016/17 to discharge its responsibilities. During the year, members in total attended meetings on 24 out of a possible 30 occasions. Committee meetings are normally held quarterly, with an additional meeting in early Summer.

## Capital Committee

**Responsibilities** Capital Committee is responsible for advising Council on the development of policy on all aspects of capital development, including funding priorities and schemes. The Committee has also provided oversight of the *Ideas: People: Places* programme. Council delegates to the Committee the authority to make funding decisions on lottery capital grants from £50,001 to £250,000, and for making recommendations on larger capital grants to Council. The Committee is responsible for monitoring live projects and advising Council accordingly.

**Summary of Discussions during 2016/17**

The Committee’s principal activity during the year was monitoring delivery against Council’s five year **Capital Development strategy** (2012-2017).

Council is investing in a variety of large and complex capital projects. The completion in February 2016 of the landmark project, **Pontio** in Bangor, marked an important milestone in the Committee’s work, with activity during the year focusing on ensuring compliance with outstanding conditions of funding.

Another milestone was met during the year with the re-opening of the refurbished **Glynn Vivian Museum and Art Gallery** in Swansea.

The Committee also considered projects in development, ensuring that there was an appropriate match between applications in the pipeline and the funds needed to support those applications.

The drawdown of funds continues to present issues. Under Lottery rules a full commitment of funds must be accounted for at the time of award. However, applicants’ problems in securing the required partnership funding means that projects are taking longer to realise. This has implications for Lottery capital balances.

**Frequency of meetings**

The Committee met 5 times during 2016/17 to discharge its responsibilities. During the year, members in total attended meetings on 23 out of a possible 30 occasions. Committee meetings are held approximately every 2 months, but with fewer meetings during the summer.

## HR & Remuneration Committee

Responsibilities	The HR & Remuneration Committee has responsibility for agreeing the level of remuneration for the Chair, within the limits determined by the Welsh Ministers; for setting the Chief Executive’s annual objectives and reviewing his performance; for the appointment of senior roles within the executive; and for the oversight and monitoring of HR matters on behalf of Council.
Summary of Discussions during 2016/17	<p>The Committee’s principal activities during the year involve oversight of Council’s HR policies, and management of pay policies. Council also reviewed management information outlining our performance against HR objectives. It also agreed Council’s first <b>Pay Policy Statement</b> which will be a publicly available document.</p> <p>Council specifically sets the remuneration of the Chair and Chief Executive, under guidance issued by the Welsh Government. The <b>Pay Remit</b> covers all other salaried members of staff and is submitted to the Welsh Government for approval.</p> <p>A key issue for the Committee during the year was the Council’s re-organisation of staff, its <b>Organisational Review</b>. As well as commenting on staff structure, the Committee also advised on other cost-cutting options, including revisions to <b>terms and conditions</b> of employment.</p>
Frequency of meetings	The Committee met 3 times during 2016/17 to discharge its responsibilities. Members in total attended on 9 out of a possible 13 occasions.

# How we work

## We promote values of good governance

We observe Lord Nolan's seven **Principles for Public Life** and strive to ensure that all of our employees, Trustees, Committee members and National Advisers understand, apply and adhere to these Principles.

To support this, we have a **Code of Best Practice** which helps to ensure that the roles and responsibilities of members and officers are clearly defined. It also contains the expected standards of propriety that members and staff should adhere to. The Code was reviewed and updated during the year. You can find a copy on our [website](#).

Each member of Council, of each Committee, and all National Advisers and staff are required to complete an annual **Declaration of Interest** statement, and to ensure that changes in circumstances are notified promptly. The register of interests of Members of the Council, Committees and National Advisers is available for public inspection, by appointment, at each of the Council's offices during normal working hours.

Council and the Audit & Risk Assurance Committee each carried out an annual self-assessment review of its performance. Overall, the findings of these evaluations were positive during 2016/17. Areas identified for improvement are captured in action plans. In particular, Council's own annual self-assessment review concluded that the vast majority of its indicators of effectiveness had been met.

Council was content with progress made during the year to address areas identified in last year's review. Council recognised the importance of ensuring an appropriate mix of arts expertise and skills on the Trustee Board as new members are appointed. Particular areas of focus will include quality monitoring, encouraging further commitment to the Welsh language amongst funded organisations, and the effective use of information and communication technology.

The Corporate Governance code issued by HM Treasury does not directly apply to the Arts Council of Wales. However, as Accounting Officer, I am satisfied that the arrangements we have in place reflect good practice. I also believe that the Arts Council has complied with the principles of accountability, effectiveness, and leadership expressed within the Treasury's Code, in so far as they are relevant to Welsh Government Sponsored Bodies and Lottery Distributors. Council endorses this view.

## Whistle-blowing

The Council has an established whistle-blowing policy which is brought to the attention of staff at induction and available within the Council's operational handbook and intranet. The policy is reviewed at least every three years. There were no reported incidents during the year.

## Taking informed decisions

The decisions taken by our Council and Committees are informed by advice provided by staff of the Arts Council. Papers and reports produced by officers are expected to show clearly all the

relevant information that is needed to enable informed decisions to be taken. All key papers highlight: financial, HR and environmental implications; risks; and an assurance statement.

Papers are circulated in advance of each Council and Committee meeting, for consideration by members, with tabled items and verbal reports only accepted in exceptional circumstances. Council was content during the year with the timeliness and quality of data and information provided for its use. In the rare instances where the information provided does not meet the required standards, the paper is rejected and a replacement commissioned.

Where appropriate, advice from officers is supplemented with specialist advice from our National Advisers and, where relevant, with specialist expert advice and legal opinions. Council will continue to ensure that it has sufficient time and information to properly debate policy and consider the future direction of the organisation.

Key policy proposals are put out to public consultation. Responses and feedback further inform discussions at Council before policies are finalised.

### **We provide funding to third parties**

One of the most important duties of the Arts Council is the distribution of funding to develop and support the arts in Wales. We are a major distributor of funding – from the Welsh Government, the National Lottery and other sources, including, where applicable, European funds. We take our responsibilities very seriously.

We have developed robust and accountable systems and procedures to support this key activity. Our grant

making and monitoring processes are reviewed annually by our internal auditors to ensure they remain fit for purpose. The Wales Audit Office also examines our grant making activities each year. All recommendations made by our internal and external auditors are monitored by our Audit & Risk Assurance Committee to ensure they are implemented on a timely basis.

Decisions to award an organisation revenue funded status and admission to the Arts Portfolio Wales (APW) are taken by Council based on the advice of, and supported by, rigorous assessments carried out by officers.

### **Security of data**

We hold large amounts of data, and treat our obligations under the Data Protection Act seriously. Our ICT systems and rules ensure that the security of data is tightly controlled. We regularly assess our security arrangements and have taken steps to make them more robust. We will continue to monitor them closely.

Neither the high level review over IT controls carried out by our external auditors, nor our programme of internal audit reviews carried out during the year, nor the annual security review on behalf of Welsh Government, highlighted any matters of serious concern in this area. To the best of my knowledge and belief, no loss of data occurred during the year.

### **Ministerial directions**

As a Welsh Government Sponsored Body we are subject to non-statutory instruments, containing appropriate directions. No Directions were issued to us during the year, nor were we issued with any Ministerial Directions in respect of our Lottery activities.

**Audit outcomes**

The findings of the National Audit Office and Wales Audit Office annual audits are reported in a Management Letter addressed to Council. Our Audit & Risk Assurance Committee considers the findings and monitors them to ensure appropriate action is taken on a timely basis. Grant making will continue to be a primary focus of management and the Committee’s attention.

**Overall assessment of governance and internal control**

In my opinion, the Arts Council of Wales’ systems of governance and internal control are sufficient to enable me to discharge my responsibilities as Accounting Officer.



**Nicholas Capaldi**  
Accounting Officer  
7 July 2017

Endorsed on behalf of Council:



**Phil George**  
Chairman  
7 July 2017

*“Based on our work undertaken as detailed in our internal audit report in 2016/17 and our follow up work in relation to 2015/16 audit findings, our overall assessment is that the classification of assurance for corporate governance and risk management remains as **substantial assurance**.*

*“Based on the work we have undertaken during the year we are able to conclude that the Arts Council has a basically sound system of internal control, which should provide **moderate assurance** regarding the achievement of the Arts Council’s objectives.”*

**Internal Audit Annual Report  
Deloitte LLP  
Internal Auditor**

# Remuneration and Staff Report

The terms of appointment of the Chairman and Chief Executive are agreed with the Welsh Government.

The Council remunerates its remaining staff in accordance with an agreed pay and grading system.

Each year, in consultation with the recognised trade union, a pay remit is produced and submitted to the Welsh Government for approval. The resultant pay and conditions package is binding on the whole of the Council until the next round of negotiation. Increases under the pay remit are dependent upon performance established by the Council's system of personal development reviews.

With the approval of the Charity Commission the Chairman is remunerated at a rate determined by the Welsh Government which reflects a minimum time commitment to Council business. Annual increases of the Chairman's salary are also advised by the Welsh Government but he receives no bonus payments and is not a member of the pension scheme.

The Chief Executive's remuneration consists of a basic salary plus eligibility for an annual bonus. Annual bonuses are recommended to Council by the HR & Remuneration Committee in consideration of the performance of the Chief Executive against a set of predetermined objectives. The Committee's recommendation that the Chief Executive be offered a full bonus was endorsed by Council. However, the Chief Executive waived his entitlement to a non-consolidated bonus for 2016/17 and has indicated that he would accept, once the annual pay remit is agreed, the

same level of consolidated increase as other eligible members of staff.

Further details of the remuneration and pension benefits of the Chairman, Chief Executive, Directors and staff are provided in note 8 to the financial statements. This information is audited.

Council members are appointed by the Welsh Ministers for a period of three years and may be re-appointed for a further period. The current Chairman, Phil George, took over the chairmanship on 1 April 2016.

The Chief Executive and Directors – the Senior Leadership Team – are all employed on permanent contracts on the Council's standard terms and conditions. They are entitled to thirteen weeks' notice of termination of employment.

The dates of commencement of employment are:



**Phil George**  
Chairman

1 April 2016



**Nicholas Capaldi**  
Chief Executive

15 September  
2008



**David Alston**  
Director of Arts

1 July 2005



**Dr Katherine  
Davies**  
Director of Investment  
and Funding Services  
from 1 February 2012

24 August 1998



**Diane Hebb**  
Director of Engagement  
and Participation from  
1 February 2012

13 January 1992



**Siân Tomos**  
Director of Enterprise  
and Regeneration from  
1 February 2012

3 May 1994



**Hywel Tudor**  
Director of Finance and  
Resources

21 January 2002



# Staffing

**Margaret Jervis**  
Chair,  
HR &  
Remuneration  
Committee



**“The Council’s staff represent an invaluable source of knowledge and expertise. Council owes a duty of care. We want our staff to be confident, competent and fulfilled, given every opportunity to succeed in their work.”**

The HR & Remuneration Committee members who served since 1 April 2016 were:

Margaret Jervis MBE DL (Council member)  
to 31 March 2017

Michael Griffiths OBE (Council member)

Andrew Miller (Council member)

Andy Eagle (Council member)  
from 9 December 2016

Philip Westwood (independent member)

## Equal opportunities

The Council is committed to a policy of equality of opportunity in its employment practices. In particular, the Council aims to ensure that no potential or actual employee receives more or less favourable treatment on the grounds of age, disability, ethnic or national origin, gender, marital or parental status, nationality, political belief, race, religion or sexual orientation.

Council ensures that appropriate facilities are available for disabled employees. Public signage also promotes the Council as a bilingual organisation.

Council operates a number of HR policies that reflect its legal obligations as an employer. Policies are reviewed on a regular basis and updated to reflect any relevant changes in legislation. The management of Council’s HR policies is monitored by the HR & Remuneration Committee.

## Employee communication

Council’s recognised trade union is Unite, with which it has established a procedural agreement; representatives of management and union meet regularly to discuss matters of current concern.

### Pension scheme

Most employees are members of the Arts Council Retirement Plan 1994 (ACRP). The fund is a defined benefit scheme. It is also a multi-employer scheme so the Council is unable to identify its share of the underlying assets and liabilities. In accordance with the Council's accounting policies, the scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with FRS 102.

The Council has also introduced a defined contribution scheme, The People's Pension, as an alternative option to meet the needs of Auto Enrolment legislation. The scheme is accounted for in accordance with FRS 102.

### Sickness absence

During 2016/17 staff sickness absence totalled 798 days (2015/16: 584 days). This represented 3.67% (2015/16: 2.61%) based on 251 working days, including 1.84% (2015/16: 1.32%) as a result of long term absence (over 28 days).

### Consultancy

During 2016/17 the Council paid consultancy costs of £10,000 (2015/16: £12,000) in relation to expert advice and opinion obtained to assist in strategic decision-making. £5,000 (2015/16: £4,000) is charged in these financial statements and the remainder related to Lottery Distribution activities.

### Tax arrangements of public sector appointees

The table below shows details of off-payroll engagements for more than

£220 per day lasting longer than six months:

	2016/17	2015/16
<b>Number of new engagements between 1 April and 31 March</b>	-	48
Number of the above which include contractual clauses giving the Council the right to request assurance in relation to income tax and national Insurance obligations	-	48
Number for whom assurance has been requested	-	48
Of which:		
number for whom assurance has been received	-	42
number for whom assurance has not been received	-	6
Number that have been terminated as a result of assurance not being received	-	-

All of the 2015/16 engagements related to the team of creative agents contracted to the Lead Creative Schools Scheme of our *Creative Learning through the Arts* programme. The agents worked for an agreed number of days across the academic year, acting as catalysts by responding to the individual development priorities and needs of the schools with which they are matched. Different contractual arrangements have applied from April 2016.

# Parliamentary Accountability and Audit Report

## Remote contingent liabilities

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

It is not practical to estimate the financial impact.

## Losses, special payments and gifts

The Council incurred no losses during the year and made no special payments or gifts.

The Council undertook an organisational review during the year. As a result, the Council has commitments to pay compensation to members of staff who will leave during 2017/18. The costs of

exit packages have been disclosed in the financial statements at note 8.

## Fees and charges income

The Council has no material income of this kind.



**Nicholas Capaldi**  
Accounting Officer  
7 July 2017

Endorsed on behalf of Council:



**Phil George**  
Chairman  
7 July 2017

# The Certificate and Report of the Auditor General for Wales to the Trustees of the Arts Council of Wales

I certify that I have audited the financial statements of the Arts Council of Wales General Activities Account for the year ended 31 March 2017 under Article 11 of the Council's Royal Charter. These comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration and Staff Report that is described in that report as having been audited.

## Respective responsibilities of the Council, Accounting Officer and auditor

As explained more fully in the Statement of Council's and the Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for preparing the financial statements, in accordance with Article 11 of the Council's Royal Charter and Welsh Ministers' directions made there under and for ensuring the regularity of financial transactions.

My responsibility is to audit, certify and report on the financial statements in accordance with applicable law and with International Standards on Auditing (UK and Ireland). These standards require me to comply with the Financial Reporting Council's Ethical Standards for Auditors.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Arts Council of Wales' circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Arts Council of Wales; and the overall presentation of the financial statements.

In addition, I obtain evidence sufficient to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

In addition I read all the financial and non-financial information in the Performance Report, Operational Review, and Accountability Report to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate and report.

## Opinion on Financial Statements

In my opinion the financial statements:

- give a true and fair view of the state of the Arts Council of Wales' affairs as at 31 March 2017 and of its net income for the year then ended; and
- have been properly prepared in accordance with the Welsh Ministers' directions issued under Article 11 of the Council's Royal Charter.

## Opinion on Regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the National Assembly for Wales and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Opinion on other matters

In my opinion:

- the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Welsh Ministers' directions made under Article 11 of the Council's Royal Charter; and
- the information included within the Performance Report, Operational Review, and Accountability Report is consistent with the financial statements.

## Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- the Governance Statement does not reflect compliance with Welsh Ministers' guidance;
- sufficient accounting records have not been kept;
- the financial statements and the part of the Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns;
- information specified by Welsh Ministers regarding the remuneration and other transactions is not disclosed; or
- I have not received all of the information and explanations I require for my audit.

## Report

I have no observations to make on these financial statements.

**Huw Vaughan Thomas**  
Auditor General for Wales

11 July 2017

24 Cathedral Road  
Cardiff  
CF11 9LJ

# Financial Statements

# THE ARTS COUNCIL OF WALES

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2017

	Note	Unrestricted funds £'000	Restricted funds £'000	2017 Total £'000	2016 Total £'000
<b>INCOME</b>					
<i>Donations:</i>					
Grant-in-aid from the Welsh Government		30,226	750	30,976	32,238
Other grants and donations	3	-	4,336	4,336	3,680
		<u>30,226</u>	<u>5,086</u>	<u>35,312</u>	<u>35,918</u>
<i>Income from charitable activities:</i>					
Services and sponsorship	4	215	53	268	201
<i>Investment income:</i>					
Bank interest		11	3	14	10
Other income	5	134	-	134	85
<b>Total income</b>		<u><b>30,586</b></u>	<u><b>5,142</b></u>	<u><b>35,728</b></u>	<u><b>36,214</b></u>
<b>EXPENDITURE</b>					
Charitable activities	6,7,8	30,363	4,642	35,005	35,272
Governance costs	9	81	-	81	85
Bank interest surrendered to Welsh Consolidated Fund		11	-	11	10
<b>Total expenditure</b>		<u><b>30,455</b></u>	<u><b>4,642</b></u>	<u><b>35,097</b></u>	<u><b>35,367</b></u>
<b>Net income/(expenditure)</b>		<b>131</b>	<b>500</b>	<b>631</b>	<b>847</b>
Gross transfers between funds	16	(123)	123	-	-
<b>Net movement in funds</b>		<b>8</b>	<b>623</b>	<b>631</b>	<b>847</b>
<b>Reconciliation of funds</b>					
Fund balances brought forward		1,406	587	1,993	1,146
<b>Total funds carried forward</b>		<u><b>1,414</b></u>	<u><b>1,210</b></u>	<u><b>2,624</b></u>	<u><b>1,993</b></u>

There are no gains or losses other than those shown above.

There are no discontinued activities and there have been no acquisitions during the year.

The notes on pages 67 to 85 form part of these financial statements

# THE ARTS COUNCIL OF WALES

## CONSOLIDATED BALANCE SHEET

as at 31 March 2017

	Note	2017		2016 (restated)	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible fixed assets	10a		4		5
Tangible fixed assets	10b		<u>57</u>		<u>104</u>
<b>Total fixed assets</b>			<b>61</b>		<b>109</b>
<b>Current assets</b>					
Grants paid in advance	11	219		300	
Debtors	12	3,416		3,100	
Cash and cash equivalents		<u>2,480</u>		<u>1,053</u>	
<b>Total current assets</b>		<b>6,115</b>		<b>4,453</b>	
<b>Liabilities: falling due within one year</b>					
Creditors	13a	(2,866)		(2,109)	
Provisions for liabilities	14	<u>(49)</u>		<u>(49)</u>	
		<b>(2,915)</b>		<b>(2,158)</b>	
<b>Net current assets</b>			<b>3,200</b>		<b>2,295</b>
<b>Total assets less current liabilities</b>			<b>3,261</b>		<b>2,404</b>
<b>Creditors: falling due after more than one year</b>					
Creditors	13b	(177)		(152)	
Provisions for liabilities	14	<u>(460)</u>		<u>(259)</u>	
			<b>(637)</b>		<b>(411)</b>
<b>Net assets</b>			<b>2,624</b>		<b>1,993</b>
<b>The funds of the charity</b>					
Unrestricted funds	16		1,414		1,406
Restricted funds	16		<u>1,210</u>		<u>587</u>
			<b>2,624</b>		<b>1,993</b>

The notes on pages 67 to 85 form part of these financial statements

The financial statements were approved by the Arts Council of Wales and signed on its behalf by

*Nick Capaldi*

Nicholas Capaldi  
Accounting Officer  
7 July 2017

*Phil George*

Phil George  
Chairman  
7 July 2017



## THE ARTS COUNCIL OF WALES

### CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2017

	Note	2017 £'000	2016 £'000
Net cash inflow from operating activities	18a	1,438	499
Net cash inflow from investing activities	18b	3	-
Net cash outflow associated with capital assets	18c	(14)	(10)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>1,427</b>	<b>489</b>
Cash and cash equivalents brought forward		1,053	564
		<hr/>	<hr/>
<b>Cash and cash equivalents carried forward</b>		<b>2,480</b>	<b>1,053</b>

The notes on pages 67 to 85 form part of these financial statements

# THE ARTS COUNCIL OF WALES

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31 March 2017

### 1. Accounting policies

#### a. Basis of preparation

These financial statements are prepared under the historical cost convention modified to include certain fixed assets at their value to the Council on a current cost basis. They have been prepared in accordance with the Accounts Direction issued by Welsh Ministers and meet the requirements of the Charities Acts 2006, 2011 and 2016, of the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their account in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014 ("the SORP") and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). In addition to compliance with the SORP regard is given to the requirements of the *Government Financial Reporting Manual* issued by HM Treasury to the extent that it clarifies or builds on the requirements of the SORP. A summary of the principle accounting policies which have been applied consistently are set out below.

#### b. Subsidiary undertakings – Cerdd Cymru:Music Wales Limited

Cerdd Cymru:Music Wales is a private, trading company, limited by guarantee and registered in Wales (number 7759122). It was incorporated on 1 September 2011 as a 50% joint arrangement with the Welsh Music Foundation to develop and improve, both nationally and internationally, the knowledge, understanding, practice and sustainability of the arts and creative industries, and particularly of music in Wales.

Cerdd Cymru:Music Wales Limited became a wholly owned subsidiary of the Council during 2016/17 following the liquidation of the Welsh Music Foundation.

The transactions of the subsidiary have been included within the consolidated financial statements on the 'line by line' method. (See note 21)

#### c. Income

All income is accounted for on an accruals basis, with the exception of legacies, donations and gifts which are recognised only when they are received. Capital grants receivable are treated as income.

No income is recorded net of expenditure in the Statement of Financial Activities.

#### d. Lottery distribution

These financial statements do not cover the Council's lottery distribution function for which separate financial statements have been prepared in accordance with directions issued by the Secretary of State for Culture, Media and Sport.

The Council incurs costs which support both its general activities and the lottery distribution function. In accordance with the Financial Direction issued by the Welsh Government, the Council apportions indirect costs properly between these two areas of activity with reference to the time spent on or the consumption of the relevant resources by the respective activities.

#### e. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

#### f. **Grants awarded**

Subsidy expenditure is incurred in the form of grants which are formally offered to organisations funded by the Council. Grants are offered in support of a programme of activities planned for, or to commence in, a particular financial year and are charged to the Statement of Financial Activities in that year.

Forward commitments made in the year relating to next year's activity, as disclosed in note 20, are not charged to the Statement of Financial Activities. As the grant-in-aid to meet these commitments cannot be recognised until it is received, the Trustees do not believe their inclusion would provide a true and fair view of the application of the Council's resources.

Grants unpaid at the year end are shown as creditors in the Balance Sheet. Any advance payments which have been made in respect of approved grants relating to next year's activities are shown in the Balance Sheet as current assets.

All grants offered are listed in the annex to this Annual Report.

#### g. **Services and sponsorship**

Services and sponsorship comprise the direct costs, including staff and depreciation, attributable to charitable activities.

#### h. **Allocation of operating costs**

Operating costs have been allocated first between charitable activities and governance. Operating costs relating to charitable activities have been apportioned to reflect the time spent by staff in delivering direct activities and in support of their delivery. The allocation and analysis of these costs is in notes 6, 7 and 8.

#### i. **Governance costs**

Governance costs comprise all costs involving the public accountability of the Council as a charity and its compliance with regulation and good practice. These costs are analysed in note 9.

#### j. **Foreign currency**

Revenue received and expenditure incurred in foreign currencies is converted at the exchange rate prevailing at the time of the transaction. Balances held in foreign currencies are converted at the rate prevailing at the Balance Sheet date. Transactions and balances covered by forward contracts are converted at the contract rate.

#### k. **Recognition of liabilities**

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

#### l. **Fund accounting**

Restricted funds are those which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Council for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds are those which are available for use at the discretion of Council in furtherance of its chartered objectives and which have not been designated for other purposes.

Where support costs are allocated to restricted charitable activities a transfer is made from unrestricted funds to cover these costs.

**m. Fixed assets**

The Council owns two freehold properties, the Sherman Theatre and the Rubicon Dance Studio, which are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provision for repossession by the Council. Based on the advice of external and independent chartered surveyors, the residual value of these freehold interests is considered to be negligible so these assets are held in the accounts at a nil value.

Website development costs, in accordance with FRS 102, are treated as tangible fixed assets.

Computer software licences are treated as intangible fixed assets if they cover more than one year.

Other than freehold properties all tangible and intangible fixed assets are included at historical cost less an allowance for depreciation and amortisation. The Council considers that there is no significant difference between the book and market values.

**n. Amortisation and depreciation**

Individual assets costing £1,000 or above are capitalised and a full year's amortisation or depreciation is provided in the year of acquisition. Amortisation of intangible fixed assets and depreciation on tangible fixed assets is provided at rates calculated to write off the cost or valuation of each asset to its residual value on a straight line basis over its expected useful life as follows:

Computer software licences	over 3 years
Leasehold improvements	over the term of the lease
Furniture, fixtures and fittings	over 10 years
Equipment	over 4 years
Website development costs	over 3 years
Computer system	over 3 years

**o. Leases**

The costs of operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

**p. Pensions**

The Council is an admitted employer of the Arts Council Retirement Plan 1994 (ACRP) which provides defined benefits to Council employees. The costs of the Council's contributions are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives.

The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities. The scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with FRS 102. The Council has entered into an agreement to make payments to fund a deficit relating to past service so recognises a provision for the present value of contributions payable that result from the terms of that agreement. The annual contribution towards the deficit is charged to the Statement of Financial Activities.

The Council also introduced a defined contribution scheme, The People's Pension, effective 1 May 2014, as an alternative option to meet the needs of Auto Enrolment legislation. The scheme is accounted for in accordance with FRS 102.

**q. Taxation**

Non-recoverable Value Added Tax arising from expenditure on non-business activities is charged to the Statement of Financial Activities or capitalised as a fixed asset where applicable.

r. **Financial instruments**

Financial assets: Trade debtors do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Cash comprises cash in hand and cash at bank and on short term deposit on instant access terms.

Financial liabilities: Trade creditors are not interest bearing and are stated at their nominal value.

2. **General activities and Lottery distribution: combined income and charitable arts expenditure**

The separate Lottery distribution account shows the Council's 2016/17 share of the proceeds from the National Lottery of £16,300,000 (2015/16: £19,233,000). The combined total income for both general and Lottery activities for 2016/17 was £52,147,000 (2015/16: £55,588,000). The combined total direct charitable arts expenditure for 2016/17 was £51,421,000 (2015/16: £51,721,000).

3. **Income**

**Donations: Other grants and donations**

	Unrestricted funds £'000	Restricted funds £'000	2017 Total £'000	2016 Total £'000
<i>Creative Learning through the Arts Programme</i> (note 22):				
Welsh Government grant	-	1,900	1,900	1,787
Arts Council of Wales Lottery grant	-	2,283	2,283	1,890
British Council contribution for India:Wales	-	150	150	-
The Eirian Llwyd Trust	-	3	3	3
	<b>-</b>	<b>4,336</b>	<b>4,336</b>	<b>3,680</b>

4. **Income from charitable activities**

**Services and sponsorship**

	Unrestricted funds £'000	Restricted funds £'000	2017 Total £'000	2016 Total £'000
Community Touring scheme:				
- contributions from venues/promoters	135	-	135	138
Wales Arts International:				
- contribution from the British Council	23	45	68	-
- contributions from others	-	8	8	5
<i>Collectorplan</i> - gallery fees	41	-	41	39
Annual Conference - delegate fees	9	-	9	-
Nesta – for <i>Digital Innovations</i>	7	-	7	18
Other income	-	-	-	1
	<b>215</b>	<b>53</b>	<b>268</b>	<b>201</b>

5. **Other income**

	Unrestricted Funds £'000	Restricted Funds £'000	2017 Total £'000	2016 Total £'000
Contribution from the Lottery Distribution account:				
for use of fixed assets	30	-	30	39
for annual payment towards pension deficit	23	-	23	-
Proceeds from disposal of tangible assets	1	-	1	-
Cerdd Cymru:Music Wales income (note 21)	80	-	80	46
	<b>134</b>	<b>-</b>	<b>134</b>	<b>85</b>

6. Expenditure  
Charitable activities

	Direct activities	Grant funding	Support costs	2017 Total	2016 Total
	£'000	£'000	£'000	£'000	£'000
Grant making and arts development	1,446	26,499	504	28,449	28,833
<i>Creative Learning through the Arts Programme</i> (note 22)	1,625	2,120	37	3,782	3,372
Arts strategy	858	-	197	1,055	1,138
International	484	-	75	559	779
Services: <i>Night Out &amp; Collectorplan</i>	593	-	73	666	660
Advocacy and research	371	-	42	413	430
Impairment of investment in Cerdd Cymru: Music Wales (note 21)	-	-	-	-	15
Cerdd Cymru: Music Wales expenditure (note 21)	81	-	-	81	45
	<b>5,458</b>	<b>28,619</b>	<b>928</b>	<b>35,005</b>	<b>35,272</b>

Grant funding:

	To institutions	To individuals	2017 Total	2016 Total
	£'000	£'000	£'000	£'000
from unrestricted funds				
Arts Portfolio Wales	25,540	-	25,540	26,716
Strategic awards	211	2	213	370
from restricted funds				
Arts Portfolio Wales	300	-	300	300
<i>Creative Learning through the Arts Programme</i>	2,120	-	2,120	2,386
Strategic awards	111	-	111	-
Capital awards	326	-	326	55
Memorial awards	-	9	9	9
	<b>28,608</b>	<b>11</b>	<b>28,619</b>	<b>29,836</b>

All grants are listed in the annex to this Annual Report.

7. Operating costs

	Gross costs	Deduct Recharges to Lottery Distribution	2017 Net charge to General Activities	2016 Net charge to General Activities
	£'000	£'000	£'000	£'000
<b>Charged to Direct activities</b> (note 6)				
Grant making and arts development	774	449	325	187
Arts strategy	251	124	127	96
International	48	-	48	39
Services: <i>Night Out &amp; Collectorplan</i>	47	-	47	37
Advocacy and research	45	18	27	19
	<b>1,165</b>	<b>591</b>	<b>574</b>	<b>378</b>
<b>Charged to Support costs</b> (note 6)				
Staff related costs	38	13	25	21
Organisation Review	5	2	3	-
Infrastructure	201	73	128	122
Office running costs	10	4	6	6
Professional fees	59	44	15	10
Provisions	90	-	90	(14)
Irrecoverable VAT	52	21	31	30
Amortisation and depreciation	29	7	22	28
	<b>484</b>	<b>164</b>	<b>320</b>	<b>203</b>
<b>Total</b>	<b>1,649</b>	<b>755</b>	<b>894</b>	<b>581</b>

## 8. Staff costs

### a. Total staff costs consist of:

	Permanently employed £'000	Other £'000	Gross costs £'000	Deduct Recharges to Lottery Distribution £'000	2017 Net charge to General Activities £'000	2016 Net charge to General Activities £'000
Wages and salaries	2,670	461	3,131	931	2,200	2,039
Social security costs	289	43	332	101	231	168
Other pension costs	561	64	625	213	412	413
Redundancy costs	527	-	527	255	272	-
Agency costs	3	-	3	1	2	-
	<b>4,050</b>	<b>568</b>	<b>4,618</b>	<b>1,501</b>	<b>3,117</b>	<b>2,620</b>

Staff costs are incorporated in the financial statements as follows:

#### Charged to Direct activities (note 6)

Grant making and arts development			2,007	887	1,120	831
<i>Creative Learning through the Arts Programme</i>			497	-	497	284
Arts strategy			684	246	438	428
International			166	-	166	173
Services – <i>Night Out &amp; Collectorplan</i>			162	-	162	165
Advocacy and research			124	30	94	86
			<b>3,640</b>	<b>1,163</b>	<b>2,477</b>	<b>1,967</b>

#### Charged to Support costs (note 6)

Management and internal control			343	116	227	240
Finance			178	64	114	112
Information and computer technology			154	52	102	106
Facilities management			68	23	45	47
Human resources			73	25	48	44
Communications			113	41	72	72
			<b>929</b>	<b>321</b>	<b>608</b>	<b>621</b>

#### Charged to Governance (note 9)

Chairman's remuneration			49	17	32	32
			<b>4,618</b>	<b>1,501</b>	<b>3,117</b>	<b>2,620</b>

The average number of staff (full time equivalents) employed during the year was:

	Permanently employed	Other	Across the whole Council	On Lottery Distribution activities	2017 On General activities	2016 On General activities
On charitable activities:						
directly charged	8	12	20	-	20	16
recharged	55	-	55	22	33	34
In support of our charitable activities	10	3	13	7	6	6
Agency staff	-	-	-	-	-	-
	<b>73</b>	<b>15</b>	<b>88</b>	<b>29</b>	<b>59</b>	<b>56</b>

Staff composition at 31 March (full time equivalents – whole Council)	2017			2016		
	Male	Female	Total	Male	Female	Total
Senior Leadership Team	3	3	6	3	3	6
Portfolio Managers/Heads of Department	7	10	17	6	10	16
Senior Officers	6	7	13	7	7	14
Officers/Development Officers	12	22	34	11	22	33
Team Co-ordinators/Personal Assistants	3	17	20	5	14	19
	<b>31</b>	<b>59</b>	<b>90</b>	<b>32</b>	<b>56</b>	<b>88</b>
	<b>34%</b>	<b>66%</b>		<b>36%</b>	<b>64%</b>	

The median annual remuneration (full time equivalents) at 31 March was (whole Council):

	2017	2016
	£31,700	£31,700

The range of annual remuneration (full time equivalents) at 31 March was (whole Council):

	2017	2016
	£20,147 to £95,250	£19,752 to £95,248

The ratio between the median annual remuneration and the annual remuneration of the highest paid member of staff was (whole Council):

	2017	2016
	1:3	1:3

#### Compensation schemes - exit packages (whole Council):

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16
£10,000 to £24,999	-	-	3	-	3	-
£25,000 to £49,999	-	-	3	-	3	-
£50,000 to £99,999	2	-	3	-	5	-
<b>Total number of exit packages</b>	<b>2</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>11</b>	<b>-</b>
<b>Total cost (£'000)</b>	<b>167</b>	<b>-</b>	<b>360</b>	<b>-</b>	<b>527</b>	<b>-</b>

Redundancy costs have been determined in accordance with the provisions of the Council's redundancy policy. The Council usually pays exit costs when employment ends but provides for the exit costs in full at the point when there is sufficiently detailed information to do so.

All 'other departures agreed' related to requests for redundancy where, in accordance with the Council's redundancy policy, the employees' posts either disappeared in the new structure or were filled by other employees who would otherwise have been compulsorily redundant. There is no difference in the compensation entitlements of volunteers and those who are compulsorily redundant.

52% of the costs are charged in these financial statements and the remainder to lottery distribution activities.

- b. The Chief Executive and Directors – the Senior Leadership Team – are responsible for directing the Council's activities. Their actual emoluments and pension benefits were as shown in the following tables.

The amount of pension benefits for the year which contributes to the single total remuneration figures is calculated in a similar way to the method used to derive pension values for tax purposes, and is based on information received from the actuary of the Arts Council Retirement Plan 1994.

The value of pension benefits is calculated as follows:

(real increase in pension\* x 20) + (real increase in any lump sum) – (contributions made by member)

\*excluding increases due to inflation or any increase or decrease due to a transfer of pension rights

This is not an amount which has been paid to an individual by the Council during the year, it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors, e.g. changes in a person's salary, whether or not they choose to make additional contributions to the pension scheme from their pay, and other valuation factors affecting the pension



scheme as a whole.

The single total remuneration figures of the Senior Leadership Team:

Name Position	2017			2016		
	Emoluments band £'000	Pension benefits £'000	Single total remuneration £'000	Emoluments band £'000	Pension benefits £'000	Single total remuneration £'000
Nicholas Capaldi Chief Executive	95-100	22	115-120	95-100	27	120-125
David Alston Director of Arts	70-75	17	85-90	70-75	22	90-95
Katherine Davies Director of Investment and Funding Services	65-70	36	105-110	65-70	54	120-125
Diane Hebb Director of Engagement and Participation	65-70	28	95-100	65-70	38	100-105
Siân Tomos Director of Enterprise and Regeneration	65-70	35	100-105	65-70	48	110-115
Hywel Tudor† Director of Finance and Resources	70-75	16	85-90	70-75	24	90-95

† The Director of Finance and Resources is to be paid compensation of £95,000 (gross) for loss of office during 2017/18. The amount is not included in his single total remuneration figure for this year but is included in the total of accrued redundancy and compensation costs at note 8a above.

The pension benefits of the Senior Leadership Team:

Name Position	2017		2017		2017 Cash Equivalent <sup>1</sup> Transfer Value at 31/03/17 £'000	2016 Cash Equivalent Transfer Value at 31/03/16 £'000	2017 Real increase <sup>2</sup> in Cash Equivalent Transfer Value £'000
	Real increase in pension and related lump sum at age 65 £'000		Total accrued pension at age 65 as at 31/03/17 and related lump sum £'000				
Nicholas Capaldi Chief Executive	Pension 0-2.5 Lump sum 2.5-5		Pension 10-15 Lump sum 30-35		220	167	21
David Alston Director of Arts	Pension 0-2.5 Lump sum 0-2.5		Pension 5-10 Lump sum 25-30		227	187	18
Katherine Davies Director of Investment and Funding Services	Pension 0-2.5 Lump sum 2.5-5		Pension 25-30 Lump sum 75-80		555	437	34
Diane Hebb Director of Engagement and Participation	Pension 0-2.5 Lump sum 2.5-5		Pension 10-15 Lump sum 40-45		323	252	27
Siân Tomos Director of Enterprise and Regeneration	Pension 0-2.5 Lump sum 5-7.5		Pension 20-25 Lump sum 60-65		470	361	33
Hywel Tudor Director of Finance and Resources	Pension 0-2.5 Lump sum 0-2.5		Pension 10-15 Lump sum 40-45		324	268	16

<sup>1</sup> **Cash Equivalent Transfer Values** - A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a

consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Arts Council Retirement Plan 1994. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

<sup>2</sup> **Real increase in CETV** - This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

The Chairman, with the approval of the Charity Commission, is remunerated for his services but receives no bonus payments and is not a member of the pension scheme. Other Council and Committee Members receive no payment for their services. Council meeting costs for 2016/17 include an aggregate amount of £10,893 (2015/16: £13,759) reimbursed to 12 (2015/16: 13) Council members.

The total actual emoluments of the Chairman and Chief Executive were made up of:

	2017 £	2016 £
<b>Chairman</b>		
Salary	<u>43,810</u>	<u>43,810</u>
<b>Chief Executive</b>		
Salary	95,250	95,248
Employer's pension contribution	<u>19,050</u>	<u>19,050</u>
	<u>114,300</u>	<u>114,298</u>

Travel and subsistence expenses incurred and defrayed whilst on Council business:

Chairman	4,298	2,217
Chief Executive	5,489	5,925

64% (2015/16: 64%) of the Chairman's and Chief Executive's emoluments are charged in these financial statements and the remainder to lottery distribution activities.

- c. Most employees are members of the Arts Council Retirement Plan 1994 (ACRP). The fund is a defined benefit scheme. It is also a multi-employer scheme so the Council is unable to identify its share of the underlying assets and liabilities. The scheme has therefore been accounted for as if it were a defined contribution scheme, in accordance with FRS 102.

An independent actuarial valuation of the ACRP normally takes place every three years. The most recent valuation, as at 31 March 2016, came into effect on 1 April 2017. The valuation introduced new contribution rates for the Council in respect of accruing benefits. It assumes a continuing requirement that a minimum level of payment be made each year towards the past service deficit, at a rate advised by the scheme actuary. In order to eliminate the deficit, the actuary recommended a level of employer contributions over the next 12 years, compared to the 9 years used previously.

On the assumption that the recommended amounts would be paid to the Plan, the actuary's opinion was that the resources of the scheme are likely in the normal course of events to meet in full the liabilities of the scheme as they fall due. The main actuarial assumptions used were that: Retail Prices Index (RPI) inflation would be market implied RPI inflation curve (with allowance for 0.3% per annum inflation risk premium); Consumer Prices Index (CPI) inflation would be RPI curve less 1.0% per annum; pay increases would be 1.5% per annum for the first 4 years and in line with RPI thereafter; pension increases would be equal to the relevant inflation assumption; and the past and future service discount rate would be market implied gilt yield curve plus 1.2% per annum.

Contributions by the Council and its employees were:

For staff joining the Plan:	Council		Employees	
	2017	2016	2017	2016
on or before 31 August 2006	22.0%	22.0%	1.5%	1.5%
from 1 September 2006 to 31 March 2010	20.0%	20.0%	3.5%	3.5%
on or after 1 April 2010	17.5%	17.5%	6.0%	6.0%

The Council was also required to contribute a minimum payment of £48,700 towards the deficit during 2016/17 (2015/16: £48,700).

From 1 April 2017 contributions changed to:

<b>For staff joining the Plan:</b>	<b>Council</b>	<b>Employees<sup>1</sup></b>
on or before 31 August 2006	21.4%	3.0%
from 1 September 2006 to 31 March 2010	21.4%	5.0%
on or after 1 April 2010	21.4%	6.0%

<sup>1</sup> It has been agreed that all employees' contributions will increase to 6% by April 2019.

There has been no change to the minimum annual payment towards the deficit.

The Council also pays 0.2% of pensionable salary in respect of each life assurance only member.

Under Auto Enrolment legislation all eligible employees are required to join a qualifying pension scheme, unless they formally opt out. We introduced a defined contribution scheme, The People's Pension, as an alternative option for employees that were not members of the ACRP. The Council contributes 4% and the employee 1%. These rates will change in the future, in line with the requirements of the legislation.

## 9. Resources expended

### Governance costs

	<b>2017</b>	2016
	<b>Total</b>	Total
	£'000	£'000
Chairman's remuneration	32	32
Auditor's remuneration - Audit	22	22
Internal audit	11	16
Council meetings, including Members' travel and subsistence	7	7
Committee meetings, including travel and subsistence	9	8
	<b>81</b>	<b>85</b>

## 10. Fixed assets

### a. Intangible fixed assets

	Computer software licences £'000
Cost at 1 April 2016	581
Additions	4
Disposals	(1)
Cost at 31 March 2017	<b>584</b>
Amortisation at 1 April 2016	576
Charge for the year	4
Disposals	-
Amortisation at 31 March 2017	<b>580</b>
<b>Net book value at 31 March 2017</b>	<b>4</b>
Net book value at 1 April 2016	5

### b. Tangible fixed assets

	Alterations to leasehold properties £'000	Computer system, furniture, etc £'000	Website £'000	Total £'000
Cost at 1 April 2016	107	610	95	812
Additions	-	11	-	11
Disposals	-	(19)	-	(19)
Cost at 31 March 2017	<b>107</b>	<b>602</b>	<b>95</b>	<b>804</b>

	Alterations to leasehold properties £'000	Computer system, furniture, etc £'000	Website £'000	Total £'000
Depreciation at 1 April 2016	85	528	95	708
Charge for the year	11	47	-	58
Disposals	-	(19)	-	(19)
Depreciation at 31 March 2017	96	556	95	747
<b>Net book value at 31 March 2017</b>	<b>11</b>	<b>46</b>	<b>-</b>	<b>57</b>
Net book value at 1 April 2016	22	82	-	104
			<b>2017</b> £'000	<b>2016</b> £'000

Amortisation and depreciation charged has been allocated to charitable activities as follows (note 6):

Direct activities	40	51
Support costs	22	28
	<b>62</b>	<b>79</b>

- c. Net book value at 31 March 2017 represents fixed assets used by the Council in support of its charitable activities.

The Council's freehold properties in Cardiff, the Sherman Theatre and the Rubicon Dance Studio, are let on long leases at peppercorn rents to tenants which are not controlled by the Council and with no provisions either for reviewing the rents or repossession by the Council.

The Sherman Theatre was acquired by the Welsh Arts Council, a division of the Arts Council of Great Britain, in September 1987 at a cost of £897,000 and immediately let for a term of 125 years. At the dissolution of the Arts Council of Great Britain in March 1994 the freehold interest was transferred to the newly formed Arts Council of Wales.

The Rubicon Dance Studio was acquired by the Welsh Arts Council in February 1988 at a cost of £11,315 and subject to an existing lease for a term of 999 years commencing 1 January 1986. The freehold interest was transferred to the Arts Council of Wales in March 1994.

The most recent external and independent valuation of the Council's freehold properties was as at 31 March 2004. It was undertaken by Elizabeth Hill, a Member of the Royal Institute of Chartered Surveyors, for and on behalf of Cooke & Arkwright, Chartered Surveyors. Because of the impact of the leases it was the surveyor's opinion that the freehold interests had a nil or nominal value, so these assets are held in the accounts at nil value.

Council does not consider it necessary to undertake a further valuation until there is a significant reduction in the residual terms of the leases or earlier termination.

## 11. Grants paid in advance

In certain circumstances, requiring the authorisation of the Chief Executive, the Council makes advance payments before the year to which the grant relates. The power is limited to situations where the recipient organisation would otherwise suffer financial hardship.

	<b>2017</b> £'000	<b>2016</b> £'000
Payments in respect of the following year's grants	<b>219</b>	<b>300</b>

<b>12. Debtors</b> (falling due within one year)	<b>2017</b>	2016
	£'000	£'000
<i>Collectorplan</i> loans <sup>1</sup>	556	526
Trade debtors	70	61
Other debtors	1,995	1,893
	<u>2,621</u>	<u>2,480</u>
<i>Deduct</i> Specific provision for doubtful debts	(11)	(12)
<i>Sub-total: Debtors</i>	<u>2,610</u>	<u>2,468</u>
Prepayments	296	278
	<u><b>2,906</b></u>	<u>2,746</u>
Due from Lottery distribution fund for recharged costs:		
Cost apportionments	510	184
<i>Creative Learning through the Arts</i> Programme	-	170
	<u><b>3,416</b></u>	<u>3,100</u>

<sup>1</sup> *Collectorplan* is the Council's interest-free loan scheme, available to the general public to support the purchase of contemporary works of art and crafts from participating galleries across Wales. Loans from £50 up to £5,000 are repaid by monthly instalments over a maximum period of 1 year.

<b>13. Creditors</b>	<b>2017</b>	2016
	£'000	(restated) £'000
<b>a. Creditors:</b> falling due within one year		
Grants payable	1,765	1,446
Taxation and social security	92	105
Trade creditors	40	50
Other creditors	89	113
Accruals and deferred income	866	392
Current liabilities of Cerdd Cymru: Music Wales (note 21)	14	3
	<u><b>2,866</b></u>	<u>2,109</u>
<b>b. Creditors:</b> falling due after more than one year		
Grants payable	177	152
	<u><b>177</b></u>	<u>152</u>

<b>14. Provisions for liabilities</b>	<b>2017</b>	2016
	£'000	£'000
Provision for pension deficit at 1 April	308	350
Amount charged against the provision during the year	(49)	(49)
Annual adjustment following a triennial valuation and changes in discount rates	250	7
<b>Provision at 31 March</b>	<u><b>509</b></u>	<u>308</u>
Of which:		
falling due within one year	49	49
falling due after more than one year	460	259
	<u><b>509</b></u>	<u>308</u>

The Council has entered into an agreement to fund a deficit in the Arts Council Retirement Plan relative to the Plan's statutory funding objective, so recognises a provision for the present value of contributions payable. Following the most recent actuarial valuation, annual contributions of £48,700 will be payable until 2028/29.

## 15. Contingent liability

The Council is an admitted employer of the Arts Council Retirement Plan 1994. The Plan is a funded, defined benefit, multi-employer scheme where the participating employers are unable to identify their shares of the underlying assets and liabilities.

In the event of the withdrawal of an employer, the debt triggered under section 75 of the Pensions Act 1995 would be calculated using the solvency shortfall of the entire Plan, not the employer's own asset share and liabilities. Also, in the event of Plan wind up, as the Plan is a "last man standing" arrangement all employers would be jointly and severally liable for the total shortfall in the Plan.

## 16. Statement of funds

	At 1 April 2016 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 March 2017 £'000
<b>Unrestricted income funds</b>					
General fund	1,406	30,586	(30,455)	(123)	1,414
<b>Total unrestricted funds</b>	<b>1,406</b>	<b>30,586</b>	<b>(30,455)</b>	<b>(123)</b>	<b>1,414</b>
<b>Restricted funds</b>					
Income					
Welsh Government for specific arts activity	107	758	(720)	72	217
Development and Strategies	11	-	(7)	1	5
CLTA Programme	363	4,186	(3,781)	37	805
Eirian Llywyd Memorial Fund	-	3	(3)	-	-
Wales Arts International: contributions from the British Council	-	195	(124)	12	83
	481	5,142	(4,635)	122	1,110
Capital					
Alun Llywelyn Williams Memorial Fund (income to provide bursary for young artist)	13	-	-	-	13
Brian Ross Memorial Fund (income to provide bursary for young visual artist)	93	-	(7)	1	87
	106	-	(7)	1	100
<b>Total restricted funds</b>	<b>587</b>	<b>5,142</b>	<b>(4,642)</b>	<b>123</b>	<b>1,210</b>
<b>Total funds</b>	<b>1,993</b>	<b>35,728</b>	<b>(35,097)</b>	<b>-</b>	<b>2,624</b>

The Alun Llywelyn Williams and Brian Ross Memorial Funds are represented by cash at bank and are within the total of £2,480,000 shown on the Balance Sheet.

## 17. Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Total £'000
<b>Fund balances at 31 March 2017 are represented by:</b>			
Fixed assets	61	-	61
Current assets	2,955	3,160	6,115
Creditors: falling due within one year	(1,142)	(1,773)	(2,915)
Creditors: falling due after more than one year	(460)	(177)	(637)
<b>Total net assets</b>	<b>1,414</b>	<b>1,210</b>	<b>2,624</b>

## 18. Cash flow information

	2017 £'000	2016 (restated) £'000
<b>a. Cash flows from operating activities</b>		
Net incoming/(outgoing) resources	631	847
Bank interest received (net of surrender)	(3)	-
Amortisation and depreciation (note 10b)	62	79
(Increase)/Decrease in grants paid in advance	81	44
(Increase)/Decrease in debtors	(316)	(1,967)
Increase/(Decrease) in creditors falling due within one year	757	1,386
Increase/(Decrease) in creditors falling due after more than one year	226	110
<b>Net cash inflow from operating activities</b>	<b>1,438</b>	<b>499</b>

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	2017 £'000	2016 £'000
<b>b. Cash flows from investing activities</b>		
Bank interest received	14	10
Bank interest surrendered to Welsh Consolidated Fund	<u>(11)</u>	<u>(10)</u>
<b>Net cash inflow from operating activities</b>	<b><u>3</u></b>	<b><u>-</u></b>
<b>c. Cash flows associated with capital assets</b>		
Payments to acquire intangible fixed assets (note 10a)	(4)	(5)
Payments to acquire tangible fixed assets (note 10b)	(11)	(5)
Proceeds from disposal of tangible assets	<u>1</u>	<u>-</u>
<b>Net cash outflow associated with capital assets</b>	<b><u>(14)</u></b>	<b><u>(10)</u></b>

## 19. Commitments on operating leases

At 31 March 2017 the Council had the following commitments for future payments under non-cancellable operating leases:

	Land and buildings		Equipment	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Total due				
within one year	206	206	4	4
later than one year and not later than five years	226	226	1	7
later than five years	7	17	-	-

Lease payments of £210,000 have been recognised as an expense during the year (2015/16: £210,000). 52% of the costs are charged in these financial statements and the remainder to lottery distribution activities.

## 20. Forward commitments

	2017 £'000	2016 £'000
Grants		
Forward funding - grants formally offered	<b>26,744</b>	25,840

Forward funding at 31 March 2017 represents allocations to organisations and individuals in respect of projects due to commence in 2017/18 and where payments are expected to be made within 12 months.

## 21. Cerdd Cymru:Music Wales Limited

Cerdd Cymru:Music Wales is a private, trading company, limited by guarantee and registered in Wales (number 7759122). It was incorporated on 1 September 2011 as a vehicle to collaborate with the Welsh Music Foundation on projects which will develop and improve, both nationally and internationally, the knowledge, understanding, practice and sustainability of the arts and creative industries, and particularly of music in Wales.

Cerdd Cymru:Music Wales became a wholly owned subsidiary of the Council during 2016/17 following the liquidation of the Welsh Music Foundation. The following transactions of the subsidiary have been included within the consolidated financial statements on the 'line by line' method.

	2017		2016	
	Total £'000	Arts Council of Wales' share £'000	Total £'000	Arts Council of Wales' share £'000
<b>Profit &amp; Loss Account</b>				
Income (note 5)	80	80	92	46
Expenditure (note 6)	(81)	(81)	(89)	(45)
Net incoming/(outgoing) resources	(1)	(1)	3	1
<b>Statement of Financial Position</b>				
Current assets:				
Cash at bank and in hand	11	11	2	1
Current liabilities (note 13)	(14)	(14)	(5)	(3)
Net assets/(liabilities)	(3)	(3)	(3)	(2)
Reserves	(3)	(3)	(3)	(2)

## 22. Creative Learning through the Arts Programme

The *Creative Learning through the Arts* Programme is designed to:

- improve educational attainment
- build an education system that will directly contribute to a stronger economy, greater innovation, greater creativity, and to the cultural capital of the nation
- bring about a step change in the range and quality of opportunities given to children and young people to engage with and learn about the arts and culture

Its success will depend on strong partnerships: a joint investment of £20 million pounds over five years from the Welsh Government in partnership with the Arts Council of Wales, working with the regional education consortia, schools, local authorities and the wider arts and cultural sector. The Programme requires the active involvement of artists, creative professionals and arts, culture and heritage organisations working in partnership with teachers and schools.

The Council's £10 million investment comes from Lottery funds. This, together with the Welsh Government's contribution and all Programme expenditure, is accounted for in these financial statements. This approach has been agreed with the Council's external auditors and the Department for Culture, Media and Sport.

	2017 £'000	2016 £'000
<b>Income</b>		
Welsh Government grant	1,900	1,787
Arts Council of Wales Lottery grant	2,283	1,890
Bank interest	2	-
	<b>4,185</b>	<b>3,677</b>
<b>Expenditure</b>		
Lead Creative Schools	2,449	1,804
Arts and education programme (2017: write back from previous year)	(36)	999
Arts and creative learning cross-programme	645	38
Central management costs	686	473
Support costs (from unrestricted funds)	37	58
	<b>3,781</b>	<b>3,372</b>

## 23. Financial instruments

Financial Reporting Standard 102 requires disclosure of the role which financial instruments have had during the period in creating or changing the risks the Council faces in undertaking its functions.

*Liquidity risks* – In 2016/17 £32,876,000 or 92% of the Council's income was derived from the Welsh Government (2015/16: £34,025,000 or 94%). Of the remaining income £2,283,000 or 6% was derived



from the Arts Council of Wales' Lottery Distribution account for the *Creative Learning through the Arts* Programme (2015/16: £1,890,000 or 5%) and £569,000 or 2% was derived from investment income and sundry income (2015/16: £299,000 or 1%). The Council does not consider that its general activities are exposed to any significant liquidity risk, and is satisfied that future income is sufficient to meet its commitments.

*Interest rate risks* – Cash balances which are drawn down from the Welsh Government to pay grant commitments and operating costs are held in an instant access, variable rate bank account which on average carried an interest rate of 0.50% in the year (2015/16: 0.38%). The effective unrestricted cash balance at the year end was £1,132,000 (2016: £830,000). The Council does not consider that its general activities are exposed to significant interest rate risks.

*Foreign currency risk* – The general activities of the Council are not exposed to any significant foreign exchange risks.

*Cash flow risk* – The Council is not exposed to any significant cash flow risks.

## 24. Corporation Tax

The Council is a charitable Welsh Government sponsored body and as such is exempt from Corporation Tax under Section 505 ICTA 1988.

## 25. Events after the reporting period

### Authorisation of these financial statements for issue

The financial statements were authorised for issue by the Accounting Officer on the same date as the Auditor General for Wales certified them.

## 26. Related party transactions

### Public bodies

The Council is a Welsh Government sponsored body.

The National Assembly for Wales/Welsh Government is regarded as a related party. During the year the Council had no material transactions with the National Assembly for Wales/Welsh Government apart from grant-in-aid disclosed in the Statement of Financial Activities.

### Individuals

Members of Council, Committees, staff or other related parties (being close family members) undertook financial transactions (listed below) with the Council during the year.

Where the individuals and/or their close family were members of the Boards of Management (or equivalent) or were senior employees of organisations offered grants or other payments by the Council in 2016/17 in all such cases, in accordance with the Council's Code of Best Practice, the individual concerned withdrew from any meeting where there was a discussion or decision regarding funding.

Under the Council's Code of Best Practice an interest is deemed to persist for a minimum period of one year after the individual has left the position which created the interest. This policy is reflected in the disclosures which follow.

Transactions with the Council as a Lottery distributor are recorded in the equivalent note to the separate Lottery Distribution Account.

Member Role	Organisation	Transaction (number)	Total value £	Total balance outstanding at 31 March 2017 £
<b><u>Council members</u></b>				
<b>Phil George (Chair)</b>				
Former Chair	National Theatre Wales	Grant (3)	1,627,898	66,398
Adviser-Creative Economy Project	Cardiff University	Invoice (3) Receivable (3)	20,144 (40,094)	Nil (16,061)
<b>Andy Eagle</b>				
Board member	Music Theatre Wales	Grant (1)	211,530	Nil
Board member	Swansea City Opera	Grant (1)	24,500	13,475
Board member	Cardiff Dance Festivals	Invoice (1)	123	Nil
Employment	Chapter	Grant (3) Invoice (1)	817,986 941	5,658 Nil
<b>Mike Griffiths</b>				
Member	University of South Wales	Invoice (2)	914	Nil
<b>Margaret Jervis</b>				
Director of Operations and Employment (Family member)	Valleys Kids	Grant (1)	118,244	Nil
<b>Marian Wyn Jones</b>				
Director and Volunteer	Canolfan Gerdd William Mathias	Grant (1) Invoice (1)	77,537 147	Nil Nil
<b>Andrew Miller</b>				
Employment	Royal Welsh College of Music and Drama	Grant (1)	24,868	24,868
<b>Richard Turner</b>				
Freelance consultant	Aneurin Leisure Trust	Invoice (6)	4,250	Nil
Employment	Artis Community Cymuned	Grant (1)	193,198	Nil
Employment	Royal Welsh College of Music and Drama	Grant (1)	24,868	24,868
<b>Alan Watkin</b>				
Board Member – Vice- chairman	Theatr Clwyd	Grant (2)	1,803,499	Nil
<b>John C Williams</b>				
Employment	Theatr Iolo	Grant (2) Invoice (3)	250,567 3,600	250 Nil
Former Associate Director (unpaid)	Sherman Cymru	Grant (1) Invoice (1)	1,087,920 500	Nil Nil
<b>Dr Kate Woodward</b>				
Management Committee member	Aberystwyth University (including Aberystwyth Arts Centre)	Grant (1) Invoice (1)	518,498 731	Nil Nil
Former employment (Family member)	Arad Goch	Grant (4) Invoice (2)	408,012 142	72,855 Nil
<b><u>Committee members</u></b>				
<b>Andrew Butler</b>				
Employment (Family member)	Wales Audit Office	Invoice (3)	26,905	Nil
<b>Ruth Cayford</b>				
Employment	Cardiff Council (including St David's Hall)	Invoice (3)	640	Nil

Member Role	Organisation	Transaction (number)	Total value £	Total balance outstanding at 31 March 2017 £
<b>Mark Davies</b> Employment	BBC Cymru Wales (including BBC National Orchestra of Wales)	Grant (1) Invoice (5)	777,906 12,364	Nil Nil
<b>Roland Evans</b> Employment	Gwynedd County Council	Invoice (1)	240	Nil
<b>Alan Hewson</b> Exhibitions Curator (Family member)	Aberystwyth University (including Aberystwyth Arts Centre)	Grant (1) Invoice (1)	518,498 731	Nil Nil
<b><u>Members of the Senior Leadership Team</u></b>				
<b>Katherine Davies</b> Employment (Family member)	Cardiff Council (including St David's Hall)	Invoice (3)	640	Nil
Employment (Family member)	Ballet Cymru	Grant (2) Invoice (5)	253,842 5,480	10,000 Nil
<b>Diane Hebb</b> Governing Body Member	Gwernyfed High School	Grant (1)	3,200	Nil
<b>Siân Tomos</b> Employment (Family member)	BBC Cymru Wales (including BBC National Orchestra of Wales)	Grant (1) Invoice (5)	777,906 12,364	Nil Nil
<b><u>Other members of staff</u></b>				
<b>Daniel Allen</b> Former employment	Royal Welsh College of Music and Drama	Grant (1)	24,868	24,868
<b>Nathalie Camus</b> Board Member (Family member)	Mostyn Gallery	Grant (1) Invoice (1)	376,053 36	Nil Nil
Consultancy (Family member)	Emrys Williams	Invoice (8)	6,730	Nil
<b>Mark Condron</b> Employment (Family member)	Urdd Gobaith Cymru	Invoice (2)	366	Nil
<b>Dafydd Frayling</b> Employment	Cardiff University	Invoice (3) Receivable (3)	20,144 (40,094)	Nil (16,061)
<b>Emily Garside</b> Board member	Taking Flight Theatre	Grant (1) Invoice (7)	2,500 4,827	Nil 250
<b>Hannah Greys</b> Employment	Sherman Cymru	Grant (1) Invoice (1)	1,087,920 500	Nil Nil
<b>Osian Gwynn</b> Employment (Family member)	Sherman Cymru	Grant (1) Invoice (1)	1,087,920 500	Nil Nil
<b>Duncan Lackie</b> Employment (Family member)	University of South Wales	Invoice (2)	914	Nil

<b>Member</b> Role	<b>Organisation</b>	<b>Transaction</b> (number)	<b>Total value</b> £	<b>Total balance outstanding at 31 March 2017</b> £
<b>Sally Lewis</b> Employment (Family member)	Ballet Cymru	Grant (2) Invoice (5)	253,842 5,480	10,000 Nil
<b>Ruth Lloyd</b> Freelance consultant	Celf O Gwmpas	Invoice (2)	2,372	Nil
Freelance consultant	National Museum of Wales	Invoice (3)	36,000	Nil
Freelance consultant	Jukebox collective	Grant (1)	16,200	Nil
		Invoice (1)	2,250	Nil
Freelance consultant	Oriel Myrddin	Grant (1)	45,553	Nil
<b>Ian McAndrew</b> Former employment	Valleys Kids	Grant (1)	118,244	Nil
	Artis Community Cymuned	Grant (1)	193,198	Nil
<b>Betsan Moses</b> Councillor (Family member)	Carmarthenshire County Council	Invoice (2)	1,109	Nil
<b>Daniel Trivedy</b> Freelance employment	Oriel Myrddin Gallery	Grant (1)	45,553	Nil
Freelance employment	Mission Gallery	Grant (1)	92,075	Nil
<b>Louise Wright</b> Employment (Family member)	University of South Wales	Invoice (2)	914	Nil

# Annex

not forming part of the financial statements

# GENERAL ACTIVITIES - GRANTS 2016/17

## Core funding to Arts Portfolio Wales organisations

Aberystwyth Arts Centre	£518,498
Arad Goch	£335,157
Artes Mundi Prize Limited	£142,958
Artis Community Cymuned	£193,198
Arts Alive	£75,000
Arts Care Gofal Celf	£128,420
Arts Connection - Cyswllt Celf	£62,999
Ballet Cymru	£243,842
Bangor University	£270,645
BBC National Orchestra of Wales	£777,906
Blackwood Miners' Institute	£125,000
Canolfan Gerdd William Mathias	£77,537
Chapter	£635,160
Community Music Wales	£101,767
Cwmni'r Frân Wen	£225,133
Dawns i Bawb	£82,383
Disability Arts Cymru	£159,823
Ffotogallery	£192,727
g39	£67,845
Galeri Caernarfon Cyf	£305,543
Glynn Vivian Art Gallery	£121,151
Hafren	£103,395
Head4Arts	£145,382
Hijinx Theatre	£150,422
Jukebox Collective	£162,000
Literature Wales	£717,163
Live Music Now Wales	£43,614
Llantarnam Grange Arts Centre	£82,383
Mid Wales Opera	£100,798
Mission Gallery	£92,075
MOSTYN	£376,053
Music Theatre Wales	£211,530
National Dance Company Wales	£805,977
National Theatre Wales	£1,552,082
NEW Dance	£72,969
NoFit State Community Circus	£188,027
Oriel Davies Gallery	£216,230
Oriel Myrddin Trust	£45,553
Pontardawe Arts Centre	£61,060
Powys Dance	£108,794
Rhondda Cynon Tâf County Borough Council	£145,721
Rubicon Dance	£188,027
Ruthin Craft Centre	£376,053
Sherman Cymru	£1,087,920

Sinfonia Cymru	£210,459
Taliesin Arts Centre	£212,470
The Riverfront	£121,151
Theatr Bara Caws	£270,341
Theatr Brycheiniog	£188,027
Theatr Clwyd	£1,741,999
Theatr Felinfach	£58,153
Theatr Genedlaethol Cymru	£994,751
Theatr Iolo	£248,067
Theatr Mwldan	£258,821
Theatr na n'Óg	£305,403
Torch Theatre Company Limited	£432,462
Trac - Music Traditions Wales	£77,537
Tŷ Cerdd - Music Centre Wales	£153,164
Ucheldre Centre	£72,691
Valley & Vale Community Arts	£169,224
Valleys Kids	£118,244
Volcano Theatre Company Limited	£202,129
Wales Millennium Centre	£3,708,132
Welsh National Opera	£4,380,654
Ystradgynlais Miners' Welfare and Community Hall Trust Ltd	£40,202

### **Total Arts Portfolio Wales grants**

**£25,840,001**

## *Creative Learning through the Arts Programme*

### **Lead Creative Schools**

Abermule Primary School	£10,000
Alaw Primary School	£10,000
Alexandra Community Primary School	£10,000
Alun School	£3,200
Archbishop McGrath Catholic High School	£29,000
Bishop Childs Church in Wales Primary School	£10,000
Bishop Vaughan Catholic Secondary School	£29,000
Blaenavon Heritage VC Primary School	£5,800
Broughton Primary School	£10,000
Bryn Primary School	£2,000
Bryngwyn School	£16,000
Brynmawr Foundation School	£16,000
Brynnau Primary School	£13,000
Builth Wells High School	£16,000
Burry Port Community Primary School	£2,000
Cadoxton Primary School	£2,000
Canolfan Addysg Y Bont	£16,000
Cefn Hengoed Community School	£3,200
Cefn Saeson Comprehensive School	£16,000
Chepstow Primary Alliance	£2,600
Clase Primary School	£10,000
Coed Y Garn Primary	£2,000
Coedpenmaen Primary School	£10,000
Cogan Primary School	£10,000
Coychurch Llangrallo Primary	£10,000
Cradoc Primary School	£10,000
Crickhowell High School	£3,200
Croesty Primary School	£10,000
Cwmaber Infants School	£10,000
Cwmaman Infants	£13,000
Cynffig Comprehensive School	£16,000
Dolau Primary School	£10,000
Elfed High School	£16,000
Fitzalan High School	£16,000
Franksbridge Primary School	£10,000
Garth Primary School	£10,000
Gilfach Fargoed Primary	£10,000
Glan Y Mor School	£16,000
Glyncoed Primary School	£10,000
Gwaunmeisgyn Primary School	£10,000
Gwenfô Church in Wales Primary School	£10,000
Gwernyfed High School	£3,200
Hawthorn Primary School	£10,000
Kitchener Primary School	£2,000



Lansdowne Primary School	£10,000
Llancaeath Junior School	£10,000
Llandrillo yn Rhos	£10,000
Llanidloes High School	£29,000
Lliswerry High School	£16,000
Maes Y Morfa Primary School.	£2,000
Maesycwmmmer Primary School	£10,000
Millbrook Primary School	£2,000
Miskin Primary School	£10,000
Monnow Primary School	£10,000
Newbridge on Wye Church in Wales School	£2,000
Old Road School	£10,000
Oldcastle Primary School	£10,000
Park Lane School	£16,000
Pembrey Primary School	£10,000
Pembroke Comprehensive School	£3,200
Pembroke Dock Community School	£2,000
Pen y Dre High School	£16,000
Pencoed Primary School	£10,000
Pennard Primary School	£10,000
Penrhiwceibr Primary School	£10,000
Peter Lea Primary School	£10,000
Pontypridd High School	£16,000
Porth County Community School	£16,000
Queen Elizabeth Cambria Comprehensive School	£16,000
Rogerstone Primary School	£10,000
Romilly Primary School	£10,000
Severn Primary School	£10,000
Sofrydd Primary School	£13,000
Springwood Primary School	£10,000
St Athan Primary School	£10,000
St Cenydd Community School	£3,200
St David's Church in Wales Primary School	£10,000
St Giles Primary School	£10,000
St Gwladys Bargoed	£10,000
St Joseph's Roman Catholic Primary School	£10,000
St Martin's School	£16,000
St Mellons Church in Wales Primary School	£10,000
St Woolos Primary School	£2,000
St. David's High School	£16,000
The Meads Infant and Nursery School	£10,000
Thornhill Primary School	£2,000
Ton-yr-Ywen Primary School	£10,000
Trinity Fields School and Resource Centre	£3,200
Troedyrhiw Junior School	£10,000
Undy Primary School	£10,000
Usk Church in Wales Primary School	£2,000
Victoria Community Primary School	£10,000

Wauceirch Primary School	£10,000
West Park Primary School	£10,000
Ysgol Aberconwy	£16,000
Ysgol Acrefair	£10,000
Ysgol Ardudwy	£16,000
Ysgol Bod Alaw	£10,000
Ysgol Bro Carmel	£13,000
Ysgol Bro Cinmeirch	£10,000
Ysgol Bro Dinefwr	£16,000
Ysgol Bro Pedr	£16,000
Ysgol Bryn Garth Primary School	£13,000
Ysgol Bryn Teg	£10,000
Ysgol Cefn Coch	£13,000
Ysgol Clywedog	£16,000
Ysgol Crud y Werin	£2,000
Ysgol Cynwyd Sant	£2,000
Ysgol Deganwy	£10,000
Ysgol Dolbadarn	£10,000
Ysgol Dyffryn Aman	£16,000
Ysgol Dyffryn Conwy	£16,000
Ysgol Dyffryn Teifi	£5,800
Ysgol Eifionydd	£29,000
Ysgol Emrys ap Iwan	£16,000
Ysgol Ffridd y Llyn	£13,000
Ysgol Garndolbenmaen	£13,000
Ysgol Glan Clwyd	£16,000
Ysgol Gogarth, Llandudno	£16,000
Ysgol Gwaun Gynfi	£10,000
Ysgol Gyfun Cwm Rhymini	£3,200
Ysgol Gyfun Gwyr	£16,000
Ysgol Gyfun Gymraeg Bryn Tawe	£3,200
Ysgol Gyfun Gymraeg Bro Myrddin	£16,000
Ysgol Gyfun Gymraeg Llangynwyd	£16,000
Ysgol Gyfun Rhydywaun	£16,000
Ysgol Gyfun Ystalyfera	£16,000
Ysgol Gymraeg Parc y Tywyn	£10,000
Ysgol Gymraeg Pontardawe	£10,000
Ysgol Gymunedol Cwrtnewydd	£13,000
Ysgol Gynradd Gymraeg Evan James	£10,000
Ysgol Gynradd Gymraeg Llwynderw	£10,000
Ysgol Iolo Morgannwg	£2,000
Ysgol Llanddulas	£10,000
Ysgol Min Y Ddol	£10,000
Ysgol Morgan Llwyd	£16,000
Ysgol Pencoch	£5,800
Ysgol Penglais School	£16,000
Ysgol Rhos Helyg	£10,000
Ysgol Rhosnesni High School	£29,000

Ysgol Santes Gwenfaen	£10,000
Ysgol Tir Morfa	£16,000
Ysgol Tudno	£2,000
Ysgol Uwchradd Bodedern	£16,000
Ysgol Uwchradd Caereinion	£16,000
Ysgol Y Berllan Deg	£10,000
Ysgol Y Dderi	£10,000
Ysgol Y Gelli	£2,000
Ysgol Y Wern	£10,000
	<b>£1,616,800</b>

### Experiencing the Arts

Abercaseg	£1,000
Abertillery Sculpture Garden Project	£24,833
Adamsdown Primary School	£500
Alun School	£580
Arad Goch (3 awards)	£72,855
Arts Connection - Cyswllt Celf	£7,500
Berriew Community Primary School	£724
Birchgrove Primary School	£260
Bronllys County Primary School	£504
Bryn Hafren Comprehensive School	£519
Brynlywarch Hall School	£84
Brynteg County Primary School	£430
Cadoxton Primary School	£1,000
Caersws Community Primary School	£315
Canolfan y Gors Pupil Referral Unit	£18,000
Cantonian Reintegration Centre	£472
Christchurch County Primary School	£500
City and County of Swansea	£25,000
Clyro Church in Wales Primary School	£1,000
Coedpenmaen Primary School	£1,000
Coychurch Llangrallo Primary	£502
Dawns i Bawb	£12,281
Deri Primary School	£270
Fishguard Arts Society	£5,400
Fitzalan High School	£1,000
Garth Primary School (2 awards)	£450
Gladestry Church in Wales Primary School	£1,000
Glan-yr-Afon Primary	£198
Goetre Primary School	£960
Gower College Swansea	£1,000
Guilfield County Primary School	£1,000
Gwasanaeth Ysgolion William Mathias	£7,793
Hafod Primary School	£1,000
Hawthorn High School	£1,000
Herbert Thompson Primary (2 awards)	£1,500

Tudalen y pecyn 134

High Cross Primary School	£249
Holy Name Catholic Primary School	£789
Irfon Valley County Primary School	£635
King Henry VIII Comprehensive School	£495
Kitchener Primary School	£810
Ladywell Green Nursery and Infants' School	£280
Learning Links International	£8,100
Leighton County Primary School	£414
Llanfaes Community Primary School	£851
Llangatwg Community School	£1,000
Llangedwyn School	£300
Llanrhaeadyr Ym Mochnant Primary School	£1,000
Llanrhidian Primary School	£351
Machen Primary School	£333
Maesyrrhandir County Primary School	£826
Maindee Primary School	£11,439
Malpas Park Primary School	£700
Mid Wales Opera	£5,700
Miskin Primary School	£720
Montgomery Church in Wales School	£726
Motion Control Dance (MCD)	£7,993
Mount Street Junior School	£900
National Theatre Wales	£20,930
NEW Dance	£10,926
Nantyyffyllon Primary School	£990
North Wales International Music Festival	£8,500
Pantysgallog Primary School	£882
Pencoed Comprehensive (2 awards)	£1,150
Penllwyn Primary School	£926
Pen-y-bryn	£243
Penygraig Junior School	£1,000
Pontarddulais Comprehensive School	£900
Pontybrenin Primary School	£1,000
Rhydygors Special School	£600
Romilly Primary School	£750
Royal Welsh College of Music and Drama	£24,868
Ruabon High School	£135
Severn Primary School	£450
Shirenewton Primary School	£1,000
Sistema Cymru Codi'r To (2 awards)	£29,926
St Alban's Roman Catholic High School	£925
St Christopher's School	£1,000
St Cuthbert's Catholic Primary School	£279
St Mary's Catholic Primary School	£1,000
St Mellons Church in Wales Primary School	£860
St. Joseph's Roman Catholic High School	£157
St. Joseph's Roman Catholic Primary School	£576
St. Paul's Church in Wales Primary School	£540

Stepaside County Primary School	£288
Sully Primary	£405
Swansea City Opera	£24,500
Talgarth Primary School	£838
The Cory Band	£24,000
The Pathway Centre	£405
Tondu Primary School	£320
Troedyrhiw Community Primary School	£1,000
Venue Cymru	£13,000
Windsor Clive Primary School	£450
Ynysfach Primary School	£240
Ynystawe Primary School	£900
Young Music Makers of Dyfed (2 awards)	£50,000
Ysgol Awel y Mynydd	£25,000
Ysgol Bassaleg	£234
Ysgol Betws	£528
Ysgol Bro Cynllaith	£766
Ysgol Bro Dinefwr (2 awards)	£529
Ysgol Bro Hyddgen	£290
Ysgol Bro Tawe	£900
Ysgol Caer Drewyn	£440
Ysgol Carrog	£250
Ysgol Dolbadarn	£835
Ysgol Dyffryn Aman	£980
Ysgol Gwynedd	£900
Ysgol Gyfun Emlyn	£180
Ysgol Gyfun Garth Olwg	£306
Ysgol Gyfun Gymraeg Bryn Tawe	£113
Ysgol Gyfun Gymraeg Llangynwyd	£387
Ysgol Gymraeg Aberystwyth	£1,000
Ysgol Gymraeg Bryn Y Mor	£603
Ysgol Gymraeg Brynsierfel	£17,559
Ysgol Gymraeg Dewi Sant	£940
Ysgol Gymraeg Nant Caerau	£350
Ysgol Gynradd Gymraeg Aberdare	£1,000
Ysgol Gynradd Llanfyllin	£1,000
Ysgol Hen Felin School	£12,034
Ysgol Heol Goffa	£1,000
Ysgol Maes Y Gwendraeth	£261
Ysgol Merllyn (2 awards)	£702
Ysgol Min Y Ddol	£500
Ysgol Morgan Llwyd	£890
Ysgol Penllwyn	£859
Ysgol Pennant	£310
Ysgol Sant Elfod	£1,000
Ysgol y Creuddyn	£441
Ysgol Y Ddraig	£1,000
Ysgol y Moelwyn	£180

Ysgol Bro Hyddgen

£385

£538,552

**Total *Creative Learning through the Arts* grants**

£2,119,660

***Strategic awards***

**India:Wales**

Chapter Cardiff Ltd.

£56,576

National Theatre Wales

£54,886

£111,462

**Memorial awards**

Chick, Luz Erika

£3,000

Moxon, Rhi

£2,500

Stenina, Anja

£3,000

£8,500

**Strategic – Arts directorate**

Ffilm Cymru Wales

£20,000

£20,000

**Strategic – Engagement & participation directorate**

Arts Development UK

£2,500

Celf-Able

£2,494

engage (National Association for Gallery Education) (2 awards)

£5,000

Ensemble Cymru

£2,450

Get the Chance CIC

£2,500

O'Shea, Karen

£2,495

The Riverfront

£1,500

Taking Flight Theatre Company

£2,500

Theatr Brycheiniog

£40,000

Theatr Iolo

£2,500

Youth Arts Network Cymru

£2,500

£66,439

**Welsh Government capital funding**

Ballet Cymru

£10,000

Congress Theatre Company

£20,000

Cwmni'r Frân Wen

£60,000

Dance Blast

£25,000

Galeri Caernarfon Cyf

£30,000

Llangollen International Musical Eisteddfod (2 awards)

£50,000

Pontardawe Arts Centre

£20,000

Theatr Brycheiniog

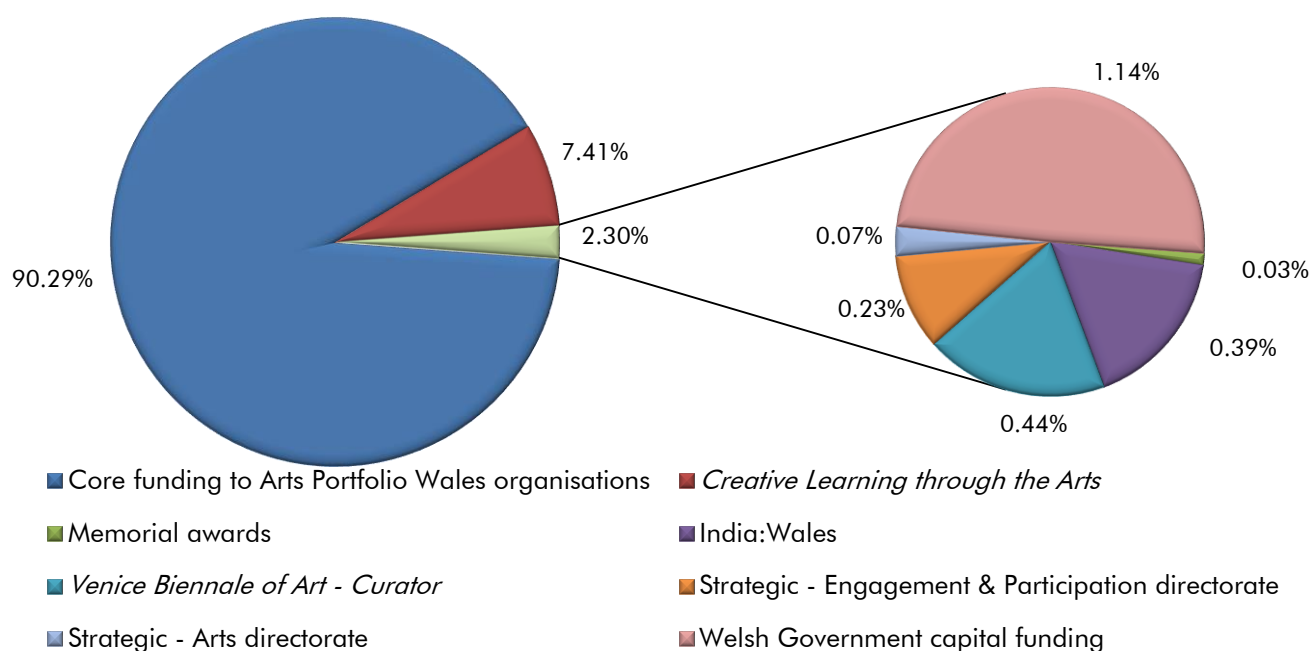
£20,000

Theatr Clwyd

£61,500

Torch Theatre Company Limited	£30,000
	<u>£326,500</u>
Venice Biennale of Art - Curator Ffotogallery	£126,250
	<u>£126,250</u>
<b>Total Strategic awards</b>	<u>£659,151</u>
<b>TOTAL GRANTS OFFERED</b>	<u>£28,618,812</u>

## GRANTS BY TYPE



## WHAT DID OUR GRANTS SUPPORT?

	Value of grants		No of grants
<b>Grants to support:</b>			
Theatres & arts centres	£6,766,516	23.64%	16
Theatre production & presentation	£6,432,106	22.48%	8
Opera	£4,692,982	16.40%	3
Visual & applied arts	£1,713,028	5.99%	10
Dance	£1,663,992	5.81%	7
Music	£1,340,217	4.68%	6
Arts & young people	£1,113,760	3.89%	4
Community arts	£1,052,387	3.68%	9
Literature	£717,163	2.51%	1
Circus & carnivals	£188,027	0.66%	1
Disability arts	£159,823	0.56%	1
<i>Creative Learning through the Arts</i>	£2,119,660	7.41%	291
<b>Other grants:</b>			
Strategic awards	£659,151	2.30%	30
	<b>£28,618,812</b>		<b>387</b>





Llywodraeth Cymru  
Welsh Government

**Ken Skates AC / AM**  
**Y Dirprwy Weinidog Diwylliant, Chwaraeon a Thwristiaeth**  
**Deputy Minister for Culture, Sport and Tourism**

Our ref: MA - P/KS/0261/16

Professor Dai Smith  
Chair  
Arts Council of Wales  
Bute Place  
Cardiff  
CF10 5AL

18 March 2016

Dear Dai

### **ARTS COUNCIL OF WALES REMIT LETTER 2016/17**

This letter sets out the strategic priorities for the Welsh Government's funding of the Arts Council of Wales (ACW) for 2016/17. Firstly however, can I commend you on another year of accomplishment in 2015/16. Once again, your funded artists and organisations have presented a range of excellent output. I also applaud the thorough and open way in which you carried out the recent Investment Review. Other substantial achievements included the launch of the Lead Creative Schools scheme and the regional Arts and Education Networks, the completion of the Pontio Centre, and the securing of British Dance Edition, to be hosted in Cardiff and Newport this March.

In addition to your core work as set out in your Charter, my priorities for the year ahead are set out below. Confirmation of our grant-in-aid for the year is at Annex 1. In terms of increased pressure on resources you should:

- make it a priority to ensure excellent value for money in all that the ACW does
- continue to work with Welsh Government to ensure that no duplication of work or resources occurs between us
- work to deliver Welsh Government priorities as outlined below with the Grant In Aid you receive, and ensure your Operational Plan KPIs work to deliver these priorities.
- ensure The KPIs in your Operational Plan and the budgets in that plan reflect not only the priorities set out by this letter but also value for money, sustainability and clearly defined outputs of delivery
- ensure all of your revenue funded organisations (RFOs) are working to limit their running costs, to ensure that the maximum amount is available for artistic activity

I would ask that all of the above be reflected in your draft Operational Plan for 2016/17, which I would like to receive as soon as possible, in order for me to approve the relevant goals, targets and performance indicators within the plan.

## **Priorities**

### **1. The Well-being of Future Generations Act**

The Well-being of Future Generations (Wales) Act seeks to improve the social, economic, environmental and cultural well-being of Wales. It is a key piece of legislation for the Welsh Government and requires the public bodies listed in the Act to think more about the long-term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach.

The Act includes a well-being duty which requires the Arts Council and other bodies subject to the duties in the Act to set well-being objectives which maximise their contribution to achieving the goals and to take all reasonable steps to achieve those objectives

The Act also sets out the sustainable development principle, which says that public bodies must act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their needs. To help us put that into practice, the Act sets out five 'ways of working', and I would ask you to ensure that you adopt these.

As one of the public bodies subject to the duties in the Act, I expect the Arts Council to adopt a progressive and forward-thinking approach in the articulation and delivery of your programmes of activity. In your Operational Plan for 2016/17 you must:

- a) set and publish objectives ("well-being objectives") that are designed to maximise your contribution to meeting the well-being goals
- b) take all reasonable steps, in exercising your functions, to meet those objectives
- c) apply the sustainable development principle and the ways of working to everything that you do.

I will expect your implementation of the Act and how you are working with others towards the goals to be a focus in regular sponsorship discussions.

### **2. Being creatively active**

Encouraging active participation in the arts will go a long way in enabling the Government to meet its Well-being objectives. I know that you share this belief, and I would like you to work with us in helping to meet my personal vision of making Wales the most creatively active nation in Europe.

Through the activities of your revenue funded organisations (RFOs), and projects specifically developed for this purpose, I would like to see more people throughout Wales who are actively producing and delivering arts, culture and creativity. I am especially keen to encourage the active participation of children and young people, and I hope that implementation of the Arts and Creative Learning Plan increases the number of young people in Wales benefitting from a creative education.

I am also keen that the publicly funded arts tackle the barriers to participation, particularly when those barriers combine lack of opportunity with financial disadvantage. It is surely right that all of Wales' citizens should be able to benefit from activity funded by the taxpayer, and I would expect this to be a discernible theme of your plans for 2016/17.

### **3. Education and Skills**

I very much endorse the ambitions of your jointly funded initiative with the Minister for Education, Creative Learning through the Arts. The requirements for this aspect of your work are covered by a separate grant funding agreement with our Education colleagues. However, I wanted to recognise here the significance of this work and its importance within your overall programme of work for 2016/17.

I would also like you to work closely with the Regional Skills Partnerships ensure that the Arts sector is effectively considered in regional employment and skills plans. These plans will inform the prioritisation of regional skills delivery.

### **4. Tackling poverty**

Tackling poverty should be a vital part of your engagement work. I am grateful for the positive response of the Arts Council in developing the 'Fusion: Tackling Poverty through Culture' programme. I will be looking for evidence during the year that this work is grafting on and taking root within a more mainstream approach to reducing the 'participation gap'. Through the Pioneer Areas, we now have a model for collaborative working with the Communities First programme to enable cultural bodies to support our most disadvantaged communities in direct and powerful ways. I would welcome the continued involvement of your RFOs in this innovative programme.

As part of this activity, I would also like you and the RFOs that you fund to work with us on the 'Enhanced Employer Engagement' and 'Activate Your Potential' programmes to help reduce the number of people who are 'NEET', to tackle poverty, and to increase active participation rates across the arts sector.

As a named body in the Children and Families (Wales) Measure 2010, you are under a statutory duty to publish objectives and actions for tackling child poverty. Mainstreaming work which focusses on improving outcomes for low income families will help inform these objectives and ensure the duty is met.

### **5. Sustainability and maximising the return on investment**

The new RFO portfolio: I am pleased to see that the recent Investment Review has received a largely positive response. I look forward to seeing the new portfolio working with energy and distinction across the wide range of Welsh Government policy.

Given the significant amount of funding invested in RFOs, it will be important for you to ensure that those in new portfolio are able to show that their public funding has the greatest possible impact in contributing to key Welsh Government priorities including jobs and growth, tackling poverty, tourism, education, health and sustainability.

The funding context: The Welsh Government fully supports the need to preserve a stable core of public funding for the arts, even in times of economic austerity. I appreciate that it will be a challenge for you and your RFOs to manage with reduced budgets.

Nevertheless, reducing organisations' dependency on public funding has to be a sensible and pragmatic response to current public funding pressures. This should be a specific objective in your plans for next year.

Fundraising and income generation: We would expect all RFOs to be able to articulate a convincing approach to fundraising and income generation. We know that some RFOs are already achieving notable success, either in their fundraising efforts or in the extent to which they are reducing the level of their dependency on Arts Council funding. Now is not the moment, however, to relax these efforts.

We would ask you to ensure that each of your RFOs develops an appropriate strategy for leveraging in additional resources. Depending on the size, type and location of the each organisation, this might include income from a combination of some or all of the following: sponsorship, trusts and foundations, philanthropy, crowd funding, commercial exploitation of intellectual property and EU sources. We would ask all RFOs to set three-year income growth targets, to start from April this year.

Collaboration and resource sharing: There are good creative and financial reasons for encouraging our key arts organisations to work together and to share resources. It is also an important way of demonstrating value for money for taxpayer's investment. Again, I have seen good examples of where this is already taking place, however, it is an approach that could be extended more widely across the RFO portfolio. I would therefore like to see the Arts Council adopting active strategies that encourage greater collaboration.

The national companies: Our national companies promote the reputation of Wales at home and abroad with great distinction. Wales take great pride in their achievements. But as the exemplars in the arts sector, we would expect the national companies to demonstrate particular leadership in helping to meet the creative and financial challenges set out in this Remit Letter. As well as exploring all opportunities between themselves to collaborate and share costs, we would also expect the national companies to adopt an active and generous approach to mentoring and support, assisting those smaller organisations who have lesser levels of resource. The precise nature of such arrangements will obviously be a matter for you to discuss with the national companies themselves, but we would expect them to be able to identify quantifiable benefits from working in this way.

Demonstrating the value of public investment: During periods of economic austerity it is important that we do all that we can to demonstrate value for money from public investment. I firmly believe that supporting our creative and cultural lives has an undeniable benefit in and of itself. However, when making the arguments for public investment, that task is made easier if I can back up my arguments about the intrinsic value of the arts with a persuasive analysis of all the ways that this investment also meets Government priorities. To support this, I would urge you to ensure that the new Revenue Funding Agreements are suitably challenging and that they require RFOs to measure and report on the impact of their grant aided work and the specific outcomes they achieve.

Business development: I am aware that you are intending to put in place more ambitious arrangements for providing arts organisations with tailored business development advice. I would expect to see the Arts Council to provide, either itself or through appropriately tendered contracts with expert providers, advice and assistance covering a range of topics. These would include governance, skills analysis, business planning, fundraising, income generation, exploitation of intellectual property, maximising tax reliefs, internal audit, etc. Some of the organisations you fund could do significantly more to grow their

commercial revenue. I would like you to challenge those organisations to up their game.

## **6. Safeguarding the Arts Infrastructure**

Given the acute pressure on local government funding, it will continue to be important that you work closely with individual local authorities, chief officers and WLGA, to try to maintain key local authority arts services, projects and facilities. I know that in most cases you will not be able to replace any lost funding from partners. Nevertheless, I would like you to make every effort to advocate the value of the arts, to ensure Councils are aware of the wider impact of their decisions, and to work with them where necessary to consider alternative delivery models.

During 2015/16 you have helpfully contributed to reviews of key national projects that enable young people to experience and develop their talents in the arts. I am grateful for your work and I ask for your continued involvement in these two areas:

- *Music Services*: supporting the implementation of the task group's recommendations, and leading on developing the proposal to establish a 'National Endowment for Music';
- *National Youth Ensembles*: overseeing the implementation of the task group's recommendations (with ACW sitting on the Interim board of new, unified NYAW as an observer, to monitor progress).

## **7. Brand Wales / Themed Years**

It is important that Wales promotes itself, at home and abroad, as a vibrant, energetic and successful place to live, work and visit. One of the ways we will be doing this is through branding and our plans for themed years. With this in mind, I would like you to continue work to support the Year of Adventure and the complementary Roald Dahl 100 celebrations, and to undertake preparatory work for the Year of Legends 2017 and the Year of the Sea 2018.

Wales has long-standing business and cultural links with India, and 2017 will be the 'India-UK Year of Culture'. I know that you have been actively involved in developing our relationship with India through Wales Arts International. However, earlier this year I also signed, on behalf of the Welsh Government, a Memorandum of Understanding on cultural exchange with the Government of China. I would be grateful if you could identify specific actions that might help bring substance and ambition to these relationships.

## **8. Developing the partnership with Economy, Science and Transport**

As well as encouraging you to work across Government departments, it is obviously important that you are making the most of relationships within your sponsor department, Economy, Science and Transport.

Your joint projects, for example, the initiatives you have developed with Cadw and the National Museum, have been welcome examples of partnership in action. There have also been a number of successful collaborations with our Major Events Unit. Extending this work to encompass greater partnership with Visit Wales seems to me an important next step. Our arts, culture and heritage all draw visitors to Wales and I would like to see you working with Visit Wales to explore ways in which Wales' arts and cultural activity can more prominently assist in the delivery of our Tourism objectives. I would also ask you to

ensure that your RFOs provide you with accurate and consistent data on jobs, apprenticeships and future skills needs.

## **9. Digital technology**

In previous years we have asked you to be specific in your initiatives around digital technology and the creative industries. With resources under such pressure, it is vital that we do not duplicate activity. I recognise, however, that a healthy cultural sector becomes the breeding ground for the skills and ideas needed within the commercially orientated creative industries. I am keen to ensure that we derive complementary value from the respective investments made by the Arts Council and Welsh Government in this area. I would therefore ask you to work my officials to explore what more we could do to work effectively together.

## **10. Arts and Health**

We have spoken previously about the many positive impacts that taking part in the arts can have on physical and mental health and well-being. I know that the Health Minister shares this view.

I am aware that the Arts Council already funds a diverse range of individual organisations working in arts and health. Indeed, at one stage you agreed a joint strategy with the Health Department. I would like you to share your successes with colleagues in the Health Department and to explore ways in which the strategy might be updated and re-enacted. As part of this, I would also like you to capture the range and the impact of the many arts-related health initiatives that are now in place, and report your findings to the relevant Ministers.

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Finally, ahead of your retirement from the role in a few weeks time, I would like to place on record this Government's thanks for all your work as Chair of ACW over the past 10 years. Under your stewardship, the arts sector has been transformed; despite recent pressures it is more vibrant, more diverse, and more in touch with all parts of society than ever before. Your personal commitment, as evidenced by the creation of National Theatre Wales, and your work on the Arts in Education, has been immense. I hope that you will continue to lend your experience to the arts sector, in another capacity.

Yours sincerely



### **Ken Skates AM**

Y Gweinidog Diwylliant, Chwaraeon a Thwristiaeth  
Minister for Culture, Sport and Tourism

## Annex 1

### Financial Support

The Grant in Aid funding to the Arts Council of Wales in 2016/17 to deliver the priorities outlined in the Remit Letter:

#### Expenditure

ACW	2016/17 £000s
Current Expenditure / Running Costs*	30,171
Depreciation	119
Current Receipts	0
Capital Expenditure**	355
Total	30,645

The breakdown between expenditure and running costs is to be confirmed.

\* This is a non cash item and is not available for draw down in the course of the year

\*\* Ring-fenced within Capital Expenditure: £300,000 for the Wales Millennium Centre

#### TOTAL Grant-In-Aid 2016/17

**£30,645,000**

Mae cyfyngiadau ar y ddogfen hon





**LLYFRGELL GENEDLAETHOL CYMRU**  
**THE NATIONAL LIBRARY OF WALES**

**CYFRIFON BLYNYDDOL 2016/17**

## Cynnwys

	Tudalen
Manylion Gweinyddol a Chyfeirio	2-3
Adroddiad Blynnyddol yr Ymddiriedolwyr a'r Swyddog Cyfrifyddu	
Datganiad Llywodraethiant (yn cynnwys strwythur a rheolwyr)	4-8
Amcanion a Gweithgareddau	9-10
Cyflawniad a Pherfformiad	11-12
Adolygiad Ariannol	13-15
Adroddiad Cynaliadwyedd	16
Polisiau yn ymwneud â staffio	17
Cynlluniau ar gyfer cyfnodau yn y dyfodol	18-19
Datganiad Cyfrifoldebau'r Bwrdd a'r Llyfrgellydd	20
Tystysgrif ac Adroddiad Archwilydd Cyffredinol Cymru i Gynulliad Cenedlaethol Cymru	21-22
Datganiad Gweithgareddau Ariannol	23
Y Fantolen	24
Llif Arian	25
Nodiadau ar y Datganiadau Ariannol	26-47

**MANYLION GWEINYDDOL A CHYFEIRIO**

Roedd yr Ymddiriedolwyr (at ddibenion cyfraith elusennau) a wasanaethodd yn ystod y flwyddyn ac ers i'r flwyddyn ddod i ben fel a ganlyn :-

**Y Rhai a Benodwyd gan y Gweinidog**

Rhodri Glyn Thomas (Llywydd)  
Tricia Carter (Is Lywydd) (hyd 30ain Ebrill 2016)  
Yr Arglwydd Aberdâr  
Roy Evans (hyd 30ain Tachwedd 2016)  
Phil Cooper  
Dr. Susan J. Davies  
Huw Williams  
Dr. Elizabeth Siberry  
Steve Williams (o 1af Chwefror 2017)

**Y Rhai a Benodwyd gan y Llyfrgell Genedlaethol**

Colin R. John (Trysorydd)  
Roy Roberts (hyd 30ain Tachwedd 2016)  
D. Hugh Thomas  
Dyfrig Jones  
Iwan Davies  
Richard Houdmont  
Gwilym Dyfri Jones (o 1af Chwefror 2017)  
Dr. Tomos Dafydd Davies (o 1af Chwefror 2017)

**Aelodau'r Tîm Gweithredol ar 31 Mawrth 2017 oedd:**

**Prif Weithredwr a Llyfrgellydd a'r Swyddog Cyfrifyddu**  
Linda Tomos BLib, MCLIP

**Cyfarwyddwr Adnoddau Corfforaethol**  
David H. Michael CPFA, MCIPS

**Cyfarwyddwr Casgliadau a Rhaglenni Cyhoeddus**  
Pedr ap Llwyd YH, BA, MA, DAA, MCIPD *Siartredig*

**CYNGHORWYR PROFFESIYNOL**

Bancwyr	Banc National Westminster Sgwâr Owain Glyndŵr Aberystwyth SY23 2NB
Cyfreithwyr	Geldards LLP Tŷ Dumfries Maes Dumfries Caerdydd CF10 3ZF  Humphreys Roberts & Bott 1 Maes Alfred Aberystwyth SY23 2BS  Hugh James 114 – 116 Stryd St Mair Caerdydd CF10 1DY
Archwilwyr Allanol	Swyddfa Archwilio Cymru 24 Heol y Gadeirlan Caerdydd CF11 9LJ
Archwilwyr Mewnol	RSM Ystafell 205, Tŷ Regus Lôn Malthouse Parc Busnes Porth Caerdydd Caerdydd CF23 8RU
Broceriaid Buddsoddi	Investec Wealth and Investment Stryd Gresham Llundain EC2V 7QP
Cyngor Actiwaraid a Phensiwn	Willis Towers Watson 2 Sgwâr Lochrin 96 Fountainbridge Caeredin EH3 9QA
Rhif Cofrestredig yr Elusen Rhif TAW Cyfeiriad Cofrestredig	525775 905190437 Llyfrgell Genedlaethol Cymru, Penglais, Aberystwyth, Ceredigion, SY23 3BU
Treth Corfforaeth	Mae'r Llyfrgell wedi'i heithrio rhag talu Treth Corfforaeth o dan Adran 505 o ddeddf Treth Incwm a Chorfforaeth 1988

## 1 DATGANIAD LLYWODRAETHIANT 2016 - 2017

### 1.1 Dogfen Llywodraethiant a Chefnidir Statudol

Sefydlwyd Llyfrgell Genedlaethol Cymru ('y Llyfrgell') drwy Siarter Frenhinol ar 19 Mawrth 1907. Dyfarnwyd Siarteri Atodol yn 1911 ac yn 1978, gyda mân ddiwygiadau cyfansoddiadol. Ar 19 Gorffennaf 2006, rhoddwyd Siarter Atodol newydd i'r Llyfrgell gan Frenhines Elizabeth II, a welodd sefydlu Bwrdd Ymddiriedolwyr, i gymeryd lle Llys y Llywodraethwyr a'r Cyngor.

Mae Llyfrgell Genedlaethol Cymru hefyd yn Elusen Gofrestredig (rhif cofrestredig: 525775) ac yn Gorff a Noddir gan Lywodraeth Cymru.

Rhaid iddi felly weithredu fel: (a) sefydliad Siarter Frenhinol ac Elusen Gofrestredig o'r radd flaenaf a (b) Corff a Noddir gan Lywodraeth Cymru. Mae'r natur ddeublyg hon yn llywodraethu sut mae'n gweithredu ac yn cyflawni ei rôl a'i rhwymedigaethau, ac yn gofyn am gadw cydbwysedd gofalus rhwng hyrwyddo (a) 'Amcanion' ei Siarter a'i statws Elusennol, sy'n adlewyrchu ei diben sylfaenol a (b) egwyddorion llywodraethu hyd braich.

### 1.2 Y Fframwaith Llywodraethiant

Mae'r *Fframwaith Llywodraethiant* yn nodi prif gyfrifoldebau Bwrdd yr Ymddiriedolwyr a Thim Gweithredol y Llyfrgell, pwerau dirprwyo'r Bwrdd, yr ymddygiad a ddisgwyllir gan y Bwrdd, a thrafodion y Bwrdd.

Ym mis Chwefror 2017, mabwysiadodd Bwrdd yr Ymddiriedolwyr *Fframwaith Llywodraethiant Corfforaethol* diwygiedig, sy'n disodli fersiwn 2013. Mae'r *Fframwaith Llywodraethiant* diwygiedig hwn hefyd yn ymgorffori Côd Ymddygiad yr Ymddiriedolwyr. Ar yr un pryd, mabwysiadodd y Bwrdd *Reoliadau* diwygiedig, yn unol â darpariaethau'r Siarter a'r Statudau, sy'n disodli fersiwn 2006.

### 1.3 Recriwtio a phenodi Ymddiriedolwyr

Mae Bwrdd y Llyfrgell yn cynnwys 15 Ymddiriedolwr; penodir wyth gan Lywodraeth Cymru a saith gan y Llyfrgell yn unol â darpariaethau'r Siarter a'r Statudau. Mae'r Ymddiriedolwyr yn cynnwys tri Swyddog y Llyfrgell - y Llywydd, yr Is-lywydd a'r Trysorydd. Penodir y Llywydd a'r Is-lywydd gan Lywodraeth Cymru a'r Trysorydd gan y Llyfrgell. Penodir yr Ymddiriedolwyr a'r Swyddogion yn unol â Statudau a *Rheoliadau* y Llyfrgell, ag egwyddorion dethol agored fel y nodir yn Adolygiad Nolan.

Gadawodd yr Is Lywydd ei swydd yn Ebrill 2016 a gobeithir penodi olynnydd iddi gan Lywodraeth Cymru mewn ymgynghoriad â'r Llyfrgell yn Hydref 2017. Bydd cyfnod Colin John fel Trysorydd hefyd yn dod i ben yng Ngorffennaf 2017 a bydd Lee Yale-Helms, a benodwyd i'r swydd Trysorydd yn ddiweddar drwy gystadleuaeth agored ac mewn ymgynghoriad â Llywodraeth Cymru, yn cychwyn ar ei swydd ar 1 Awst 2017.

Apwyntiwyd tri Ymddiriedolwr newydd yn ystod y flwyddyn yn lle'r rhai a adawodd y Bwrdd: roedd dau, sef Gwilym Dyfri Jones a Tomos Dafydd Davies, yn apwyntiadau'r Llyfrgell a'r llall, sef apwyntiad Steve Williams, yn un Llywodraeth Cymru. Dechreuodd y tri ar eu tymhorau cyntaf yn eu swyddi ar 1 Chwefror 2107.

Cafodd dau Ymddiriedolwr, sef Yr Arglwydd Aberdâr a D. Hugh Thomas, eu hail apwyntio i wasanaethu am dymor pellach (a therfynol) o bedair blynedd ar 1 Tachwedd 2016.

#### 1.4 Sefydlu a hyfforddi ymddiriedolwyr

Mae Ymddiriedolwyr newydd yn dilyn rhaglen sefydlu yn fuan ar ôl cael eu penodi, a darperir *Llawlyfr Llywodraethiant* ategol cynhwysfawr iddynt. Mae holl aelodau'r Bwrdd yn cael cyfle i dderbyn hyfforddiant pellach fel y bo'n briodol. Mae'n rhaid i'r Ymddiriedolwyr weithredu er budd yr elusen yn unig a pheidio â gweithredu fel cynrychiolwyr sectorau neu grwpiau budd arbennig na'r sawl sydd wedi'u penodi. Nid ydynt yn derbyn cydnabyddiaeth.

#### 1.5 Perthynas â Llywodraeth Cymru

Caiff y berthynas rhwng y Llyfrgell a Llywodraeth Cymru ei ffurfioli gan *Ddogfen Fframwaith* a baratowyd gan MALD: yr Isadran Amgueddfeydd, Archifau a Llyfrgelloedd yn 2010. Mae'r ddogfen yn nodi manylion y telerau ac amodau sy'n amodi pryd y caiff Gweinidogion Cymru roi cymorth grant i'r Llyfrgell.

Caiff cydymffurfiaeth â'r *Ddogfen Fframwaith* ei monitro mewn cyfarfodydd rheolaidd gyda'r Ysgrifennydd Cabinet a'i swyddogion.

#### 1.6 Dirprwyo

Er mai'r Ymddiriedolwyr sy'n gwbl gyfrifol ac atebol am oruchwylio popeth y mae'r Llyfrgell yn ei wneud, dirprwyr rheolaeth weithredol y Llyfrgell o ddydd i ddydd i'r Prif Weithredwr a Llyfrgellydd, sydd hefyd wedi ei grymuso i wneud penderfyniadau a dirprwyo awdurdod ymhellach o fewn y Tîm Gweithredol. Y Prif Weithredwr a Llyfrgellydd sydd hefyd yn gweithredu fel Prif Swyddog Cyfrifyddu'r Llyfrgell. Mae hyn yn galluogi'r Llyfrgell i gyflawni ei chyfrifoldebau'n briodol ac yn effeithiol, ond mae rhai penderfyniadau allweddol yn parhau yn gyfrifoldeb y Bwrdd, ble mae hyn naill ai'n ofynnol o dan y Siarter a'r Statudau, a'i statws elusennol, neu'n angenrheidiol er mwyn i Ymddiriedolwyr oruchwylio materion y Llyfrgell yn effeithiol, sef:

- sicrhau bod y Llyfrgell yn cyflawni ei hamcanion, dyletswyddau a swyddogaethau cyffredinol ac yn arfer yn briodol y pwerau cyfreithiol sydd wedi'u rhoi iddi, o dan Ddeddf Elusennau 2011 a deddfwriaeth arall, a'i chyfrifoldebau o dan anghenion Adnau Cyfreithiol a Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015;
- pennu cyfeiriad strategol cyffredinol y Llyfrgell o fewn yr adnoddau sydd ar gael;
- monitro perfformiad y Prif Weithredwr a Llyfrgellydd a'i thîm, eu dal i gyfrif wrth iddynt arfer eu pwerau dirprwyedig a chyflawni yn erbyn cynlluniau a chyllidebau;
- hyrwyddo a diogelu enw da ac uniondeb y Llyfrgell;
- sicrhau safonau uchel o ran llywodraethiant sy'n ennyn hyder aelodau'r cyhoedd, rheoleiddiwr a noddwyr y Llyfrgell yn ogystal â'i staff.

#### 1.7 Cyfarfodydd y Bwrdd

Yn ystod 2016 -2017, cynhaliwyd pum cyfarfod rheolaidd y Bwrdd ac un cyfarfod arbennig. O gyfanswm posibl o 66 cyfle i aelodau fod yn bresennol, cafwyd 57. Mae'r Bwrdd o'r farn bod y wybodaeth a'r data a roddwyd gan y Tîm Gweithredol yn ddigonol iddo gyflawni ei chyfrifoldebau. Cyhoeddir cofnodion y Bwrdd ar wefan y Llyfrgell.

## 1.8 Is bwyllgorau

Mae gan y Bwrdd dri phwyllgor sefydlog: y Pwyllgor Archwilio a Risg, y Pwyllgor Llywodraethiant a Pherfformiad a'r Pwyllgor Cynllunio Ariannol. Cafodd yr olaf ei sefydlu yn bwyllgor sefydlog gan y Bwrdd yn Nhachwedd 2016.

Diffinnir cwmpas y tri Pwyllgor yn eu Cylch Gorchwyl.

1.8.1 Mae sgôp y Pwyllgor Archwilio a Risg yn cwmpasu holl anghenion sicrwydd Bwrdd yr Ymddiriedolwyr a'r Swyddog Cyfrifyddu. Mae hefyd yn ymwneud â gwaith yr Archwilydd Mewnol a'r Archwilydd Allanol a materion yn ymwneud ag adroddiadau ariannol. Cyfarfu'r Pwyllgor hwn bedair gwaith rhwng 1 Ebrill 2016 a 31 Mawrth 2017.

Mae'r Pwyllgor Archwilio a Risg yn cynnwys tri aelod o'r Bwrdd ar hyn o bryd a dau aelod annibynnol allanol. Yr aelodau presennol yw: Huw Williams (Cadeirydd ac Ymddiriedolwr); Phil Cooper (Ymddiriedolwr); Dyfrig Davies (Aelod Annibynnol); Kirsty Jenkins (Aelod Annibynnol). Mae Trysorydd y Llyfrgell, Colin R. John, yn aelod *ex officio* o'r Pwyllgor Archwilio a Risg. Mae swydd wag ar gyfer un aelod o'r Ymddiriedolwyr ar hyn o bryd. Mae archwilwyr mewnol y Llyfrgell, RSM, a chynrychiolwyr o Swyddfa Archwilio Cymru hefyd yn bresennol yng nghyfarfodydd y Pwyllgor. Mae isadran nawdd y Llyfrgell, MALD, yn cadw'r hawl i gynrychiolydd fynd i un cyfarfod y flwyddyn.

Mae'r Pwyllgor Archwilio a Risg yn derbyn copïau o'r holl adroddiadau archwilio mewnol i'w hystyried ac yn monitro pa mor ddigonol yw ymatebion y rheolwyr i'r argymhellion hynny sy'n mynd i'r afael ag unrhyw risgiau a gwendidau o ran rheolaeth fewnol. Cyflwynir cofnodion pob cyfarfod i Fwrdd yr Ymddiriedolwyr gan Gadeirydd y Pwyllgor.

1.8.2 Mae sgôp y Pwyllgor Llywodraethiant a Pherfformiad yn cwmpasu holl anghenion monitro llywodraethiant a pherfformiad Bwrdd yr Ymddiriedolwyr a'r Tim Gweithredol. Cyfarfu'r pwyllgor dair gwaith yn ystod y cyfnod 1 Ebrill 2016 - 31 Mawrth 2017, a chynhaliwyd un cyfarfod atodol ym mis Tachwedd 2016.

Aelodau'r Pwyllgor Llywodraethiant a Pherfformiad yw: Dr. Susan J. Davies (Cadeirydd), D. Hugh Thomas, Elizabeth Siberry, Dyfrig Jones ac Iwan Davies - y mae pob un ohonynt yn Ymddiriedolwyr y Llyfrgell. Cyflwynir cofnodion pob cyfarfod i Fwrdd yr Ymddiriedolwyr gan Gadeirydd y Pwyllgor.

Y Pwyllgor hwn sy'n gyfrifol am fonitro ac adolygu gweithredu adolygiad llywodraethiant Swyddfa Archwilio Cymru (2016) ac adrodd ar gynnydd i Fwrdd yr Ymddiriedolwyr. Cyhoeddodd Swyddfa Archwilio Cymru ei adolygiad llywodraethiant, *Llyfrgell Genedlaethol Cymru – Adolygiad Llywodraethu* ar 5 Rhagfyr 2016. Gwnaeth y Llyfrgell ymateb trwy baratoi cynllun gweithredu yn amlinellu sut y byddai'n mynd i'r afael â gweithredu'r argymhellion, fydd wedi ei gwblhau erbyn Medi 2017.

1.8.3 Mae sgôp y Pwyllgor Cynllunio Ariannol yn cwmpasu anghenion adolygu a monitro ariannol y Llyfrgell. Fe'i sefydlwyd yn Nhachwedd 2016 ac fe gyfarfu dwywaith yn y cyfnod hyd at 31 Mawrth 2017.

Yr aelodau presennol yw: Colin R. John (Cadeirydd), Phil Cooper, Hugh Thomas a Huw Williams - y mae pob un ohonynt yn Ymddiriedolwyr y Llyfrgell. Mae un lle gwag ar gyfer Ymddiriedolwr ar hyn o bryd. Cyflwynir cofnodion pob cyfarfod i Fwrdd yr Ymddiriedolwyr gan Gadeirydd y Pwyllgor.

### 1.9 Archwilio mewnol

Cynhelir yr archwiliad mewnol ar gyfer y Llyfrgell gan RSM a fydd yn cydymffurfio â'r safonau a ddiffinnir yn Safonau Archwilio Mewnol y Sector Cyhoeddus. Byddant yn adrodd yn annibynnol bob blwyddyn ar ddigonolrwydd ac effeithiolrwydd system rheolaeth fewnol y Llyfrgell, ac yn cyflwyno argymhellion ar gyfer gwella. Mae'r Adroddiadau Cynnydd rheolaidd mewn perthynas ag Archwilio Mewnol sy'n cael eu llunio gan Archwilwyr Mewnol y Llyfrgell yn cael eu cyflwyno i'r Pwyllgor Archwilio a Risg i alluogi'r aelodau i adolygu a herio datganiadau sicrwydd a thystiolaeth arall a ddarperir gan reolwyr. Cynhaliwyd proses caffael ar gyfer archwiliad mewnol yng Ngorffennaf 2016 a dyfarnwyd y cytundeb i RSM am gyfnod pellach o dair blynedd.

### 1.10 Cód Ymarfer Gorau ar Lywodraethiant Corfforaethol

Hyd y gwyr y Swyddog Cyfrifyddu a'r Bwrdd, nid oes dim gwybodaeth archwilio berthnasol nad yw archwilwyr y Llyfrgell yn ymwybodol ohoni. Mae'r Swyddog Cyfrifyddu a'r Bwrdd wedi cymryd yr holl gamau y dylent fod wedi'u cymryd i sicrhau eu bod yn gwybod am unrhyw wybodaeth archwilio berthnasol ac i sefydlu bod archwilwyr y Llyfrgell yn ymwybodol o'r wybodaeth honno. Mae'r Llyfrgell wedi gweithredu'n unol â'r *Côd Llywodraethiant Da: Côt ar gyfer y Trydydd Sector yng Nghymru* a bydd Bwrdd yr Ymddiriedolwyr wedi sicrhau, unwaith eto yn unol â'r cod ymarfer penodol hwn, fod gan y Llyfrgell drefniadau llywodraethiant cadarn ar waith i hyrwyddo perfformiad uchel a diogelu priodoldeb a rheoleiddra.

A hithau'n Elusen Gofrestredig, mae'r Llyfrgell nid yn unig wedi gweithredu'n unol â chôtiau ymarfer a chanllawiau'r Comisiwn Elusennau, sef *Nodweddion Elusen Effeithiol*, a'r *Ymddiriedolwr Hanfodol*, mae hefyd wedi sicrhau bod ein Hymddiriedolwyr yn gwybod am y canllawiau pwysig hyn.

### 1.11 Rheoli Risg

Mae system rheolaeth fewnol y Llyfrgell fel y'i disgrifir yn ei *Fframwaith Sicrwydd yng nghyswllt Rheoli Risg* yn seiliedig ar broses barhaus o nodi a blaenoriaethu'r risgiau i gyflawni ei Chynllun Gweithredol blynyddol a'i Strategaeth, ac i werthuso'r tebygolrwydd o'r risgiau hynny'n digwydd a'r effaith potensial pe baent yn digwydd; a'u rheoli'n effeithlon, yn effeithiol ac yn ddarbodus.

Mae'r gofrestr risgiau corfforaethol wedi nodi, cofnodi, asesu ac ystyried y risgiau strategol a gweithredol allweddol sy'n berthnasol i weithgareddau'r Llyfrgell. Ystyriwyd y rhain gan y Tîm Gweithredol hefyd a chymerwyd camau i'w rheoli'n briodol. Defnyddiodd y Llyfrgell y system Briff Craidd (dull o roi negeseuon corfforaethol pwysig i staff) i hysbysu'r



staff am eu dyletswyddau mewn perthynas â rheoli risg, a'u hannog i gyfrannu at y broses.

Caiff cofrestr risgiau corfforaethol y Llyfrgell ei hadolygu a'i diweddarau ddwywaith y flwyddyn. Caiff y risgiau a nodwyd eu cynnwys yn y gofrestr risgiau a'u hasesu o ran a ydynt yn peri risg strategol, gweithredol, ariannol neu risg o ran cydymffurfiaeth. Mae'r rolau a'r cyfrifoldebau mewn perthynas â rheoli risgiau wedi'u cymeradwyo ar gyfer y Pwyllgor Archwilio a Risg, yr archwilwyr mewnol, y Prif Weithredwr a'r Llyfrgellydd a Phenaethiaid y Cyfarwyddiaethau a'u staff. Mae'r Pwyllgor Archwilio a Risg yn cael adroddiadau ysgrifenedig hefyd ddwywaith y flwyddyn ar unrhyw ddiweddariad i'r gofrestr risgiau.

Mae'r Llyfrgell yn rheoli risg mewn modd gofalus o hyd o ran ei chyfrifoldebau fel corff cenedlaethol diwylliannol a threftadaeth. Y risg fwyaf sylweddol i'r Llyfrgell yn y dyfodol yw'r posibilrwydd o ostyngiadau pellach yn y Cymorth Grant oddi wrth Lywodraeth Cymru oherwydd pwysau yn y dyfodol ar wariant cyhoeddus y DU, i lefel lle na fydd y Llyfrgell yn gallu cyflawni ei swyddogaethau a'i hamcanion craidd.

Mae'r Llyfrgell wedi rhoi polisiau a gweithdrefnau ar waith sy'n sicrhau ei bod yn cydymffurfio â gofynion Deddf Diogelu Data 1998. Ni chafwyd unrhyw enghreifftiau o fethu â chydymffurfio â gofynion y Ddeddf yma. Mae newidiadau arfaethedig posibl i Ddiogeledd Data hefyd yn cael eu monitro.



Linda Tomos  
Prif Weithredwr, Llyfrgellydd a'r Swyddog Cyfrifyddu  
21 Gorffennaf 2017

Llofnodwyd ar ran y Bwrdd gan:



Colin R John  
Trysorydd  
21 Gorffennaf 2017

## 2 AMCANION A GWEITHGAREDDAU

### 2.1 Prif amcanion

Prif amcan y Llyfrgell, fel y mynegwyd yn Siarter Atodol 2006, yw:

- *casglu, diogelu a rhoi mynediad i bob math a ffurf ar wybodaeth gofnodedig, yn enwedig mewn perthynas â Chymru, y Cymry a phobloedd Celtaidd eraill, er budd y cyhoedd, gan gynnwys y rhai sy'n ymroi i ymchwil a dysg.*

Y pwrpas a gweledigaeth sylfaenol oedd sicrhau bod hanes, diwylliant a threftadaeth unigryw Cymru, sydd wedi'i ddogfennu mewn ffurfiau a chyfryngau amrywiol dros y blynyddoedd, ar gael bob amser i alluogi pawb i gael gwell dealltwriaeth o bwy ydym, i esbonio'r etifeddiaeth hanesyddol a diwylliannol sydd wedi ein ffurfio ni fel cenedl dros y canrifoedd, ac i ysgogi dysg ac ymchwil. Mae iddi ddau ddimensiwn - adeilad ffisegol ysbennnydd, yn Aberystwyth sy'n gartref i gasgliadau print, llawysgrifol, gweledol a sainweledol ac yn llyfrgell, archifdy a phresenoldeb digidol ar y rhyngwrwyd.

### 2.2 Budd i'r Cyhoedd

Mae'r Ymddiriedolwyr wedi cydymffurfio â'r ddyletswydd yn adran 2 o Ddeddf Elusennau 2011 i roi sylw dyladwy i'r canllawiau a gyhoeddir gan y Comisiwn Elusennau ar y budd i'r cyhoedd. Er mai'r prif fuddiolwyr yw'r bobl sy'n byw yng Nghymru, mae gwaith y Llyfrgell yn rhoi budd bydeang i ymwelwyr a defnyddwyr ar-lein.

### 2.3 Prif Weithgareddau

Dyma ein prif weithgareddau:-

#### 2.2.1. *Casglu:*

*Casglu deunyddiau drwy adneuo cyfreithiol, pryniannau, rhoddion, cymynroddion, cyfnewid, ac adneuo, yn unol â pholisïau datblygu casgliadau y cytunwyd arnynt.*

Cyflawnir y swyddogaeth hon drwy:

- lunio casgliad mor gyflawn â phosib o ddeunydd cyhoeddedig yn ymwneud â Chymru (a gwledydd Celtaidd eraill i raddau llai helaeth), ym mhob cyfrwng, yn cynnwys cyhoeddiadau electronig ac wedi'u hargraffu a deunydd sain/delweddau symudol;
- cynnal a chadw (yn bennaf drwy adneuo cyfreithiol a phryniannau) y casgliad mwyaf cynhwysfawr yng Nghymru o ddeunyddiau wedi'u hargraffu a gyhoeddwyd yn y DU, ac Iwerddon, a deunydd ymchwil o wledydd eraill;
- datblygu casgliadau o ddeunyddiau heb eu cyhoeddi yn ymwneud â Chymru neu'n deillio o Gymru, yn cynnwys archifau a gwaith artistig;
- cael mynediad i ddeunydd a gaffaelwyd, ei brosesu, ei gatalogio a'i storio yn y ffordd fwyaf effeithlon.

#### 2.2.2. *Cadw a Diogelu:*

*Cadw a diogelu'r casgliadau.* Cyflawnir y swyddogaeth hon drwy:

- sicrhau bod amodau o ran yr amgylchedd, storio a thrin a thrafod yn briodol ar gyfer diogelu'r casgliadau yn barhaus;
- ymyrryd er mwyn cadw'r deunyddiau i'w hatal rhag dirywio neu atgyweirio'r difrod;

- trosglwyddo gwybodaeth i fformatau cadw mwy addas.

### **2.2.3. Darparu mynediad a gwybodaeth:**

*Darparu mynediad cyhoeddus addas/effeithiol i adeilad, casgliadau a gwasanaethau'r Llyfrgell, a gwybodaeth amdanynt.* Cyflawnir y swyddogaeth hon drwy:

- fonitro a dadansoddi anghenion y defnyddiwr;
- darparu mynediad i fannau, casgliadau a chyfleusterau cyhoeddus yn yr adeilad;
- trefnu mynediad i eitemau o gasgliadau a gwasanaethau gwybodaeth ar gyfer defnyddwyr ar y safle neu drwy gyfathrebu ar-lein ar gyfer defnyddwyr o bell;
- darparu mynediad hawdd i gatalogau o gasgliadau ac adnoddau electronig y Llyfrgell ac i'w fersiynau digidol cyfatebol.

### **2.2.4 Rhoi cyhoeddusrwydd a dehongli:**

*Codi ymwybyddiaeth o waith a chasgliadau'r Llyfrgell a lleadaenu gwybodaeth amdanynt.* Cyflawnir y swyddogaeth hon drwy:

- ddeunyddiau ar wefan y Llyfrgell;
- canllawiau a deunydd cyhoeddusrwydd ar bapur ac ar-lein;
- arddangosfeydd a gweithgareddau cymunedol/addysgol sy'n deillio o'r casgliadau, yn y Llyfrgell ac mewn lleoliadau eraill ledled Cymru;
- digwyddiadau, darlithoedd a seminarau.

### **2.2.5 Cydweithio proffesiynol:**

*Cydweithio â grwpiau proffesiynol cysylltiedig, ac weithiau eu harwain, ledled Cymru a thu hwnt.*

Cyflawnir y swyddogaeth hon drwy:

- weithredu fel canolbwynt ar gyfer cyrff archifau a llyfrgelloedd yng Nghymru;
- gweithio gyda chyrff yng Nghymru a thu hwnt i gyflawni mentrau a phartneriaethau cydweithredol yn y sectorau gwybodaeth, diwylliant a threftadaeth eang, a datblygu ymarfer proffesiynol.

### **Swyddogaethau cefnogi:**

Caiff y *swyddogaethau craidd* eu cefnogi gan swyddogaethau rheoli a busnes hanfodol, yn cynnwys: rheoli a datblygu staff; rheoli a bod yn atebol am adnoddau ariannol a chynhyrchu incwm; a chynnal a chadw a datblygu seilwaith TGCh ac adeilad a chyfleusterau'r Llyfrgell.

Dyma'r prif weithgareddau a gynhaliwyd i hyrwyddo dibenion yr elusen er budd y cyhoedd yng Nghymru.

Mae'r Llyfrgell yn cyflwyno Cynllun Gweithredol Blynyddol i Lywodraeth Cymru ar sut y caiff y gweithgareddau eu cynnal a thargedau yn erbyn y gweithgareddau hyn. Mae rhagor o fanylion am sut cafodd y strategaeth hon ei llunio a'i chyflawni wedi'u cynnwys yn adran 7.

### 3. CYFLAWNIAD A PHERFFORMIAD

Cred y Llyfrgell eu bod wedi cyflawni'r prif nodau ar gyfer 2016/17 ac mae uchafbwyntiau'r flwyddyn fel a ganlyn: -

#### 3.1 Prif uchafbwyntiau yn 2016/17

##### 3.1.1 Comisiwn Brenhinol Henebion Cymru (CBHB)

Ym mis Mai 2016, cyd-leolwyd y Comisiwn Brenhinol yn y Llyfrgell Genedlaethol. Yn dilyn gwaith o addasu'r adeiladu ar gyfer y datblygiad mae'r Comisiwn erbyn hyn yn storio'i casgliad o fewn yr adeilad ac y mae ganddynt ystafell ddarllen ganolog ynghyd â swyddfeydd addas. Bu'r datblygiad hwn yn gyfrwng i gadarnhau a datblygu'r berthynas ragorol rhwng y ddau gorff.

##### 3.1.2 Archif Ddarlledu Genedlaethol

Ym mis Mawrth 2017, fe'n hysbyswyd gan Gronfa Treftadaeth y Loteri fod ein cais am £4.9m wedi llwyddo ac wedi pasio'r cam cyntaf. Mae hwn yn brosiect £8m i roi cartref i archif BBC Cymru Wales, a darparu mynediad eang i gasgliadau'r BBC drwy bedwar hwb digidol wedi'i lleoli yn Aberystwyth, Caerfyrddin, Caerdydd a Wrecsam, ac i raddau llai arlein. Mae'r Llyfrgell nawr yn datblygu cais ar gyfer yr ail gam a'r bwriad fydd ei gyflwyno ym mis Mehefin 2018.

##### 3.1.3 Cynefin

Bu prosiect Cynefin yn llwyddiannus yn digido, geo-gyfeirio a thrawsgrifio 100% o'r mapiau degwm yng Nghymru. Bydd y prosiect yn gorffen ar y 30ain o Fehefin 2017 gyda grant o £573,909 wedi ei ddarparu gan Gronfa Treftadaeth y Loteri a Llywodraeth Cymru. Cafodd y prosiect yma ei arwain gan Gyngor Archifau a Chofnodion Cymru (ARCW) ac mae'n cynnwys fel partneriaid Llyfrgell Genedlaethol Cymru, Casgliad y Werin Cymru, archifdai lleol ledled Cymru ynghyd â chymunedau a gwirfoddolwyr unigol. Bydd y mapiau degwm ar gael ar-lein ar wefan Llyfrgell Genedlaethol Cymru.

##### 3.1.4 Cymru'n Cofio: Gweithgaredd cofio'r Rhyfel Byd Cyntaf

Mae'r Llyfrgell wedi gweithio yn agos gyda Llywodraeth Cymru ar gyflwyno rhaglen o weithgaredd sydd yn cofio'r rhyfel sydd yn cynnwys: -

- Datblygu app ar gyfer dyfeisiau symudol/llachen yn dangos lleoliad cofgolofnau a beddau rhyfel. Datblygodd Cymru yn y Rhyfel weithgareddau cynhwysol i blant ysgol ledled Cymru a fydd yn eu galluogi i ddatblygu bywgraffiadau o'r enwau ar gofgolofnau rhyfel Cymru. Gweithiwyd mewn partneriaeth â chynrychiolwyr o'r lluoedd arfog, ac addysgwyr ac ysgolion yng Nghymru. Cyllidwyd y prosiect gan Gronfa Gyfamod y Lluoedd Arfog, Cronfa Dreftadaeth y Loteri ac Adran Addysg a Sgiliau Llywodraeth Cymru.
- Gwelodd 2016/17 gyflawniad Prosiect Addysg y Rhyfel Byd Cyntaf, ar y cyd ag Amgueddfa Cymru. Roedd yr allbynnau yn cynnwys creu adnoddau trawsgwricwlaidd dwyieithog, ar gyfer ysgolion cynradd ac uwchradd. Y bwriad yw iddynt gefnogi'r Fframwaith Llythrennedd a Rhifedd Cenedlaethol a'r cwricwlwm yng Nghymru, ac maent ar gael drwy Hwb, Gwefan Addysg y Llyfrgell Genedlaethol, a gwefan Casgliad y Werin Cymru. Mae'r fformatau'n cynnwys iBooks, taflenni gwaith PDF, cynlluniau gwersi, clipiau o ffilmiau, eitemau unigol gyda dehongliadau a gwersi NearPod rhyngweithiol. Ariannwyd y prosiect gan Adran Addysg a Sgiliau Llywodraeth Cymru.
- Arddangosfa Mametz gan Aled Rhys Hughes a David Jones rhwng Gorffennaf a Rhagfyr 2016.

- Rhaglen o ddigwyddiadau cofio gan gynnwys stondin Heddwch ac Ewyllys Da yn Eisteddfod yr Urdd, a darlithoedd awr ginio.

### 3.1.5 Prosiect Datgloi Treftadaeth Ffilm (BFI)

Mae'r Llyfrgell yn bartner allweddol ym mhrosiect y BFI Datgloi Treftadaeth Ffilm. Mae'r prosiect yn anelu at sicrhau y bydd treftadaeth ffilm ar gael i bawb yn y DU ei fwynhau drwy fuddsoddi mewn digido, diogelu, dehongli a mynediad gyda'r nod yn y pendraw o sicrhau bod holl dreftadaeth ffilm y DU ar y sgrin ar gael i'r cyhoedd yn ddigidol. Cyflawnodd y Llyfrgell Rhan 3 o'r Prosiect ac rydym yn aros am gadarnhad ynglŷn â chyllid Rhan 4 yn 2017/18.

### 3.1.6 Presenoldeb yn Sir Benfro

Mae gwaith wedi dechrau ar Lyfrgell ac Amgueddfa newydd Hwlfordd, ac rydym yn cydweithio gyda Cyngor Sir Benfro i ddarparu'r arddangosfa ar gyfer yr oriel newydd. Roeddem yn hynod o ddiolchgar i Sefydliad Foyle am eu cyfraniad o £50,000 tuag at y gost o ddodrefnu'r oriel. Dylai'r adeilad fod yn barod erbyn Gwanwyn 2018.

### 3.1.7 Mynediad i ddeunydd Adnau Cyfreithiol Electronig

Yn Hydref 2016, sefydlodd y Llyfrgell ei bwynt mynediad cyntaf i adnau cyfreithiol electronig tu allan i Aberystwyth, a hynny ym Mhrifysgol Caerdydd. Mae'r pwynt mynediad yn agored nid yn unig i fyfyrwyr a staff y Brifysgol, ond hefyd i'r cyhoedd.

## 3.2. Dangosyddion Cyflawni Allweddol

Adroddwyd ar berfformiad y Llyfrgell yn erbyn ei thargedau i Llywodraeth Cymru yn 2016/17 fel a ganlyn:

		Targed	Cyrhaeddiad
1	Nifer y defnyddwyr rhwydwaith o bell yn ystod y flwyddyn	1,500,000	1,459,805
2	Nifer yr ymwelwyr	87,000	75,208
3	Nifer y cyfranogwyr yng ngweithgareddau'r Llyfrgell	16,000	16,920
4	Bodddhad ymwelwyr (ffisegol); da/da iawn	98%	92%
5	Bodddhad ymwelwyr( rhithiol) da/ da iawn	60%	68%
6	Y defnydd o'r ystafelloedd darllen	25,000	18,512
7	Nifer o wirfoddolwyr	700	1,032

Mae perfformiad yn erbyn targedau yn cael eu adolygu gyda Llywodraeth Cymru a'r Bwrdd gyda nodiadau a dehongliadau'n cael eu darparu am ein cyflawniad yn erbyn y targed.

Rydym yn ymrwymedig i fonitro'n barhaus a gwerthuso ein gwaith mewn ffyrdd meintiol ac ansoddol. Er bod ein dangosyddion cyflawni meintiol yn rhoi ciplun ar berfformiad, mae'r data ansoddol o astudiaethau achos ac adroddiadau naratif yn parhau i roi ciplun manylach, a chyfle i fyfyrto ar ein gwaith a'i gyfoethogi.

## 4 ADOLYGIAD ARIANNOL

### 4.1 Canlyniadau a Dyraniadau Arian

Paratwir y cyfrifon dan Adran 9(4) o Ddeddf Amgueddfeydd ac Oriolau 1992 ar ffurf a bennir gan weinidogion Llywodraeth Cymru gyda chymeradwyaeth y Trysorlys. Roedd yr adnoddau net a wariwyd gan y Llyfrgell am y flwyddyn ariannol yn £360k (2015/16: derbyniwyd £17k). Cyfanswm yr adnoddau a dderbyniodd y Llyfrgell oedd £12.255m (2015/16 £13.451m) a chyfanswm yr adnoddau a wariwyd oedd £12.615m (2015/16 £13.434m).

Cynyddodd y gronfa gyhoeddus anghyfyngedig o £109k i £110k felly cafwyd blwyddyn o dorri yn hafal. Cafodd hyn ei gyflawni drwy reoli costau, ond mae lefelau'r gronfa anghyfyngedig cyhoeddus mor isel, fel na ellir cynnal colled pellach yn y dyfodol a hyn yn rhannol o ganlyniad i reolau Llywodraeth Cymru ynglŷn a chario arian ymlaen a'r lefel o arian sydd yn cael ei ganiatáu ar ddiwedd y flwyddyn ariannol.

Roedd balansau'r cronfeydd ar 31 Mawrth 2017 yn £83.0m (31 Mawrth 2016 £91.04m).

### 4.2 Datganiad o'r Arferion a Argymhellir ar gyfer Elusennau

Cyhoeddodd y Comisiwn Elusennau Ddatganiad o'r Arferion a Argymhellir (SORP) ar gyfer elusennau ym mis Hydref 1995 a ddiweddarwyd yn fwyaf diweddar gan SORP Elusennau 2015. Mae'r Llyfrgell wedi cydymffurfio â'r SORP ers cyfrifon 1996/97.

### 4.3 Priso'r Asedau Sefydlog Diriaethol

Comisiynodd y Llyfrgell y Syrffewyr Siartredig, Cooke ac Arkwright i gynnal ailbrisiad o adeiladau a thir rhydd-ddaliad y Llyfrgell fel yr oeddent ar 31 Mawrth 2017. Dangosir tir ac asedau sefydlog diriaethol eraill naill ai yn ôl gwerth y defnydd presennol ohonynt neu gost amnewid dibrisiedig. Addasir gwerthoedd yn flynyddol fel arfer drwy fynegeio rhwng pob prisiad ffurfiol sy'n digwydd bob pum mlynedd.

### 4.4 Polisi Talu Credydwy

Mae gan y Llyfrgell drefn fonitro i fesur perfformiad y Llyfrgell yn seiliedig ar y "Cod Trefn Talu'n Well" a chymerir sampl o anfonebau sydd wedi'u talu i asesu perfformiad. Yn ystod 2016/17 talwyd 100% o'r anfonebau a dderbyniwyd cyn pen 30 diwrnod (2015/16 – 99.8%). Cafodd 88.8% o'r anfonebau eu talu o fewn 15 diwrnod o'u derbyn.

### 4.5 Polisi Cronfeydd Wrth Gefn Elusennau

Yn unol â SORP Elusennau 2015, rhaid i'r Llyfrgell ddatgelu ei pholisi ar Gronfeydd Wrth Gefn Elusennau.

#### 4.5.1 Cronfeydd Cyhoeddus Anghyfyngedig

Mae Llyfrgell Genedlaethol Cymru yn dibynnu ar hyn o bryd ar Lywodraeth Cymru i gynnal y rhan fwyaf o'i gweithgareddau. Polisi cronfeydd wrth gefn Cronfeydd Cyhoeddus y Llyfrgell yw cydymffurfio â gofynion Dogfen Eframwaith Llywodraeth Cymru sy'n gosod allan y fframwaith

ariannol y mae gofyn i'r Llyfrgell weithio iddi. Prif ofyniad y Ddogfen Fframwaith mewn perthynas â chronfeydd wrth gefn yw mai dim ond 2% o'r Cymorth Grant gros y gellir ei gadw fel balansau arian parod. Mae'r gofyniad hwn yn arbennig o anodd yn yr oes o ansicrwydd ariannol sydd ohoni a byddai lliniaru'r risgiau yn cyfiawnhau cadw symiau uwch o gronfeydd wrth gefn o ystyried y rhagolwg ariannol. Felly mae'r Llyfrgell yn agored i lefel uchel o risg ariannol ac nid yw gofynion Llywodraeth Cymru yn helpu i hyrwyddo dulliau rheoli risg a rheoli ariannol da mewn perthynas â lefel y cronfeydd wrth gefn a gedwir.

#### 4.5.2 Cronfeydd Cyhoeddus Cyfyngedig

Mae'r cronfeydd cyhoeddus cyfyngedig yn cynrychioli Grantiau Prynu a Chyfalaf a dderbynnir gan Lywodraeth Cymru neu unrhyw grantiau a dderbynnir gan gorff cyhoeddus at ddibenion penodol. Mae'r arian hwn hefyd yn gyfyngedig i 2% o Gymorth Grant gros i'w gario drosodd mewn balansau arian parod.

#### 4.5.3 Cronfeydd Preifat Anghyfyngedig

Mae gan gronfeydd preifat anghyfyngedig y Llyfrgell dri phrif amcan:

- Cyfrannu at gostau refeniw rhedeg gwasanaethau'r Llyfrgell;
- Ychwanegu at Grant Pwrcasu'r Llyfrgell i'w galluogi i gyflawni ei pholisi casgliadau;
- Cyllido buddsoddiad cyfalaf neu ddatblygiadau yn y dyfodol yn cynnwys cyfarpar, adeiladau a meddalwedd a chaledwedd cyfrifiadurol.

Ar 31 Mawrth 2017:

- Roedd £2m wedi'i glustnodi'n dybiannol ar gyfer darparu arian cyfatebol i brosiect Archif Ddarlledu cenedlaethol, lle mae Rhan 1 wedi bod yn llwyddiannus ac fe fyddwn yn cyflwyno cais Rhan 2 ym Mehefin 2018.
- £200K y flwyddyn wedi'i glustnodi fel cyfraniad tuag at y diffyg yng nghyllideb costau cyfalaf y Llyfrgell; yn rhannol i gefnogi'r toriad yn y Grant Pwrcasu i £200K ac yn rhannol i ariannu gofynion Technoleg Gwybodaeth;
- Mae'r Bwrdd wedi cytuno i ariannu £50,000 tuag at y Bywgraffiadur arlein. Mae hwn yn brosiect ar y cyd rhwng y Llyfrgell a'r Ganolfan Uwchefrydiau Cymreig a Cheltaidd;
- Mae'r Bwrdd wedi cytuno i ariannu £240,000 (£80,000 y flwyddyn am 3 mlynedd) tuag at gatalogio a hyrwyddo casgliad cerddoriaeth werin – yn arbennig casgliad Meredudd Evans.
- Mae'r Llyfrgell yn datblygu perthynas gyda nifer o sefydliadau addysg uwch gyda'r bwriad o ddatblygu partneriaethau ar y cyd yn y dyfodol. Byddant yn cael eu hariannu o'r gronfa breifat.

Mae gwerth cronfeydd elusennol anghyfyngedig y Llyfrgell yn debygol o ostwng felly dros y cyfnod hyd at 2021. Mae'r Bwrdd yn adolygu a monitro lefel y cronfeydd wrth gefn drwy'r Pwyllgor Cynllunio Ariannol.

#### 4.5.4 Cronfeydd Preifat Cyfyngedig

Gellir ond defnyddio cronfeydd cyfyngedig preifat y Llyfrgell yn unol â thelerau datganedig y cymynroddion. Dim ond at y dibenion a ddisgrifir ar gyfer pob cronfa y gellir eu defnyddio ac felly dim ond pan fydd eitem gwariant sy'n ymwneud yn uniongyrchol â'r gronfa yn cael ei chymeradwyo gan y Bwrdd y cânt eu defnyddio. Mewn ymgynghoriad â'n cyfreithwyr a'r Comisiwn Elusennau, mae cronfa D M Phillips bellach wedi cael ei symud o fod yn gronfa

gyfyngedig i gronfa anghyfyngedig, yn dilyn adolygu'r gwaith papur gwreiddiol oedd yn dangos nad oedd unrhyw delerau cyfyngedig wedi eu nodi.

#### 4.6 Polisi Buddsoddi

Yn 2016/17, adolygwyd polisi buddsoddi'r Llyfrgell a gosodwyd meincnod newydd. Mae'r portffolio wedi ei fuddsoddi mewn ecwitiau a bondiau. Mae'r swm y gellir ei fuddsoddi mewn categorïau asedau gwahanol wedi'i bennu yn unol ag asesiad risg. Ystyrir bod agwedd y Llyfrgell at risg yn un "canolig", gan dderbyn y bydd rhaid, os am gael enillion uwch na gosod yr arian mewn cyfrif cadw, dderbyn risg fydd yn deillio o fuddsoddi mewn bondiau ac ecwitiau

Mae'r Bwrdd yn adolygu'r Polisi a Strategaeth Buddsoddi yn flynyddol, sy'n cynnwys ystyried buddsoddiadau cymdeithasol, amgylcheddol neu foesebol.

Mae'r Llyfrgell wedi penodi rheolwyr buddsoddi, Investec Wealth & Investment, sy'n gyfrifol am fuddsoddi'r portffolio cronfeydd preifat. Mae meincnod wedi'i osod i'r rheolwyr ar gyfer perfformiad y portffolio buddsoddi, ac yn 2016/17, sicrhawyd enillion o 17.49% yn erbyn meincnod o 17.68% (2015/16: -3.02% yn erbyn meincnod o -3.49%).

Rheolwyd y buddsoddiadau ar sail ddewisol yn unol â gofynion Deddf Buddsoddi gan Ymddiriedolwyr 1961 ac yn fwy diweddar, Deddf Ymddiriedolwyr 2000. Caiff perfformiad y portffolios ei fonitro a'i gyflwyno ar ffurf adroddiad yn rheolaidd i'r Pwyllgor Cynllunio Ariannol a'r Ymddiriedolwyr. Ar 31 Mawrth 2017, gwerth yr arian parod a'r buddsoddiadau yn y farchnad oedd £10.06m (£8.67m ar 31 Mawrth 2016).

#### 4.7 Prif risgiau ac ansicrwydd

##### 4.7.1 Ansicrwydd ariannol

Er fod y grant craidd wedi cynyddu 3.5% yn y tymor byr yn 2017-18, mae'r Bwrdd a'r rheolwyr yn parhau i bryderu am y lleihad sylweddol yng ngrant y Llyfrgell gan Lywodraeth Cymru. Gwelwyd toriad o 4.7% yn y grant refeniw craidd yn 2016/17, a bygythiadau i'r grant cyfalaf a'r grant pwrcasu.

Er bod modd ariannu'r diffyg o'r gronfa breifat anghyfyngedig yn y byr dymor, gall fod angen ad-drefnu pellach i greu arbedion yn yr hirdymor, ac mae'r Bwrdd yn poeni na fydd y Llyfrgell yn gallu cyflawni ei hamcanion yn y dyfodol os bydd toriadau i'r gyllideb yn parhau.

##### 4.7.2 Cynllun Pensiwn

Cafwyd gwerthusiad actiwaraid o'r cynllun ar y 31<sup>ain</sup> o Fawrth 2016, oedd yn dangos colled hanesyddol i'r cynllun o £370K a bydd rhaid i hyn gael ei ariannu gan y cyflogwr, yn ogystal a'r cynnydd angenrheidiol yn y raddfa cyfraniadau. Mae'r Llyfrgell mewn trafodaethau gyda'r staff a chynrychiolwyr yr undebau ynglŷn â newidiadau eraill sydd yn angenrheidiol i'r cynllun, ond mae cost y cynllun pensiwn, a'r risg o ymrwmiadau i'r dyfodol yn parhau yn risg allweddol.



## 5 ADRODDIAD CYNALIADWYEDD

Paratowyd yr adroddiad hwn yn unol â'r canllawiau a gyflwynwyd gan Drysorlys EM yn *Public Sector Annual Reports: Sustainability Reporting Guidance*. Yn ystod 2016-17, cyflawnwyd y canlynol: -

	2016-17	2015-16	2014-15
<b>Y defnydd o ddŵr</b>			
Y defnydd o ddŵr m <sup>3</sup>	10,523	9,842	7,698
Y defnydd o ddŵr m <sup>3</sup> fesul WTE*	40.26	41.52	27.69
Costau cyflenwad dŵr £	£42,784	£35,483	£25,718
<b>Y defnydd o bapur</b>			
Y defnydd o bapur mewn rimiau (allanol a mewnol)	607	757	1,453
Y defnydd o bapur mewn rimiau (defnydd mewnol)	469	590	1,064
<b>Gwastraff</b>			
Cyfanswm gwastraff (tunnell)	32.57	31.02	34.8
Wedi'i aildefnyddio, ei ailgylchu, ei gompostio	14.2	12.5	21.1
Tirlenwi	18.33	18.52	13.73
Peryglus	-	0.4	15.1 (difrod tân)
Wedi'i aildefnyddio, ei ailgylchu, ei gompostio fel % o'r holl wastraff	43.6%	40%	60.6%
Cyfanswm cost gwaredu £ (heb gynnwys Gwastraff o'r Tân)	£9,216	4,052	2,858
<b>Allryriadau nwyon tŷ gwyr</b>			
Cyfanswm y tunelli o allyriadau CO <sub>2</sub> cyfatebol			
Oherwydd teithio busnes			
Mewn car	58	70	66.6
Ar y trênn neu awyren	1	-	-
Oherwydd y defnydd o ynni (1,000 tCO <sub>2</sub> e)			
Trydan a Nwy	1,811	1,773	1,720
Oherwydd y defnydd o ynni			
Trydan	2,687,696	2,446,648	2,358,799
Nwy	3,283,225	2,976,625	3,148,131
*Mae'r uchod yn cynnwys yr ardaloedd dan reolaeth y Comisiwn Brenhinol sydd wedi cynyddu y defnydd yn sylweddol yn y flwyddyn.			
Gwariant ar deithio busnes (£(Car, Trênn, Bws ac Awyren)	£41,768	£53,828	£66,113
Gwariant ar Fan y Llyfrgell	£11,539	£8,967	£5,320
Cyfanswm gwariant ar ynni £	£354,128	£343,116	£341,960

\*WTE = cyfwerth ag amser cyflawn

Nodyn ar Ynni:

Mae'r costau yn rhoi'r cyfanswm ar gyfer y safle gan gynnwys ynni a ddarparwyd i adeilad cyfagos, ond mae'r defnydd ar gyfer adeiladau'r Llyfrgell Genedlaethol yn unig. Mae Cynllun Lleihau Carbon yn cael ei ddiweddarau ar y cyd â'r Ymddiriedolaeth Carbon. Er mwyn cyflawni unrhyw arbedion sylweddol, mae'r Cynllun wedi nodi y bydd angen buddsoddi'n sylweddol ac, felly, bydd yn rhaid cael rhagor o arian gan Lywodraeth Cymru i'w weithredu. Mae nifer o gynlluniau wedi cael eu hadnabod ynghyd â rhagamcan o'r costau a chyfnodau ad-dalu; bydd y rhain yn cael eu hystyried a'u datblygu dros y blynyddoedd nesaf yn dibynnu ar yr arian a fydd ar gael.

Mae gwastraff garddwriaethol a gynhyrchir ar y safle yn cael ei gompostio ar y safle. Nid yw maint y gwastraff hwn yn cael ei fesur.

## 6 POLISIÂU YN YMWNEUD Â STAFFIO

### 6.1 Cyflog Byw

Mae'r Llyfrgell wedi talu'r cyflog byw fel y nodwyd gan y Sefydliad Cyflog Byw ers mis Ebrill 2014.

### 6.2 Recriwtio a Chadw Staff

Dim ond drwy ymrwymiad ei staff y gall y Llyfrgell gyflawni ei nodau, felly mae'r Llyfrgell yn canolbwyntio ar ddarparu hyfforddiant i sicrhau bod yr holl aelodau staff yn cyflawni eu potensial.

### 6.3 Cyflogi Pobl Anabl

Mae gan y Llyfrgell drefn recriwtio nad yw'n gwahaniaethu ac mae bob amser yn fodlon ystyried ceisiadau gan bobl anabl, a'u penodi. Hefyd, mae'r Llyfrgell yn ymdrechu'n galed i sicrhau bod gweithwyr anabl yn cael y cyfleusterau sydd eu hangen arnynt i gyflawni'u gwaith yn effeithiol.

### 6.4 Ymgynghori â Gweithwyr

Mae'r Llyfrgell yn cyfathrebu gwybodaeth i staff mewn sawl ffordd gan gynnwys cyfarfodydd staff, e-byst wythnosol, sesiynau briffio tim, Briff Craidd, ac ymgynghori a negodi rheolaidd gyda'r Cyngor Partneriaeth a cynrychiolwyr yr Undebau Llafur cenedlaethol. Mabwysiadodd y Llyfrgell Strategaeth Cyfathrebu Mewnol yn 2016 a bydd gweithredu'r Strategaeth hon yn gyfle pellach i ddatblygu'r berthynas rhwng rheolwyr a staff.

### 6.5 Adroddiad Tâl

Mae'r Llyfrgell yn talu ei holl staff o dan system talu a graddio y cytunwyd arni. Cymeradwywyd y system bresennol gan Dim Gweithredol y Llyfrgell a chytunodd yr undebau staff iddi drwy'r trefniadau cydfargeinio. Mae proses apêl annibynnol mewn lle i ystyried materion yn ymwneud â graddio.

Bob blwyddyn, mewn ymgynghoriad ag undebau'r staff, mae'r Llyfrgell yn ystyried pecyn taliadau'r Llyfrgell yn erbyn cymaryddion allanol, symudiadau yn yr economi ac unrhyw annhegwch mewnol a all fod wedi datblygu. O hyn, cynhyrchir cylch cyflog neu gynnig, a chyflwynir hwn i Lywodraeth Cymru i'w gymeradwyo, ac yna fe'i negodir yn ffurfiol â'r undebau. Mae hyn yn arwain at becyn tâl ac amodau newydd ar gyfer holl staff y Llyfrgell sy'n gyfrwymol tan y rownd negodi nesaf. Mae codiadau cynyddrannol dan y cylch cyflog yn dibynnu ar system y Llyfrgell o arfarniadau blynyddol. Mae elfennau chwyddiant sydd wedi'u cynnwys yn y cylch cyflog y cytunwyd arno yn cael eu dyfarnu'n awtomatig i bob aelod staff.

Mae cyflog y Prif Weithredwr a'r Llyfrgellydd yn cynnwys cyflog sylfaenol gyda opsiwn i ddyfarnu bonws blynyddol heb ei gyfuno. O 2015/16, mae cyflog y Prif Weithredwr wedi'i gynnwys yng nghylch gwaith cyflogau cyffredinol a bydd yn codi yn unol â'r dyfarniad cyflog chwyddiantol y cytunir arno ar gyfer yr holl staff. Cyfunir canran o'r dyfarniad i mewn i'w chyflog blynyddol. Telir gweddill y dyfarniad, hyd at uchafswm o 10%, fel taliad blynyddol heb ei gyfuno. Pennir yr elfen anghyfyngedig gan Swyddogion y Llyfrgell (y Llywydd, yr Is-lywydd a'r Trysorydd), yn unol â chanllawiau a gyhoeddir gan Lywodraeth Cymru ynglŷn â'r tâl uchaf ar gyfer Prif Weithredwr. Does dim dyfarniad anghyfunol ar gyfer 2016/17 (2015/16: £0). Mae gan y Prif Weithredwr a'r Llyfrgellydd presennol contract cyflogaeth cyfnod penodol ac mae'n aelod cyffredin o gynllun pensiwn y Llyfrgell.

Mae rheolwyr hŷn eraill yn derbyn cyflog gros, sydd yn cael ei benderfynu fel rhan o'r broses o negodi'r cylch cyflog ar gyfer holl aelodau staff eraill y Llyfrgell. Cymeradwyir y cylch cyflog gan Lywodraeth Cymru. Mae gan staff hŷn gcontractau cyflogaeth parhaol ac maent yn aelodau cyffredin o gynllun pensiwn y Llyfrgell. Dangosir aelodau'r Tîm Gweithredol ar dudalen 2 a cheir rhagor o fanylion am y tâl a'r buddion pensiwn yn Nodyn 8 (c) y cyfrifon. Y cyfnod rhybudd ar gyfer aelodau'r Tîm Gweithredol yw 3 mis. Mae darpariaeth ar gyfer digolledu am derfynu'n gynnar wedi ei gynnwys yng nghytundeb diswyddo safonol y Llyfrgell.

## 7 CYNLLUNIAU AR GYFER Y DYFODOL

Yn ystod 2016/17, datblygodd y Llyfrgell gynllun strategol am y cyfnod 2017-21 sydd yn canolbwyntio ar bwysigrwydd y Llyfrgell i gaffael, rheoli a rhoi mynediad i'r casgliadau cenedlaethol yn y tymor hir.

Y prif amcanion strategol wedi cael eu gosod fel a ganlyn: -

- Bod yn warchodwyr rhagorol o'n casgliadau
- Cyfrannu at Lesiant Cenedlaethau'r Dyfodol
- Sicrhau mynediad hir dymor i'r casgliadau cenedlaethol
- Bod yn ganolog i fywyd diwylliannol y genedl
- Sicrhau gwytnwch hirdymor

O fewn y cynllun gweithredu, mae targedau tymor hir wedi cael eu gosod erbyn 2021, sef y byddwn yn:

- Cynnal ein gwasanaethau a'n gweithgareddau craidd fel Llyfrgell Adnau Cyfreithiol ar yr amod y bydd ein grant gan Lywodraeth Cymru yn parhau'n sefydlog dros y pedair blynedd;
- Parhau i hyrwyddo ac annog defnyddio'r Gymraeg yn ein holl weithgareddau mewnol ac allanol a chydymffurfio â'n dyletswyddau statudol i gyflawni Safonau'r Gymraeg a gytunwyd gyda Chomisiynydd yr Iaith Gymraeg;
- Sefydlu Partneriaeth Strategol gyda Cadw, Amgueddfa Cymru, Comisiwn Brenhinol Henebion Cymru a'r Undebau Llafur i ddatblygu Cymru Hanesyddol erbyn Gorffennaf 2017;
- Gweithredu strategaeth gychwynnol i ddarparu gofynion statudol Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) erbyn Rhagfyr 2017;
- Cwblhau Archwiliad Sgiliau a Rhaglen Ddatblygu, a gweithredu Strategaeth Pobl a Chynllun Datblygu'r Gweithlu erbyn 2018;
- Cwblhau adroddiad cwmpasu er mwyn sefydlu fframwaith ar gyfer Archif Genedlaethol I Gymru erbyn Mawrth 2019;
- Cymryd rôl arweiniol i weithredu Strategaeth Cadwedigaeth Ddigidol Genedlaethol i Gymru erbyn 2019;
- Parhau i gyfrannu adnoddau addysgol digidol ar Hwb, darparu rhaglen Casgliad y Werin Cymru mewn partneriaeth, a chefnogi'r gwaith o ddarparu Rhaglen Cymru'n Cofio 1914-1918, a thrwy hynny, cynyddu ein hallbwn o 10% erbyn 2019;
- Gwella a mireinio isadeiledd technegol a chynnwys y Bywgraffiadur, gan weithio mewn partneriaeth â'r Ganolfan Uwchefrydiau Cymreig a Cheltaidd erbyn 2019;
- Cwblhau rhaglen gyfalaf fawr a datblygu Cynllun Rheoli Asedau newydd erbyn 2020;
- Parhau i ymestyn ein strategaethau marchnata ac ymgysylltu gyda defnyddwyr, cefnogi Blwyddyn Chwedlau yn 2017 a Blwyddyn y Môr yn 2018, a chodi'r nifer o ymwelwyr i'r Llyfrgell a'r nifer sydd yn cymryd rhan mewn gweithgareddau o 15% erbyn 2021;

- Cynyddu incwm masnachol, grantiau a rhoddion, er mwyn codi £1 miliwn bob blwyddyn erbyn 2021;
- Dyblu ein defnydd digidol i 3 miliwn o ymweliadau erbyn 2021;
- Dyblu nifer yr eitemau digidol i 10 miliwn erbyn 2021;
- Cynyddu ein gwaith estyn allan ac ymgysylltu ar gyfer y Rhaglen Gyfuno o 20% erbyn 2021;
- Datblygu perthynas strategol â BBC Cymru Wales, S4C ac ITV Wales i warchod a rhoi mynediad at ddeunyddiau darlledu erbyn 2021;
- Cadw ein achrediad Rhagoriaeth mewn Gwasanaeth Cwsmer a Safon Aur Croeso Cymru tan 2021;
- Parhau i weithio gyda Wikimedia UK i ddatblygu a gwreiddio ymgysylltu digidol â'n cynnwys agored ar Wikipedia a llwyfannau trydydd parti eraill er mwyn cynyddu nifer y bobl sy'n gweld cynnwys y Llyfrgell i 250 miliwn erbyn 2021 a chyfrannu'n weithredol at ddatblygu cynnwys yn Gymraeg ar Wikipedia.

Erbyn Mawrth 2021, amcanion y Llyfrgell yw y byddwn wedi llwyddo i: -

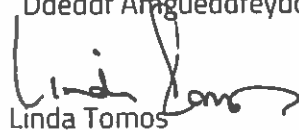
- gynyddu defnydd ac ymwybyddiaeth pobl o'i chasgliadau, gwasanaethau a gweithgareddau ar draws Cymru a thu hwnt;
- barhau i ddarparu yn llwyddiannus ei dyletswyddau statudol fel Llyfrgell Adnau Cyfreithiol o dan ei Siarter ac wedi cyflawni ei blaenoriaethau strategol yn unol â Llythyr Cylch Gorchwyl blynyddol Llywodraeth Cymru;
- weithredu trefniadau llywodraethiant a strategaethau blaengynllunio ariannol fel y gall wynebu'r cyd-destun ariannol ansicr ar gyfer cyrff cyhoeddus yn fwy gwydn;
- sicrhau bod staff y Llyfrgell yn gweithio mewn strwythur sefydliadol sy'n cefnogi datblygu sgiliau a hyrwyddo cydweithrediad a gweithio hyblyg;
- gryfhau ei phartneriaethau strategol yn y sector diwylliant a threftadaeth yng Nghymru a thu hwnt. Drwy wneud hyn, bydd yn ehangu ei chyrhaeddiad yn ddigidol a ffisegol, gan ddarparu gwasanaethau lle gall pobl eu derbyn yn y ffordd sydd hawsaf iddynt;
- gyfrannu'n llawn at fywyd diwylliannol y genedl, gan weithredu ar draws Cymru, a chanolbwyntio ar ardaloedd lle cyfyngir mynediad at weithgareddau diwylliannol a chefnogi gwasanaethau yn Gymraeg;
- ehangu ei rôl arweiniol yn rheoli, gwarchod a darparu gwybodaeth ddigidol yng Nghymru, gan gynnig ei harbenigedd i sefydliadau eraill lle bo adnoddau'n caniatáu;
- i barhau i fod yn sefydliad cenedlaethol dwyieithog unigryw a gwerthfawr

#### Ymddiriedolwyr

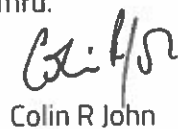
Mae'r Ymddiriedolwyr wedi cydymffurfio â'u dyletswydd yn Adran 11 o Ddeddf Elusennau 2011 i roi sylw dyladwy i'r canllawiau a gyhoeddir gan y Comisiwn Elusennau.

#### Archwilydd

Mae'r Cyfrifon yn cael eu harchwilio gan Archwilydd Cyffredinol Cymru yn unol ag Adran 9(8) o Ddeddf Amgueddfeydd ac Oriolau 1992 ar gyfer Cymru.

  
Linda Tomos

PRIF WEITHREDWR A LLYFRGELLYDD  
21 Gorffennaf 2017

  
Colin R John

TRYSORYDD  
21 Gorffennaf 2017

**DATGANIAD CYFRIFOLDEBAU'R BWRDD A'R LLYFRGELLYDD**

O dan Adran 9(4) o Ddeddf Amgueddfeydd ac Oriolau 1992, mae'n ofynnol bod Bwrdd Llyfrgell Genedlaethol Cymru yn paratoi datganiad cyfrifon ar gyfer pob blwyddyn ariannol ar y ffurf ac ar y sail a bennir gan Weinidogion Llywodraeth Cymru gyda chydysyniad y Trysorlys. Paratoir y cyfrifon i roi darlun gwir a theg o weithgareddau ariannol y Llyfrgell yn ystod y flwyddyn ac am ei sefyllfa ariannol ar ddiwedd y flwyddyn.

Wrth baratoi cyfrifon y Llyfrgell, mae'n ofynnol bod y Bwrdd yn:-


- Glynw wrth y cyfarwyddyd cyfrifyddu a gyhoeddir gan weinidogion Llywodraeth Cymru gan gynnwys y gofynion datgelu a chyfrifyddu perthnasol, a'u defnyddio'n gyson.
- Gwneud penderfyniadau a rhagamcanion sy'n rhesymol a darbodus.
- Dweud a yw'r safonau cyfrifyddu perthnasol a'r datganiadau o'r arferion a argymhellir wedi cael eu dilyn, a datgelu ac esbonio unrhyw wyriadau o bwys yn y datganiadau ariannol.
- Paratoi'r datganiadau ariannol ar sail busnes hyfryw, oni bai nad yw'n briodol tybio y bydd y Llyfrgell yn parhau i weithredu.

Mae'r Prif Swyddog Cyfrifyddu ar ran Gweinidogion Llywodraeth Cymru wedi dynodi'r Llyfrgellydd yn Swyddog Cyfrifyddu ar gyfer y Llyfrgell. Mae ei chyfrifoldebau perthnasol fel Swyddog Cyfrifyddu, gan gynnwys ei chyfrifoldeb am briodoldeb a rheoleidd-dra'r cyllid cyhoeddus y mae hi'n atebol amdano a thros gadw cofnodion priodol, yn cael eu disgrifio ym Memorandwm Swyddogion Cyfrifyddu Llywodraeth Cymru.

**Datganiad Datgelu Gwybodaeth Archwilio Berthnasol**

Hyd y gwyr y Swyddog Cyfrifyddu, nid oes dim gwybodaeth archwilio berthnasol nad yw'r archwilwyr yn ymwybodol ohoni, ac mae'r Swyddog Cyfrifyddu wedi cymryd yr holl gamau y dylai eu cymryd i sicrhau ei bod yn gwybod am unrhyw wybodaeth archwilio ac i sicrhau bod yr archwilwyr yn ymwybodol o'r wybodaeth honno.

Linda Tomos  
PRIF WEITHREDWR A LLYFRGELLYDD  
21 Gorffennaf 2017



Llofnodwyd ar ran y Bwrdd gan:

Colin R John  
TRYSORYDD  
21 Gorffennaf 2017



### **Tystysgrif ac Adroddiad Archwilydd Cyffredinol Cymru i Gynulliad Cenedlaethol Cymru**

Ardystiaf fy mod wedi archwilio datganiadau ariannol Llyfrgell Genedlaethol Cymru ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2017 yn sgil adran 9 o Ddeddf Amgueddfeydd ac Orielau 1992. Mae'r rhain yn cynnwys y Datganiad o Weithgareddau Ariannol, y Fantolen, y Datganiad Llif Arian a'r nodiadau cysylltiedig. Paratowyd y datganiadau ariannol hyn yn unol â'r polisiau cyfrifyddu a nodir ynddynt. Rwyf hefyd wedi archwilio'r wybodaeth yn yr Adroddiad Tâl a ddisgrifir yn yr adroddiad hwnnw fel gwybodaeth wedi'i harchwilio.

### **Priod gyfrifoldebau'r Llyfrgellydd a'r archwilydd**

Fel yr esbonnir yn llawnach yn Natganiad Cyfrifoldebau'r Llyfrgellydd, mae'r Llyfrgellydd yn gyfrifol am baratoi'r datganiadau ariannol, yn unol ag adran 9 o Ddeddf Amgueddfeydd ac Orielau 1992 a chyfarwyddiadau Gweinidogion Cymru yn sgil y Ddeddf honno, ac am sicrhau rheoleidd-dra trafodion ariannol.

Fy nghyfrifoldeb i yw archwilio, ardystio ac adrodd ar y datganiadau ariannol yn unol â chyfraith berthnasol a'r Safonau Rhyngwladol ar Archwilio (Y DU ac Iwerddon). Mae'r safonau hyn yn ei gwneud hi'n ofynnol i mi gydymffurfio â Safonau Moesegol y Cyngor Adrodd Ariannol ar gyfer Archwilwyr.

### **Cwmpas yr archwiliad o'r datganiadau ariannol**

Mae archwiliad yn cynnwys casglu tystiolaeth ddigonol am y symiau a'r datgeliadau yn y datganiadau ariannol er mwyn rhoi sicrwydd rhesymol bod y datganiadau ariannol yn rhydd rhag camddatganiadau perthnasol, boed hynny drwy dwyll neu wall. Mae hyn yn cynnwys asesiad o'r canlynol: a yw'r polisiau cyfrifyddu yn briodol ar gyfer amgylchiadau Llyfrgell Genedlaethol Cymru ac a ydynt wedi'u cymhwyso'n gyson a'u datgelu'n ddigonol; rhesymoldeb amcangyfrifon cyfrifyddu sylweddol a wnaed gan Lyfrgell Genedlaethol Cymru; a chyflwyniad cyffredinol y datganiadau ariannol.

Yn ogystal â hyn, casglaf dystiolaeth ddigonol i roi sicrwydd rhesymol bod yr incwm a'r gwariant wedi'u cymhwyso i ddibenion a fwriadwyd gan Gynulliad Cenedlaethol Cymru a bod y trafodion ariannol yn cydymffurfio â'r awdurdodau sy'n eu rheoli.

Yn ogystal â hyn, darllenaf yr holl wybodaeth ariannol ac anariannol yn yr Adroddiad Blynyddol er mwyn nodi agweddau perthnasol sy'n anghyson â'r datganiadau ariannol archwiliedig a nodi unrhyw wybodaeth sy'n ymddangos fel pe bai'n berthnasol anghywir ar sail yr wybodaeth a ddaw i law wrth i mi gyflawni'r archwiliad neu sy'n berthnasol anghyson â'r wybodaeth honno. Os dof yn ymwybodol o unrhyw gamddatganiadau neu anghysondebau perthnasol amlwg, ystyriaf oblygiadau hynny i'm tystysgrif a'm hadroddiad.

### **Barn ar y Datganiadau Ariannol**

Yn fy marn i, mae'r datganiadau ariannol:

- yn rhoi darlun gwir a theg o sefyllfa Llyfrgell Genedlaethol Cymru ar 31 Mawrth 2017 a'i gwariant net, ei henillion a'i cholledion cydnabyddedig a'i llifoedd arian, ar gyfer y flwyddyn honno a ddaeth i ben; ac
- wedi'u paratoi'n briodol yn unol â chyfarwyddiadau a gyhoeddwyd gan Weinidogion Cymru yn sgil adran 9 o Ddeddf Amgueddfeydd ac Orielau 1992.

**Barn ar Reoleidd-dra**

Yn fy marn i, ym mhob ffordd berthnasol, mae'r gwariant a'r incwm yn y datganiadau ariannol wedi'u cymhwyso i'r dibenion a fwriadwyd gan Gynulliad Cenedlaethol Cymru, ac mae'r trafodion ariannol a gofnodwyd yn y datganiadau ariannol yn cydymffurfio â'r awdurdodau sy'n eu rheoli.

**Barn ar faterion eraill**

Yn fy marn i:

- mae'r rhan o'r Adroddiad ar Dâl sydd i'w harchwilio wedi cael ei pharatoi'n briodol yn unol â chyfarwyddiadau a gyhoeddwyd gan Weinidogion Cymru yn sgil adran 9 o Ddeddf Amgueddfeydd ac Oriolau 1992; ac
- mae'r wybodaeth a gafodd ei chynnwys yn yr Adroddiad Blynyddol yn gyson â'r datganiadau ariannol.

**Materion yr wyf yn adrodd arnynt ar sail eithriad**

Nid oes gennyf unrhyw beth i'w adrodd ar y materion sy'n dilyn, y byddwn yn adrodd arnynt petawn i o'r farn:

- nad yw'r Datganiad Llywodraethiant yn adlewyrchu cydymffurfiaeth â chanllawiau Trysorlys EM;
- na chadwyd cofnodion cyfrifyddu priodol;
- nad yw'r datganiadau ariannol a'r rhan o'r Adroddiad ar Dâl sydd i'w harchwilio yn gyson â'r cofnodion a'r ffurflenni cyfrifyddu;
- nad yw'r wybodaeth a fanylwyd gan Weinidogion Cymru ynghylch taliadau a thrafodion eraill wedi'i datgelu; neu
- nad wyf wedi derbyn yr holl wybodaeth a'r esboniadau sydd eu hangen arnaf ar gyfer fy archwiliad.

**Adroddiad**

Nid oes gennyf unrhyw sylwadau ar y datganiadau ariannol hyn.



Huw Vaughan Thomas  
Archwilydd Cyffredinol Cymru  
24 Heol y Gadeirlan  
Caerdydd  
CF11 9LJ  
1 Awst 2017

## DATGANIAD O WEITHGAREDDAU ARIANNOL AM Y FLWYDDYN YN DIWEDDU 31 MAWRTH 2017

Nodyn	CRONFEYDD CYHOEDDUS		CRONFEYDD PREIFAT		2016/17	2015/16
	Anghyfyngedig £'000	Cyfyngedig £'000	Anghyfyngedig £'000	Cyfyngedig £'000	Cyfanswm £'000	Cyfanswm £'000
<b>Incwm:</b>						
Rhoddion ac ewyllysiau	15b	-	11	206	217	585
Gweithgareddau elusennol						
Grantiau'r Llywodraeth	2	9,261	-	-	10,838	11,618
Grantiau Eraill	3	-	-	3	280	462
Incwm masnachol	4	679	-	-	679	569
Incwm Buddsoddi	15b	-	219	22	241	217
<b>Cyfanswm incwm</b>		9,940	230	231	12,255	13,451
<b>Gwariant:</b>						
Costau codi arian	5	766	33	3	897	824
Gweithgareddau elusennol						
Casglu	5	2,215	-	-	2,820	2,493
Darparu Mynediad a Gwybodaeth	5	2,547	6	-	2,908	3,021
Hyrwyddo a Dehongli	5	1,388	-	44	1,930	2,167
Cadwraeth a Diogelu	5	2,858	-	-	3,421	3,299
Llywodraethiant	5	705	-	-	792	1,033
Gwariant materol						
Ffioedd yn gysylltiedig â'r than	23a	-	-	-	-	19
Setliad / taliad Tribiwnlys	23b	-	-	-	-	45
Taliadau diswyddo	23c	-	-	-	-	78
Trydydd Adeilad y Llyfrgell	23d	-	-	-	-	440
<b>Cyfanswm gwariant (Enillion)/Colled ar waredu asedau sefydlog (Enillion)/Colled ar waredu buddsoddiadau</b>		10,479	2,203	39	47	12,768
Costau Cyllid Pensiwn	22d	-	7	-	-	7
(Gwariant)/incwm net	15b	-	-	(363)	(37)	(400)
Trosglwyddiadau gros rhwng cronfeydd	22d	240	-	-	-	240
<b>(Colledion)/Enillion cydnabyddedig eraill:</b>		10,719	2,210	(324)	10	12,615
Enillion heb eu gwireddu ar fuddsoddiadau	15b	(779)	(356)	554	221	(360)
Ailbrisio Asedau Sefydlog	10	-	40	699	(739)	-
Diriaethol a mynegeio	22e	(880)	-	-	-	(880)
Enillion (colledion) actiwaraidd ar y cynllun pensiwn buddion diffiniedig		(880)	(7,570)	736	39	(7,675)
Cyfanswm enillion/(colledion)		(1,659)	(7,886)	1,989	(479)	(8,035)
<b>SYMUDIAD NET YN Y CRONFEYDD AM Y FLWYDDYN ARIANNOL</b>		(7,301)	82,692	7,880	7,768	91,039
<b>BALANSAU'R CRONFEYDD A DDYGWYD YMLAEN AR 1 EBRILL</b>	15	(8,960)	74,806	9,869	7,289	83,004
<b>BALANSAU'R CRONFEYDD A GARIWYD YMLAEN AR 31 MAWRTH</b>	15					91,039

Mae pob gweithgarwch yn parhau. Caiff yr holl enillion a cholledion cydnabyddedig eu cofnodi yn y Datganiad Gweithgareddau Ariannol. Mae'r nodiadau ar dudalennau 26 i 47 yn rhan o'r cyfrifon hyn.



## Y FANTOLEN AR 31 MAWRTH 2017

		31 Mawrth 2017	31 Mawrth 2016
	Nodiadau	£000	£000
<b>ASEDAU SEFYDLOG</b>			
Asedau Diriaethol	10	60,031	68,009
Asedau Treftadaeth	12	20,234	19,885
Buddsoddiadau	11	10,057	8,678
		<u>90,322</u>	<u>96,572</u>
<b>ASEDAU CYFREDOL</b>			
Stoc		44	52
Dyledwyr	13	1,182	1,388
Banc		1,134	1,207
		<u>2,360</u>	<u>2,647</u>
<b>CREDYDWYR</b>			
Banc		(26)	(1)
Symiau yn ddyledus o fewn blwyddyn	14	(557)	(719)
		<u>(583)</u>	<u>(720)</u>
<b>ASEDAU CYFREDOL NET</b>		1,777	1,927
Symiau yn ddyledus ar ôl mwy na blwyddyn	14	(25)	(50)
Asedau net heb gynnwys rhwymedigaethau'r cynllun pensiwn		<u>92,074</u>	<u>98,449</u>
Ased pensiwn buddion diffiniedig (rhwymedigaeth)	22	(9,070)	(7,410)
<b>ASEDAU NET GAN GYNNWYS RHWYMEDIGAETHAU'R CYNLLUN PENSIWN</b>		<u>83,004</u>	<u>91,039</u>
<b>CRONFEYDD</b>	15		
Cyhoeddus Anghyfyngedig		110	109
Pensiwn wrth gefn		(9,070)	(7,410)
Cyfanswm y Cronfeydd Cyhoeddus Anghyfyngedig		<u>(8,960)</u>	<u>(7,301)</u>
Cyhoeddus Cyfyngedig (heb gynnwys y Gronfa Ailbrisio)		55,513	55,829
Cronfa Ailbrisio		19,293	26,863
Preifat Anghyfyngedig		9,869	7,880
Preifat Cyfyngedig		192	800
Casgliadau Cyfyngedig Preifat		<u>7,097</u>	<u>6,968</u>
		<u>83,004</u>	<u>91,039</u>

Mae'r ymddiriedolwyr wedi paratoi'r cyfrifon yn unol ag adran 138 o Ddeddf Elusennau 2011.

Mae'r nodiadau ar dudalennau 26 i 47 yn rhan o'r cyfrifon hyn.

Linda Tomos  
PRIF WEITHREDWR A  
LLYFRGELLYDD  
21 Gorffennaf 2017



Colin R John  
TRYSORYDD



21 Gorffennaf 2017

## DATGANIAD LLIF ARIAN AM Y FLWYDDYN YN DIWEDDU 31 MAWRTH 2017

		2016/17		2015/16	
		£000	£000	£000	£000
Arian parod a gynhyrchwyd drwy weithgareddau gweithredol	17		1,221		752
<b>Arian parod o weithgareddau buddsoddi: -</b>					
Prynu asedau sefydlog diriaethol	10	(896)		(3,421)	
Prynu asedau treftadaeth	12	(218)		(303)	
Enillion wrth werthu buddsoddiadau	11	3,255		1,203	
Prynu Buddsoddiadau	11	<u>(3,583)</u>		<u>(1,527)</u>	
<b>Arian parod net a ddarparwyd gan (a ddefnyddiwyd mewn) (g)weithgareddau buddsoddi</b>			<b>(1,442)</b>		<b>(4,048)</b>
<b>(Lleihad)/ Cynnydd mewn arian parod a'r hyn sy'n gyfwerth ag arian parod</b>			<b>(221)</b>		<b>(3,296)</b>
<b>Arian parod a'r hyn sy'n gyfwerth ag arian parod ar ddechrau'r cyfnod</b>			<b>2,196</b>		<b>5,492</b>
Cyfanswm yr arian parod a'r hyn sy'n gyfwerth ag arian parod ar ddiwedd y flwyddyn	18		<u>1,975</u>		<u>2,196</u>

Mae'r nodiadau ar dudalennau 26 i 47 yn rhan o'r cyfrifon hyn.

Nid oes incwm na gwariant gwaddol i adrodd arnynt.

## NODIADAU I'R CYFRIFON AR 31 MAWRTH 2017

### 1 POLISIÂU CYFRIFYDDU

Mae'r prif bolisiau cyfrifyddu a fabwysiadwyd, y penderfyniadau a'r prif ffynonellau o ansicrwydd amcangyfrif wrth baratoi'r datganiadau ariannol fel a ganlyn:

#### (a) **Sail paratoi**

Paratowyd y datganiadau ariannol yn unol â'r Safon Adrodd Ariannol sy'n berthnasol yn y DU ac yng Ngweriniaeth Iwerddon (FRS102) (a ddaeth i rym ar 1 Ionawr 2015) (SORP Elusennau (FRS102) a Chyfarwyddyd Cyfrifon 2000 a roddwyd i'r Llyfrgell gan y Cynulliad Cenedlaethol ar ran Llywodraeth Cymru. Paratwir y cyfrifon ar sail busnes byw.

Mae Llyfrgell Genedlaethol Cymru yn cyd-fynd â'r diffiniad o endid budd cyhoeddus o dan FRS102. Caiff asedau a rhwymedigaethau eu cydnabod i gychwyn ar werth trafodion neu gostau hanesyddol oni nodir yn wahanol yn y nodyn/nodiadau polisi cyfrifyddu perthnasol.

Mae'r cyfrifon yn bodloni gofynion y Safonau Cyfrifyddu a gyhoeddwyd neu a fabwysiadwyd gan y Cyngor Adrodd Ariannol i'r graddau y bo'r gofynion hynny'n briodol. Nid yw'r Cyfarwyddyd Cyfrifyddu yn ei gwneud yn ofynnol i'r Llyfrgell lunio cyfrif incwm a gwariant cryno na nodyn cost hanesyddol ar wargedau neu ddiffygion.

#### (b) **Adnoddau a Dderbyniwyd**

Caiff yr holl incwm ei gydnabod pan fydd gan yr elusen hawl i'r cronfeydd, pan fydd unrhyw amodau perfformiad sy'n gysylltiedig â'r eitem wedi'u bodloni, pan fo'n debygol y bydd yr incwm yn cael ei dderbyn a gellir mesur y swm yn ddibynadwy. Caiff pob Cymorth Grant gan Lywodraeth Cymru ei gydnabod yn y Datganiad Gweithgareddau Ariannol yn y flwyddyn y caiff ei dderbyn, oni bai ei fod yn ymwneud ag arian Buddsoddi i Arbed lle caiff ei drin fel credydwr. Ni chaiff Cymorth Grant Cyfalaf ei ohirio dros oes yr ased. Caiff grantiau eraill a dderbyniwyd eu cydnabod ar sail derbyniadau pan mae amodau'r grantiau wedi'u bodloni.

Ar gyfer etifedd, tybir bod hawl yn golygu'r cynharaf o'r canlynol: y dyddiad y daw'r elusen yn ymwybodol bod profiant wedi'i roi, y dyddiad y bydd yr ystâd wedi'i therfynu a bydd yr ysgutor(ion) wedi hysbysu'r Llyfrgell y bydd dosbarthiad yn cael ei wneud, neu'r dyddiad y derbynnir dosbarthiad gan yr ystâd. Lle bo'r elusen wedi'i hysbysu o etifeddiaeth, neu lle bo'r elusen yn ymwybodol bod profiant wedi'i roi, ac nad yw'r meini prawf ar gyfer cydnabod incwm wedi'u bodloni, yna caiff yr etifeddiaeth ei thrin fel ased wrth gefn a'i datgelu os yw o bwys. Rhoddir cyfrif am drosglwyddiadau o gronfeydd preifat ar ôl ystyried y symudiadau yn y cyfalaf gweithio. Bydd incwm a dderbyniwyd yng nghyswllt cyfnodau cyfrifyddu dilynol yn cael ei drin fel incwm gohiredig.

#### **Cyfrifyddu Arian**

Mae cronfeydd anghyfyngedig (cyhoeddus a phreifat) ar gael i'w gwario ar weithgareddau sy'n datblygu unrhyw un o amcanion cyffredinol y Llyfrgell.

Mae'r cronfeydd cyhoeddus cyfyngedig yn cynrychioli Grantiau Prynu a Chyfalaf a dderbyniwyd gan Lywodraeth Cymru at ddibenion penodol.

Mae'r cronfeydd cyfyngedig preifat yn gronfeydd sy'n rhwym wrth gyfyngiadau penodol a osodir gan roddwyr neu gan ddiben yr apêl. Cronfeydd anghyfyngedig yr elusen yw'r cronfeydd dynodedig y mae'r ymddiriedolwyr wedi penderfynu yn ôl eu disgrisiwn eu bod am eu rhoi o'r neilltu at ddiben penodol. Mae'r cronfeydd cyfyngedig preifat yn rhoddion y mae'r rhoddwyr wedi nodi eu bod am iddynt gael eu defnyddio ar gyfer maes penodol o waith y Llyfrgell neu ar gyfer prosiect penodol a gaiff ei gyflawni gan y Llyfrgell.

**(c) Gwariant**

Caiff gwariant ei gydnabod pan fydd rhwymedigaeth gyfreithiol neu adeiladol i dalu trydydd parti, pan fo'n debygol y bydd setliad yn ofynnol a gellir mesur swm y rhwymedigaethau'n ddibynadwy. Lle yr aed i wariant ymlaen llaw a lle bo'n ymwneud â chyfnod diweddarach, dim ond os bydd rhagdaliad yn werth mwy na £5,000 y caiff ei ystyried. Caiff gwariant ei ddsbarthu o dan y penawdau gweithgarwch canlynol:

- Mae cost codi arian yn cynnwys costau gweithgareddau masnachol, costau codi arian a ffioedd rheoli buddsoddiadau.
- Mae gwariant ar weithgareddau elusennol yn cynnwys costau cynnal a chadw casgliadau, cadwraeth, addysg ac arddangosfeydd a gweithgareddau eraill a gynhaliwyd i hyrwyddo dibenion yr elusen.
- Mae gwariant arall yn cynrychioli'r eitemau hynny nad ydynt yn perthyn i unrhyw benawdau eraill.

**(d) Buddsoddiadau**

Datganir buddsoddiadau yn ôl eu gwerth ar y farchnad ar ddyddiad y fantolen. Caiff enillion a cholledion wrth waredu eu credydu neu eu cofnodi yn y Datganiad Gweithgareddau Ariannol. Bydd symudiadau yng ngwerth buddsoddiadau ar y farchnad a ddelir ar ddiwedd y flwyddyn hefyd yn cael eu hadlewyrchu yn y datganiad hwnnw yn unol â'r Datganiad o'r Arferion a Argymhellir yng nghyflwrllt Cyfrifyddu ar gyfer Elusennau.

**(e) Asedau Diriaethol**

Dangosir Tir ac Adeiladau yn ôl gwerth y defnydd cyfredol ohonynt neu gost eu hadnewyddu ar ôl dibrisiant yn achos adeiladau arbenigol. Ceir prisiad allanol bob pum mlynedd, a defnyddir mynegeion priodol i newid y prisiad hwnnw yn ystod y blynyddoedd yn y canol neu, os bu newid sylweddol yng ngwerth yr asedau, gellir gwneud cais am brisiad rhwng y cyfnodau hyn. Cofnodir enillion a cholledion sy'n deillio o ailbriso yn y Datganiad Gweithgareddau Ariannol yn y flwyddyn y byddant yn digwydd.

Caiff asedau sefydlog cerbydau modur, offer, peiriannau a chyfarpar unigol sy'n costio £5,000 neu fwy eu cyfalafu ar gost, oni bai bod y cyfarpar yn rhan o grŵp o asedau, rhwydwaith neu brosiect sy'n werth mwy na £5,000. Bydd yr asedau yn colli'u gwerth dros amcangyfrif o'u hoes ddefnyddiol ar sail llinell syth.

Darperir dibrisiant yn llawn yn y flwyddyn gaffael, ar gyfraddau a fydd yn lleihau pob ased i amcangyfrif o'i werth gweddilliol yn wastad dros ei oes economaidd ddefnyddiol ddisgwyliedig, yn unol â chynghor y priswyr, fel a ganlyn:

- |  |                      |
|--|----------------------|
| ➤ Adeiladau rhydd-ddaliad                    | - hyd at 125 mlynedd |
| ➤ Offer, peiriannau a chyfarpar              | - hyd at 30 mlynedd  |
| ➤ Offer cyfrifiadurol a datblygiadau digidol | - hyd at 10 mlynedd  |
| ➤ Cerbydau Modur                             | - hyd at 5 mlynedd   |

Nid yw tir rhydd-ddaliad yn cael ei ddibrisio.

Nid yw Pryniannau i'r Casgliadau yn cael eu dibrisio.

**(f) Asedau Treftadaeth**

Cyn 1 Ebrill 2001, nid oedd casgliad y Llyfrgell wedi'i gyfalafu yn y fantolen. Rhoddwyd pryniannau i'r casgliad dan bennawd Cronfeydd Cyhoeddus Cyfyngedig yn y Datganiad Gweithgareddau Ariannol ym mlwyddyn eu caffael. Caiff pryniannau ar gyfer y casgliad eu cyfalafu ym mlwyddyn eu caffael a'u cadw ar eu gwerth hanesyddol; ni chaiff yr asedau hyn eu hailbrisio na'u mynegeo.

Rhoddir cyfrif am eitemau sy'n cael eu rhoi yn rhoddion i'r casgliadau pan gânt eu derbyn ar ragamcan o'u gwerth ar y farchnad. Nid yw'r asedau hyn yn cael eu hailbrisio na'u mynegeo.

Nid yw Asedau Treftadaeth yn cael eu dibrisio gan fod iddynt oes amhenodol.

Bydd gwerth ased ar bapur (*carrying amount*) yn cael ei adolygu dim ond lle ceir tystiolaeth o amhariad (*impairment*).

**(g) Stoc**

Mae cost stoc o eitemau y gellir eu hailwerthu wedi'i gydnabod yn y fantolen yn ôl y gost neu'r gwerth gwireddadwy net, pa un bynnag yw'r isaf.

**(h) Costau Pensiwn**

Mae gan y Llyfrgell ei chynllun pensiwn ei hun sy'n darparu buddion sy'n seiliedig ar gyflog pensiynadwy terfynol. Cofnodir cyfraniadau i'r cynllun yn y Datganiad Gweithgareddau Ariannol er mwyn lledaenu cost pensiynau dros fywydau gweithio'r gweithwyr. Cyfrifir yr hyn a gofnodir yn y Datganiad Gweithgareddau Ariannol ar sail cost gwasanaeth cyfredol fel y'i cyfrifir gan actwari'r cynllun.

**(i) Tâl gwyliau staff**

Ar ddiwedd y flwyddyn, mae hawl gwyliau staff nad yw wedi'i gymryd eto ac a gaiff ei gario ymlaen i'r flwyddyn ariannol nesaf wedi'i ystyried yn y cyfrifon yn unol â gofynion FRS 102.

**(j) Trethiant**

Mae Cyllid a Thollau EM wedi rhoi statws elusennol i'r Llyfrgell ac felly mae wedi'i heithrio rhag treth ac incwm ac enillion sy'n rhan o adran 505 o Ddeddf Trethi 1988 neu adran 252 o Ddeddf Trethu Enillion Trethadwy 1992 i'r graddau bo'r rhain yn berthnasol i'w gwrthrychau elusennol. Mae Treth ar Werth nad yw'n adferadwy sy'n deillio o wariant ar weithgareddau anfasnachol yn cael ei chofnodi yn y Datganiad Gweithgareddau Ariannol neu ei chyfalafu os yw'n gysylltiedig ag ased sefydlog.

**(k) Busnes Byw**

Paratowyd cyfrifon y Llyfrgell ar sail busnes byw. Er bod lleihad yn y grantiau y bydd y Llyfrgell yn eu derbyn yn y dyfodol, mae'r amcanestyniadau presennol yn amcangyfrif y gall y Llyfrgell barhau gyda'i gweithgareddau presennol gan ariannu'r diffygion o'r cronfeydd preifat. Nid oes ansicrwydd perthnasol arall ynghylch gallu'r elusen i barhau.

**2. GRANTIAU'R LLYWODRAETH**

	2016/17 £000	2015/16 £000
<b>Anghyfyngedig</b>		
Grant Refeniw Craidd*	9,261	9,705
<b>Cyfyngedig</b>		
Cyfalaf - Grant Pwrcasu	200	305
Cyfalaf - Grant Datblygiadau Digidol	105	-
Cyfalaf - Cyffredinol	550	632
Cyfalaf - Mewnlenwi'r Iard/ Lle Storio ychwanegol	44	200
Diwylliant yn cwrdd â Busnes	-	20
Llyfrgelloedd yn Ysbrydoli	239	255
Casgliad y Werin Cymru	140	165
ARCW	122	52
Cynefin	-	20
Y Rhyfel Mawr	115	213
Cymru yn y Rhyfel	22	51
Cymru'n Cofio	20	-
Cymraeg mewn Addysg - Wikipops	20	-
<b>Cyfanswm y grant a gafwyd gan Lywodraeth Cymru</b>	<b>10,838</b>	<b>11,618</b>

\*Derbyniwyd £270,000 yn ychwanegol o Gymorth Grant yn 2015/16 a gafodd ei ad-dalu yn 2016/17 o'r Cymorth Grant a ddarparwyd yn 2016/17

**3. GRANTIAU ERAILL**

	2016/17 £000	2015/16 £000
<b>Cyhoeddus cyfyngedig</b>		
Grantiau'r Undeb Ewropeaidd	-	91
Cynefin (Cronfa Treftadaeth y Loteri)	135	205
Datgloi Treftadaeth Ffilm (Sefydliad Ffilm Prydeinig)	75	83
Cymru yn y Rhyfel (grant Cronfa Dreftadaeth y Loteri)	43	13
Mân grantiau eraill	24	49
	<b>277</b>	<b>441</b>
<b>Preifat anghyfyngedig</b>		
Ymddiriedolaeth Scottish Power	3	21
	<b>3</b>	<b>21</b>
<b>Cyfanswm y grantiau eraill</b>	<b>280</b>	<b>462</b>

## 4. INCWM O WEITHGAREDDAU MASNACHOL ERAILL

	2016/17	2015/16
	£000	£000
<b>Anghyfyngedig</b>		
Arlwyo	227	221
Incwm o'r siop	91	92
Digwyddiadau	34	21
Ymgynghori a systemau	9	27
Incwm a grëwyd o gasgliadau	140	76
Trwyddedu a breindaliadau	49	62
Amrywiol	113	56
Maes Parcio	16	14
	<b>679</b>	<b>569</b>

## 5 DADANSODDIAD O WARIANT

	Costau Staff	Costau Uniongyrchol eraill	Dibrisiant	2016/17	2015/16
	£000	£000	£000	Cyfanswm £000	Cyfanswm £000
Costau codi arian	385	417	95	897	824
<b>Gwariant Elusenol</b>					
Casglu	1,563	983	274	2,820	2,493
Darparu Mynediad a Gwybodaeth	1,991	602	315	2,908	3,021
Rhoi Cyhoeddusrwydd a Dehongli	1,233	525	172	1,930	2,167
Cadwraeth a Diogelu	2,740	327	354	3,421	3,299
Llywodraethiant	438	267	87	792	1,033
Eitemau materol	-	-	-	-	582
	<b>8,350</b>	<b>3,121</b>	<b>1,297</b>	<b>12,768</b>	<b>13,419</b>

## 6. (GWARIANT) / INCWM NET AM Y FLWYDDYN

	2016/17	2015/16
	£000	£000
Caiff hyn ei nodi ar ôl codi tâl am y canlynol:		
Dibrisiant	1,297	994
Tâl yr Archwilydd	35	28
Gwasanaethau cyfrifyddu	-	8
Ffioedd archwilio mewnol	10	23
Adroddiadau llywodraethiant eraill	-	20
Ffioedd rheoli buddsoddiadau	36	34

## 7. DADANSODDIAD O'R COSTAU CEFNOGI

Mae'r Llyfrgell yn nodi costau ei swyddogaethau cefnogi i ddechrau. Yna mae'n nodi'r costau hynny sy'n gysylltiedig â'r swyddogaeth llywodraethiant. Ar ôl nodi ei chostau llywodraethiant, caiff y costau cefnogi sy'n weddill eu dosrannu rhwng costau codi arian a'r pedwar prif weithgarwch elusennol a wnaed yn ystod y flwyddyn.

Caiff costau cyflogau cefnogi eu dosrannu yn unol â chostau cyflogau ar gyfer pob adran, gyda chostau cefnogi nad ydynt yn ymwneud â staff yn cael eu dosrannu yn seiliedig ar wariant ar weithgarwch.

	Costau cynhyrchu cronfeydd £000	Casglu £000	Darparu Mynediad a Gwybodaeth £000	Rhoi Cyhoeddusrwydd a Dehongli £000	Cadwraeth a Diogelu £000	Llywodraethiant £000	Cyfanswm £000
Cefnogaeth Weithredol	2	3	9	12	7	16	49
Cyllid	17	14	51	46	32	48	208
Adnoddau Dynol	11	9	34	34	23	39	150
TGCh	65	60	215	216	144	258	958
Yr Adeilad	152	121	442	357	256	336	1,664
Arall	2	2	8	10	6	13	41
	249	209	759	675	468	710	3,070

## 8. DADANSODDIAD O GOSTAU STAFF, TALIADAU A THREULIAU YMDDIRIEDOLWYR A CHOSTAU PERSONÉL RHEOLI ALLWEDDOL

### (a) Cyfanswm Costau Staff

	2016/17 £000		2015/16 £000	
Cyflogau		5,814		6,077
Costau Nawdd Cymdeithasol		501		408
Cost gwasanaeth cyfredol	1,495		1,580	
Addasiad FRS102 ar gyfer cost gwasanaeth cyfredol	540		520	
		2,035		2,100
Tâl llog cyllid FRS102 (gweler nodyn 22)		240		170
		8,590		8,755

Nid oedd dim contractwyr byrdymor nac asiantaethau wedi'u cyflogi.

Ar wahân i'r staff a nodwyd yn 8 (c), nid oedd unrhyw aelod o staff yn ennill dros £60,000 (cyflog sylfaenol, lwfansau a thâl gwyliau dyledus)(2015/16: 1).

### (b) Y Cynllun Pensiwn

Mae'r Llyfrgell yn gweithredu cynllun pensiwn a ariennir, sy'n gynllun pensiwn buddion diffiniedig, sy'n darparu buddion ar sail cyflog terfynol pensiynadwy adeg oedran ymdeol arferol o 60. Bydd cyfraniadau'r aelodau sy'n gadael y cynllun ac sydd wedi cyfrannu am lai na 2 flynedd yn cael eu had-dalu iddynt. Mae'r buddion yn cronni ar gyfradd o 1/80<sup>fed</sup> o'r cyflog pensiynadwy am bob blwyddyn o wasanaeth. Yn ogystal, telir cyfandaliad sydd gyfwerth â thair blynedd o bensiwn pan fydd gweithiwr yn ymdeol. Pan fydd aelod yn marw, mae pensiynau'n daladwy i'r partner priod ar



gyfradd o hanner pensiwn yr aelod. Os bydd aelod yn marw ac yntau'n dal yn y swydd mae'r cynllun yn talu cyfandaliad. Mae ymddeol ar sail feddygol yn bosibl os bydd rhywun yn ddifrifol wael.

Cyfraniadau pensiwn y cyflogwr a dalwyd dros y cyfnod oedd £1.49m (2015/16 £1.58m). Cedwir asedau'r Cynllun ar wahân i rai'r Llyfrgell ac fe'u buddsoddwyd gyda Legal and General, sy'n rheoli portffolio o fondiau ac ecwitiau, ar sail oddefol yn bennaf. Dangosai'r prisiad actiwaraid ar 31 Mawrth 2016 fod gwerth asedau'r Cynllun ar y farchnad yn £56.5m a 'roedd gwerth actiwaraid yr asedau hynny'n werth 99% o rhwymedigaethau'r Cynllun. Mae nodyn 22 yn rhoi rhagor o wybodaeth am sefyllfa ariannol y cynllun pensiwn er mwyn cydymffurfio â gofynion FRS102. Cyhoeddir datganiad yr actwari yng Nghyfrifon Blyneddol Cronfa Bensiwn Llyfrgell Genedlaethol Cymru. Yn 2006/07, rhoddodd Llywodraeth Cymru Warrant y Goron i'r Cynllun, sy'n eithrio'r Cynllun rhag y Gronfa Diogelu Pensiynau a'r ardoll gysylltiedig.

### (c) Tâl y Tîm Gweithredol

Mae aelodau'r Tîm Gweithredol wedi ei nodi ar dudalen 2 (manylion Gweinyddol a Chyfeirio). Mae cyflog cyfunol y Llyfrgellydd yn cael ei nodi yn Rhan 6 o Adroddiad yr Ymddiriedolwyr (6.5).

Roedd cyflog y Llyfrgellydd 3.86 gwaith yn fwy na chyflog canolrif (£23,290) y Llyfrgell. Mae aelodau staff uwch eraill yn derbyn cyflog gros, y penderfynir arno fel rhan o'r broses o negodi'r cylch cyflog ar gyfer holl aelodau staff eraill y Llyfrgell. Mae'r Llyfrgellydd ar gontract tymor sefydlog ac mae gan yr holl staff uwch eraill gontractau cyflogaeth parhaol ac maent yn aelodau cyffredin o gynllun pensiwn y Llyfrgell.

Cyfrifir gwerth buddion pensiwn fel a ganlyn:

- (gwir gynnydd yn y pensiwn\* x20) + (gwir gynnydd mewn unrhyw gyfandaliad\*) – (cyfraniadau gan yr aelod)

\*heb gynnwys cynnydd oherwydd chwyddiant neu unrhyw gynnydd neu ostyngiad yn sgil trosglwyddo hawliau pensiwn.

Mae'r lluosydd 20 yn cael ei bennu yn y gofynion datgelu. Mae'r Llyfrgell wedi defnyddio'r ffigur hwn i gydymffurfio â'r canllawiau. Nid yw hwn yn swm sydd wedi'i dalu i unigolyn gan y Llyfrgell yn ystod y flwyddyn; cyfrifiad ydyw sy'n defnyddio gwybodaeth o'r tabl buddion pensiwn. Mae llawer o bethau'n gallu dylanwadu ar y ffigurau hyn e.e. newidiadau i gyflog unigolyn, a yw'n dewis gwneud cyfraniadau ychwanegol i'r cynllun pensiwn o'i gyflog neu beidio, a ffactorau priso eraill sy'n effeithio ar y cynllun pensiwn yn gyffredinol.

Mae Cynllun Pensiwn Staff Llyfrgell Genedlaethol Cymru yn gynllun cyflog terfynol a ariennir. Y cyfandaliadau a phensiynau cronodig yw'r symiau a fyddai'n cael eu talu o Ddyddiad Arferol Ymddeol pe bai'r aelod yn gadael y gwaith ar y dyddiad perthnasol. Y Gwerth Trosglwyddo sydd Gyfwerth ag Arian Parod (CETV) yw gwerth buddion y cynllun pensiwn wedi'i gyfalafu a gronwyd gan aelod ar unrhyw adeg, wedi'i asesu gan actwari, gan gynnwys unrhyw Gyfraniadau Gwirfoddol Ychwanegol a throsglwyddiadau gwasanaeth i'r cynllun. Mae'r gwerthoedd trosglwyddo wedi cael eu cyfrifo yn unol â nodyn canllaw "GN11" a gyhoeddir gan Sefydliad yr Actiwaraid a Chyfadran yr Actiwaraid. Tybiwyd mai cyfradd chwyddiant pris oedd 1.2%

Talwyd y taliadau canlynol i aelodau'r Tîm Gweithredol:

Tudalen y pecyn 191

	2016/17				2015/16			
	Cyflwg Cyfunol	Cyflwg heb ei Gyfuno	Cynnydd/ (gostyngiad) gwirioneddol mewn Buddion Pensiwn	Un Cyfanswm Tâl	Cyflwg Cyfunol	Cyflwg heb ei Gyfuno	Cynnydd (gostyngiad) gwirioneddol mewn Buddion Pensiwn	Un Cyfanswm Tâl
	£	£	£	£	£	£	£	£
Yr Athro AG Jones Llyfrgellydd (1/4/15 - 31/8/15)	n/a	n/a	n/a	n/a	37,500	3,115	11,050	51,665
Ms Linda Tomos Llyfrgellydd (2/11/15-31/3/17)	90,000	-	25,980	115,980	37,250	-	10,580	47,830
Ms A Jones Cyfarwyddwr Casgliadau a Rhaglenni Cyhoeddus (1/04/15 -31/3/16)	n/a	n/a	n/a	n/a	64,175	12,534	67,610	144,319
Mr DH Michael Cyfarwyddwr Adnoddau Corfforaethol (1/04/15 -31/3/17)	69,322	4,231	26,460	100,013	64,175	8,166	61,860	134,201
Mr Pedr ap Llwyd Cyfarwyddwr Casgliadau a Rhaglenni Cyhoeddus (1/04/16 -31/3/17) Ysgrifenyddiaeth (1/4/14-31/3/16)	69,322	4,170	77,740	151,232	57,273	1,552	40,250	99,075

Mae hawliau pensiwn staff uwch y Llyfrgell sy'n gyfrifol am redeg adrannau sy'n llunio polisiâu yn cael eu datgelu fel a ganlyn:-

	Gwerth Trosglwydd o sydd Gyferth ag Arian Parod ar 31/3/16	Cyfanswm Pensiwn Cronedig ar 31/3/17	Cyfan- daliad ar 31/3/17	Gwerth Trosglwyddo sydd Gyferth ag Arian Parod ar 31/3/17	Cynnydd mewn pensiwn cronedig net o chwyddiant	Cynnydd yn y cyfandaliad net o chwyddiant	Cynnydd (Gostyngiad) yn y gwerth trosglwyddo net o chwyddiant
	£	£	£	£	£	£	£
Ms L Tomos Llyfrgellydd	10,180	1,590	4,770	36,290	1,130	3,380	26,010
Mr DH Michael Cyfarwyddwr Adnoddau Corfforaethol	370,650	19,860	59,580	461,260	1,150	3,460	86,900
Mr P ap Llwyd - Cyfarwyddwr Casgliadau a Rhaglenni Cyhoeddus (blaenorol Ysgrifenyddiaeth)	244,320	13,590	40,770	361,160	3,380	10,140	114,400

**(d) Cofrestr Rhoddion**

Mae gan y Llyfrgell gofrestr rhoddion hefyd. Nid oes dim eitem a nodwyd yn ystod y flwyddyn yn cael ei hystyried o fudd perthnasol i'r datganiadau ariannol hyn.

**9. NIFEROEDD STAFF**

Nifer y pen bob mis, ar gyfartaledd, oedd 249 (2015/16: 265) a nifer y staff cyfwerth ag amser llawn, ar gyfartaledd, a gyflogwyd gan y Llyfrgell (yn cynnwys staff achlysurol a rhan amser) yn ystod y flwyddyn oedd:

Niferoedd staff	2016/17	2015/16
Masnachu i godi arian	11.6	11.8
Casglu	44.9	48.4
Darparu Mynediad a Gwybodaeth	38.7	45.4
Rhoi Cyhoeddusrwydd a Dehongli	31.4	33.9
Cadwraeth a Diogelu	87.4	90.8
Llywodraethiant	9.4	11.9
<b>Cyfanswm</b>	<b>223.4</b>	<b>242.2</b>

Nid yw'r Bwrdd yn derbyn tâl. Cyfanswm y costau teithio, cynhaliath a lletygarwch a wariwyd gan y Llyfrgell ar aelodau'r Bwrdd a'i Bwyllgorau oedd £7,823 (2015/16 £5,014), a hawliwyd hwn gan 11 o aelodau (2015/16: 10 aelod).

## 10 ASED AU SEFYDLOG DIRIAETHOL

	Tir Rhydd- ddaliad ac Adeiladau	Peiriannau, Ffitiadau a Chyfarpar	Cerbydau Modur	Technoleg Gwybodaeth a Datblygiadau Digidol	Cyfanswm
	£000	£000	£000	£000	£000
Cost a Phrisio					
Ar 1 Ebrill 2016	65,929	3,139	13	5,740	74,821
Ychwanegiadau	348	131	-	417	896
Gwarediadau	-	(84)	-	-	(84)
Ail-brisio	(9,014)	-	-	-	(9,014)
Mynegeio	-	19	-	73	92
Ar 31 Mawrth 2017	57,263	3,205	13	6,230	66,711
Dibrisiant					
Ar 1 Ebrill 2016	720	2,624	13	3,455	6,812
A godwyd am y flwyddyn	676	108	-	513	1,297
Gwarediadau	-	(77)	-	-	(77)
Ail-brisio	(1,386)	-	-	-	(1,386)
Mynegeio	-	8	-	26	34
Ar 31 Mawrth 2017	10	2,663	13	3,994	6,680
Gwerth Llyfr Net Ar 31 Mawrth 2017					
Ar 31 Mawrth 2016	57,253	542	-	2,236	60,031
	65,209	515	-	2,285	68,009

Cafodd adeiladau, tir rhydd-ddaliadol a chyfarpar y Llyfrgell eu prasio'n broffesiynol gan Cooke ac Arkwright, Syrfewyr Siartredig, ar 31 Mawrth 2017 yn unol â Llawlyfr Arfarnu a Phrisio Sefydliad Brenhinol y Syrfewyr Siartredig. Prisiwyd adeiladau ar sail eu "gwerth ar y farchnad agored" neu "gost eu hadnewyddu wedi'i dibrisio", a dangosir y tir fel "gwerth y defnydd cyfredol ohono". Mae gwerth yr adeiladau wedi'i fynegio yn unol â'r mynegai BCIS All-In TPI, ac mae'r lleihad yng ngwerth y tir a'r adeiladau yn gyson gyda prisiad adeiladau yn 2015 ac heb gynyddu gwerth yn unol â'r mynegai. Prisiwyd y cyfarpar ar sail ei werth i'r Llyfrgell a'i fynegio yn ôl y mynegai CPI.

Defnyddiwyd pob ased diriaethol i hyrwyddo gweithgareddau elusennol y Llyfrgell.

Ni gyfalafwyd unrhyw gyflogau yn ystod y flwyddyn (2015-16 cyfalafwyd cyflogau 50 aelod o staff, sef cyfanswm o £97,317, yn ymwneud â symud staff y Comisiwn Brenhinol.)

## 11. BUDDSODDIADAU

	2015/16 £000	2015/16 £000
Gwerth ar y farchnad ar 1 Ebrill	7,687	7,589
Caffaeliadau yn ôl eu cost	3,583	1,527
Llai: Elw o waredu a Buddsoddiadau'n Aeddfedu	(3,255)	(1,203)
Elw o Waredu	400	155
(Colled) /Elw heb ei wireddu wrth ailbriso	775	(381)
Gwerth ar y farchnad ar 31 Mawrth	9,190	7,687
Arian yn cael ei gadw ar gyfer buddsoddi	867	991
	10,057	8,678

Cost hanesyddol y buddsoddiadau ar 31 Mawrth 2017 oedd £8.39m (2015/16 £6.803m).

Buddsoddwyd yr asedau fel a ganlyn:-

	Giltiau, bondiau, dyleddebion a blaengyfrannau	Buddsoddiadau drwy unedau, ecwitiau, eiddo ac asedau amgen	Ecwitiau'r DU a fuddsoddwyd yn uniongyrchol ar farchnad stoc y DU	Arian	Cyfanswm
	£'000	£'000	£'000	£'000	£'000
Rhif 1	1,784	3,581	3,129	137	8,631
Rhif 2	440	78	178	730	1,426
	2,224	3,659	3,307	867	10,057

Wrth benderfynu ar yr enillion y mae'r Llyfrgell am eu cael o'i phortffolio, a'r cydbwysedd rhwng incwm a thwf cyfalaf, mae'r Llyfrgell yn fodlon derbyn y bydd risgiau'n gysylltiedig â buddsoddi cronfeydd a fydd yn fwy na'r risg sy'n gysylltiedig â dim ond rhoi arian i gadw. Mae'r Llyfrgell yn fodlon derbyn y rhain gyhyd â'u bod o fewn lefelau derbyniol.

"Canolig" yw'r gair gorau i ddisgrifio archwaeth risg y Llyfrgell. Er mwyn sicrhau enillion gwell, mae'r Llyfrgell yn fodlon derbyn bod yn rhaid cymryd risgiau, ond bydd yr Ymddiriedolwyr hefyd yn ystyried sefyllfa'r Llyfrgell fel elusen a ariennir yn bennaf gan grant oddi wrth y Llywodraeth ac o'r herwydd y safonau stiwardiaeth sydd ynghlwm wrth hynny. Felly bydd y risgiau wrth fuddsoddi'n cael eu lleddfu gan y canlynol:

- **Dyrannu Asedau** - strategaeth dyrannu asedau nad yw'n peri bod yr arian yn rhy agored i amrywiadau mewn un sector penodol o'r sbectrwm buddsoddi - h.y. bydd cydbwysedd yn cael ei daro rhwng niferoedd y bondiau, ecwitiau, arian a buddsoddiadau eraill gan gynnwys eiddo, a buddsoddiadau yn y DU a heb fod yn y DU.
- **Ansawdd buddsoddiadau** - dim ond buddsoddiadau o ansawdd uchel y bydd y Llyfrgell yn eu hystyried megis giltiau a bondiau gradd buddsoddi neu ecwitiau a buddsoddiadau ar y cyd yn y FTSE 350.

**12. ASEDAU TREFTADAETH**

Cyfalafwyd yr Asedau Treftadaeth ar sail cost hanesyddol.

**Prynwyd neu rhoddwyd yn ystod y flwyddyn:**

	Llyfrau	Tanysgrifiadau	Lluniau Llawysgrifau a Mapiau	Eraill	Casgliadau Digidol	Archif Sgrin a Sain	Cyfanswm
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Ar 01/04/2016	1,789	2,599	10,428	380	4,370	319	19,885
Ychwanegiadau	34	53	126	-	-	5	218
Rhoddion	4	-	123	-	-	4	131
Ar 31/03/2017	1,827	2,652	10,677	380	4,370	328	20,234

**Crynodeb ariannol pum mlynedd o'r ychwanegiadau:**

	2016/17	2015/16	2014/15	2013/14	2012/13
	£'000	£'000	£'000	£'000	£'000
Llyfrau	38	63	81	38	34
Tanysgrifiadau	53	109	63	106	98
Lluniau, Llawysgrifau a Mapiau	249	249	137	192	673
Casgliadau Digidol	-	-	194	300	547
Archif Genedlaethol Sgrin a Sain Cymru	9	29	6	8	7
<b>Cyfanswm yr Ychwanegiadau</b>	<b>349</b>	<b>450</b>	<b>481</b>	<b>644</b>	<b>1,359</b>

Mae gan y Llyfrgell bolisi y cytunwyd arno ar gyfer prynu, diogelu, a rheoli asedau treftadaeth. Mae copi o'r polisi ar gael gan y Cyfarwyddwr Casgliadau a Rhaglenni Cyhoeddus. Nid yw'r Llyfrgell yn rhoi benthyg eitemau i ddefnyddwyr, ond mae modd cael gweld y casgliadau yn yr ystafelloedd darllen a manau arddangos yn yr adeilad, a hefyd ar-lein.

Ni chyfalafwyd unrhyw gyflogau yn ystod y cyfnod yma na'r cyfnod diwethaf.

Ers 1911, mae gan y Llyfrgell hawl i dderbyn copi o bob llyfr, cylchgrawn, papur newydd a deunydd print arall a gyhoeddir yn y DU ac Iwerddon. Deunydd o ddi-ddordeb Cymreig a Cheltaidd y mae'n ei gasglu'n bennaf. Mae ei chasgliadau ar hyn o bryd yn cynnwys:

- **Deunydd Print:** sy'n amrywio o *Yny lhyvyr hwnn*, y llyfr cyntaf yn yr iaith Gymraeg (a argraffwyd yn 1546) i raglenni digwyddiadau lleol megis cyngherddau a sioeau. Mae gan y Llyfrgell dros 6 miliwn o gyfrolau print.

- **Llawysgrifau ac archifau:** sy'n cynnwys eitemau amhrisiadwy o'r Canol Oesoedd fel Llyfr Llandaf, llawysgrif Chaucer Hengwrt, Llyfr Du Caerfyrddin yn ogystal â 'Cyfreithiau Hywel Dda' a brynwyd yn ddiweddar. Ceir yno hefyd ffynonellau dogfennol o'r Canol Oesoedd hyd heddiw, megis cofnodion sy'n gysylltiedig ag eglwysi a chapeli yng Nghymru gan gynnwys Cofnodion Plwyfi ac ewyllysiau. Mae hefyd yn derbyn traethodau ymchwil gan brifysgolion Cymru, archifau cyrff cyhoeddus a phapurau personol Cymry enwog o bob cefndir. Y mae dros 30,000 cyfrol o lawysgrifau, 4 miliwn o ddogfennau archif a 50 o drysorau celf yn y Llyfrgell.
- **Mapiau:** Hynafiaethol a modern ac atlasau, mapiau Arolwg Ordnans, siartiau moroedd, mapiau ffermydd, ystadau a mapiau degwm, cynlluniau rheilffordd a gwasanaethau cyhoeddus. Mae gan y Llyfrgell dros 1.5 miliwn o fapiau.
- **Lluniau:** yn portreadu pobl a llefydd yng Nghymru gan gynnwys paentiadau, printiau, ysgythriadau a lluniau eraill. Mae'r casgliadau hyn yn cynnwys dros 60,000 o luniau a 4,000 o ddarnau celf wedi'u fframio.
- **Ffotograffau:** o'r ffotograff cynharaf a dynnwyd yng Nghymru, daguerroteip o Gastell Margam, a dynnwyd yn 1841, i waith Mary Dillwyn, John Thomas, D. C. Harries a Geoff Charles. Mae gan y Llyfrgell oddeutu 950,000 o ffotograffau yn ei chasgliad.
- **Adnoddau electronig a delweddau digidol:** Mae'r casgliadau newydd hyn sydd wedi'u creu'n bennaf gan y Llyfrgell yn cynnwys dros 5 miliwn o ddelweddau.
- Mae gan Archif Genedlaethol Sgrin a Sain Cymru dros 250,000 awr o recordiadau sain, 300,000 awr o ddelweddau symudol, 7 miliwn troedfedd o ffilm, 200,000 eitem o Archif ffilm a theledu ITV a 15km o archif unigryw. Yn eu mysg y mae darllediadau teledu a radio, recordiadau ffilm amatur a sain, recordiau, casetiau a CDs, ffilmiau a fideos masnachol.

### 13 DYLEDWYR - yn ddyledus o fewn blwyddyn

	31 Mawrth 2017	31 Mawrth 2016
	£000	£000
Dyledwyr Masnach	93	47
Ad-daliad TAW yn ddyledus	264	447
Blaendaliadau*	746	699
Dyledwyr Eraill ac Incwm Cronedig	42	159
Incwm Cronedig Cronfeydd Preifat	37	36
	<b>1,182</b>	<b>1,388</b>

\*Yn cynnwys blaendaliad o £400k (2015/16: £250K) i'r Cynllun Pensiwn

**14 (a) CREDYDWYR - Symiau a ddaw'n ddyledus o fewn blwyddyn**

	31 Mawrth 2017	31 Mawrth 2016
	£000	£000
Credydwyr Masnach	129	166
Croniadau ac incwm gohiriedig	204	325
Buddsoddi i Arbed*	25	25
Incwm gohiriedig Cronfeydd Preifat	53	78
Croniadau tâl gwyliau **	146	125
	<b>557</b>	<b>719</b>

Derbyniwyd benthyciad Buddsoddi i Arbed gwerth £75,000 yn ystod y flwyddyn i ariannu paneli ffotofoltaig a fydd yn arwain at gostau trydan is. Ad-delir y benthyciad hwn dros 3 blynedd - £25,000 y flwyddyn yn llai o Grant Craidd yn ddyledus.

**14 (b) CREDYDWYR - Symiau a ddaw'n ddyledus ar ôl mwy na blwyddyn**

	31 Mawrth 2017	31 Mawrth 2016
	£000	£000
Buddsoddi i Arbed*	25	50
	<b>25</b>	<b>50</b>

\*Derbyniwyd gwerth £75,000 o arian Buddsoddi i Arbed sy'n ad-daladwy dros 3 blynedd. Darparwyd yr arian i dalu am baneli ffotofoltaig a fydd yn arwain at gostau trydan is.



## 15 DADANSODDIAD O'R CRONFEYDD ELUSENNOL

## a. Dadansoddiad o symudiad y cronfeydd

	Ar 1 Ebrill 2016	Adnoddau a dderbyniwyd	Adnoddau a Wariwyd	Symudiadau Eraill Yn ystod y flwyddyn	Ar 31 Mawrth 2017
	£000	£000	£000	£000	£000
<b>CRONFEYDD CYHOEDDUS</b>					
Anghyfyngedig - Pensiwn Cyhoeddus	(7,410)	-	(540)	(1,120)	(9,070)
Anghyfyngedig	109	9,940	(9,939)	-	110
<b>Cyfyngedig: -</b>					
Cyfalaf	48,047	594	(1,297)	(7)	47,337
Cronfa Ailbriso*	26,863	-	-	(7,570)	19,293
Llyfrgelloedd yn Ysbrydoli	-	239	(239)	-	-
ARCW	-	122	(122)	-	-
Casgliad y Werin Cymru	-	151	(140)	-	11
Cynefin	13	135	(134)	-	14
Y Rhyfel Mawr	9	115	(90)	(5)	29
Cymru yn y Rhyfel	1	65	(65)	(1)	-
Cymru'n Cofio	-	20	(20)	-	-
Datgloi Treftadaeth Ffilm - BFI	-	75	(75)	-	-
Wikipops	-	20	(20)	-	-
Diwylliant yn cwrdd â Busnes ac arall	7	13	(1)	46	65
Grant Pwrcasu a Datblygiadau digidol	7,752	305	-	-	8,057
	75,391	11,794	(12,682)	(8,657)	65,846
<b>CRONFEYDD PREIFAT</b>					
Anghyfyngedig	7,880	230	(39)	1,798	9,869
Cyfyngedig					
Cronfa casgliadau	6,968	131	-	(2)	7,097
<b>Cronfeydd preifat cyfyngedig eraill</b>					
D M Phillips	686	19	(3)	(702)	-
W Elwyn Davies	18	1	-	2	21
Y Fonesig Parry-Williams	34	1	-	4	39
Noel Jarman	60	2	-	7	69
Gwyneth Lloyd	2	-	-	-	2
Grant Pwrcasu	-	2	-	-	2
Cronfa Foyle	-	50	-	8	58
Eluned Gymraes Davies	-	22	(22)	1	1
Scottish Power	-	3	(22)	19	-
Cyfanswm y Cronfeydd Preifat	15,648	461	(86)	1,135	17,158
<b>CYFANSWM</b>	<b>91,039</b>	<b>12,255</b>	<b>(12,768)</b>	<b>(7,522)</b>	<b>83,004</b>

\*Mae'r gronfa ailbriso wedi'i chyfrifo yn seiliedig ar yr asedau a ailbrisiwyd ers 1999 yn unol â gofyniad FRS102 i nodi'r gronfa ailbriso ar wahân. Ni chaiff ailbrisiadau cyn 1999 eu cynnwys yn y gronfa hon.

Ymhlith y symudiadau eraill yn ystod y flwyddyn (£7,522) mae

- (Elw)/colled o werthu buddsoddiadau ac asedau (£393k)
- Cost cyllid pensiwn - (240k)
- (Colledion) / enillion heb eu gwireddu ar fuddsoddiadau - £775k
- Mynegeio ac Ailbriso Asedau Sefydlog Diriaethol (£7,570k)
- (Enillion)/colledion actiwariaid - (£880k)

**b. CRONFEYDD PREIFAT (yn cynnwys casgliadau)**

	Anghyfyngedig	Cyfyngedig	Casglu	Cyfanswm 2016/17	Cyfanswm 2015/16
	£000	£000	£'000	£000	£000
<b>Incwm</b>					
Rhoddion a Chymynroddion	11	75	131	217	585
Grantiau a dderbyniwyd	-	3	-	3	21
Llog sydd i'w Dderbyn	219	22	-	241	217
<b>Cyfanswm</b>	<b>230</b>	<b>100</b>	<b>131</b>	<b>461</b>	<b>823</b>
<b>Adnoddau a Wariwyd</b>					
Costau codi arian	33	3	-	36	35
Marchnata, arddangosfeydd, addysg (Elw)/colled o werthu buddsoddiadau	6 (363)	44 (37)	-	50 (400)	62 (155)
<b>Cyfanswm</b>	<b>(324)</b>	<b>10</b>	<b>-</b>	<b>(314)</b>	<b>(58)</b>
<b>Adnoddau net a Dderbyniwyd / (a Ddefnyddiwyd)</b>	<b>554</b>	<b>90</b>	<b>131</b>	<b>775</b>	<b>881</b>
Trosglwyddiadau	699	*(737)	(2)	(40)	(36)
	1,253	(647)	129	735	845
(Colled)/Elw heb ei wireddu wrth ailbriso buddsoddiadau	736	39	-	775	(381)
<b>Symudiad net yn y Cronfeydd Preifat yn ystod y flwyddyn</b>	<b>1,989</b>	<b>(608)</b>	<b>129</b>	<b>1,510</b>	<b>464</b>
Dygwyd ymlaen ar 1 Ebrill	7,880	800	6,968	15,648	15,184
<b>Cariwyd Ymlaen ar 31 Mawrth</b>	<b>9,869</b>	<b>192</b>	<b>7,097</b>	<b>17,158</b>	<b>15,648</b>

\*Mae trosglwyddiadau o cyfyngedig i anghyfyngedig yn cynnwys trosglwyddiad o Ymddiriedolaeth DM Phillips sydd wedi cael ei aiddosbarthu i anghyfyngedig yn dilyn cyngor cyfreithiol, gan nad oedd unrhyw gyfyngiadau penodol o fewn yr ewyllys.

**16. DADANSODDIAD O'R CRONFEYDD NET RHWNG Y CRONFEYDD**

	Cyhoeddus anghyfngedig £'000	Cyhoeddus cyfyngedig £'000	Preifat anghyfngedig £'000	Cyhoeddus cyfyngedig £'000	Cyfanswm £'000
Asedau Sefydlog Diriaethol	-	74,806	8,227	7,289	90,322
Arian yn y banc ac mewn llaw	(559)	-	1,667	-	1,108
Asedau cyfredol net/(rhwymedigaethau) eraill	694	-	(25)	-	669
Credydwy'r ar ôl mwy na blwyddyn	(9,095)	-	-	-	(9,095)
<b>Cyfanswm</b>	<b>(8,960)</b>	<b>74,806</b>	<b>9,869</b>	<b>7,289</b>	<b>83,004</b>

**17. CYSONI'R (GWARIANT) / INCWM NET Â'R LLIF ARIAN PAROD NET O WEITHGAREDDAU GWEITHREDOL**

	2016/17 £000	2015/16 £000
(Gwariant) / Incwm net ar gyfer y cyfnod adrodd (fel y datganiad gweithgareddau ariannol)	(360)	17
Llai: Elw o werthu buddsoddiadau	(393)	(155)
Ychwanegu'n ôl: Addasiad Pensiwn Llog FRS102	240	170
Ychwanegu'n ôl: Taliadau dibrisiant (Cynnydd)/Lleihad yn y stoc	1,297	994
	8	2
Rhoddion asedau (dim arian parod)	(131)	(147)
Gostyngiad/(Cynnydd) mewn dyledwyr (Gostyngiad)/Cynnydd mewn credydwyr	207	456
	(187)	(1,105)
Addasiad cost gwasanaeth cyfredol pensiwn	540	520
<b>Llif arian parod net o weithgareddau gweithredol</b>	<b>1,221</b>	<b>752</b>

**18. CYSONI LLIF ARIAN PAROD NET Â SYMUDIADAU YN Y CRONFEYDD NET**

	2016/17 £000	2015/16 £000
Arian mewn llaw	1,134	1,207
Adneuron rhybudd (llai na 3 mis)	867	990
Cyfleuster gorddrafft yn ad-daladwy ar alw	(26)	(1)
<b>Cronfeydd Net ar 31 Mawrth</b>	<b>1,975</b>	<b>2,196</b>

## 19. TRAFODION PARTIÖN CYSYLLTIEDIG

Ystyrir Llywodraeth Cymru yn barti cysylltiedig. Yn ystod y flwyddyn cafodd y Llyfrgell arian gan y Llywodraeth ar ffurf Cymorth Grant, a Grantiau Prynu, Cyfalaf a Phrosiect fel y'u datgelir yn nodyn 2. Talodd y Llyfrgell y symiau canlynol i Lywodraeth Cymru: -

- Llog a ad-dalwyd - £2,614 (2015/16: £8,529)
- Cost recriwtio ymddiriedolwyr - £3,259 (2015/16: £3,866)

Mae Mr Huw Williams, aelod o'r Bwrdd, yn bartner yn Geldards LLP, sef cynghorwyr cyfreithiol enwebedig y Llyfrgell. Rhoddwyd taliadau gwerth £21,662 (2015/16: £69,947) i Geldards LLP yn ystod 2016/17 am wasanaethau a roddwyd.

Mae Robert Gray, oedd yn aelod annibynnol o Bwyllgor Archwilio'r Llyfrgell tan Hydref 2015, yn bennaeth Francis Gray, cwmni a ddarparodd gymorth i'r Llyfrgell gyda chyfrifon diwedd y flwyddyn ariannol 2014/15 ac a dderbyniodd ffioedd o £dim yn 2016/17 (2015/16: £8,537).

Mae trafodion a balansau'r Cynllun Pensiwn yn cael eu datgelu yn nodiadau 8 a 13.

Ar 31 Mawrth 2017, roedd gan y Llyfrgell ddyledwyr a chredydwyr cyfunol gyda chyrrff eraill sy'n derbyn cyllid gan y Llywodraeth fel a ganlyn:

	Dyledwyr	Credydwyr: llai na 1 mlynedd	Credydwyr: mwy na 1 mlynedd
	£000	£000	£000
Cyrrff Llywodraeth Ganolog	20	25	25
Cyrrff Llywodraeth Leol	-	3	-
Cyrrff eraill	1,161	500	-
Cyfanswm	1,181	556	25

## 20. ASEDAU A RHWYMEDIGAETHAU ARIANNOL- DATGELIAD RISG

Mae'r fantolen yn dangos y Banc yng nghyswllt asedau cyfredol a rhwymedigaethau cyfredol. Mae sefyllfa'r llyfr arian yn dangos bod un cyfrif mewn dyled o £0.026m, tra bo gan y cyfrifon eraill £1.1m (2015/16: £1.2m) mewn llaw. Nid oedd gan y Llyfrgell orddrafft banc ar ddiwedd y flwyddyn, ac mae hyn yn adlewyrchu nifer o drafodion nad oedd wedi'u prosesu gan y Banc eto, megis sicciau ac adneuron heb eu clirio.

Nid oes gan y Llyfrgell fenthyciadau ac mae'n dibynnu'n bennaf ar grantiau adrannol ar gyfer ei gofynion arian ac felly nid yw'n agored i risgiau hylifedd. Datgelir yr unig adnau o bwys yn nodyn 11, ac mae'r holl asedau a rhwymedigaethau o bwys mewn sterling, ac felly nid yw'n agored i risg yn ymwneud â'r gyfradd llog neu ag arian cyfred. Yn 2016/17, daeth £10.838m neu 88% o incwm cyfunol y Llyfrgell gan Lywodraeth Cymru (2015/16 £11.618m neu 86%). Daw'r gweddill, £1.41m neu 12% (2015/16 £1.833m neu 14%) o incwm o gronfeydd preifat y Llyfrgell (nodyn 15b), o weithgareddau masnach (nodyn 4) ac o grantiau gan gyrff eraill, fel y datgelir yn Nodyn 3 y cyfrifon hyn.

Mae'r Llyfrgell yn agored i risg y farchnad ac mae hyn yn cael ei reoli drwy arallgyfeirio'r buddsoddiad, yn ogystal â gosod amcanion i Reolwr y Gronfa ynglŷn ac archwaeth risg a buddsoddiad.

## 21. PRYDLESI

Ni wnaeth y Llyfrgell unrhyw daliadau prydles yn ystod y flwyddyn na'r flwyddyn flaenorol.

## 22. COSTAU PENSIWN

Mae gan y Llyfrgell gynllun pensiwn buddion diffiniedig gyda buddion yn cronni ar gyfradd o 1/80<sup>fed</sup> o'r cyflog pensiynadwy ar gyfer pob blwyddyn o wasanaeth. Cafwyd y prisiad actiwaraid llawn diwethaf ar 31 Mawrth 2016 ac aseswyd bod y Cynllun wedi cyrraedd pwynt lle mae wedi'i ariannu i 99% gyda diffyg o £370,000.

Yn ystod y flwyddyn hyd at 31 Mawrth 2017, bu'r Llyfrgell yn cyfrannu at y Cynllun ar gyfradd o 26.6% o gyflogau pensiynadwy a bydd y gyfradd hon yn cael ei defnyddio am ran o 2017/18 ac yn debygol o gynyddu i 27.2% o gyflog pensiynadwy. Mae'n debygol y bydd cyfraniadau'r cyflogwr ar gyfer 2017/18 yn £1.5 miliwn.

### (a) Datblygu Sefyllfa'r Fantolen Net

	31 Mawrth 2017	31 Mawrth 2016
	£m	£m
Gwerth teg yr asedau (22b)	68.31	56.47
Gwerth actiwaraid rhwymedigaethau'r cynllun (22c)	77.38	63.88
(Rhwymedigaeth) pensiwn sydd yn y fantolen	(9.07)	(7.41)

### (b) Newidiadau yng ngwerth teg asedau'r cynllun

	Y flwyddyn yn diweddu 31 Mawrth 2017	Y flwyddyn yn diweddu 31 Mawrth 2016
	£m	£m
Asedau'r cynllun ar ddechrau'r flwyddyn	56.47	56.90
Budd a dalwyd o asedau'r cynllun	(2.01)	(2.17)
Cyfraniadau'r cyflogwr	1.51	1.59
Cyfraniadau'r aelodau	-	-
Costau gweinyddol	(0.12)	(0.10)
Incwm llog ar Asedau'r Cynllun	2.02	2.01
Elw ar asedau'r cynllun sy'n fwy/(llai) na'r gyfradd ddisgownt	10.44	(1.76)
Asedau'r cynllun ar ddiwedd y flwyddyn - 22a	68.31	56.47

### (c) Dadansoddiad o'r newidiadau yn y Rhwymedigaethau Buddion Diffiniedig (DBO)

	Blwyddyn yn diweddu 31 Mawrth 2017	Blwyddyn yn diweddu 31 Mawrth 2016
	£m	£m
Rhwymedigaethau'r cynllun ar ddechrau'r flwyddyn	63.88	62.55
Cost llog ar y DBO	2.26	2.18
Effaith gwasanaethau'r gweithwyr yn y cyfnod cyfredol	1.93	2.01
Cyfraniadau'r aelodau	-	-
Budd a dalwyd o asedau'r cynllun	(2.01)	(2.17)
Ailfesur y DBO/newid tybiaethau	11.32	(0.69)
Rhwymedigaethau'r cynllun ar ddiwedd y flwyddyn - 22a	77.38	63.88

### (d) Symiau a gofnodwyd ar y SOFA (Cyfanswm gwariant)

	Blwyddyn yn diweddu 31 Mawrth 2017	Y flwyddyn yn diweddu 31 Mawrth 2016
	£m	£m
Effaith gwasanaethau'r gweithwyr yn y cyfnod cyfredol	1.93	2.01
Llog net ar (ased)/rhwymedigaeth buddion diffiniedig net	0.24	0.17
Cost y buddion diffiniedig a gydnabyddir yn P&L	2.17	2.18
Costau gweinyddu yn ystod y cyfnod	0.12	0.1
Costau buddion terfynu	-	-
<b>Cyfanswm y gost a gydnabyddir yn y SOFA</b>	<b>2.29</b>	<b>2.28</b>

**(e) (Colledion)/Enillion Actiwaraid a gofnodwyd yn y SOFA**

	Y flwyddyn yn diweddu 31 Mawrth 2017	Y flwyddyn yn diweddu 31 Mawrth 2016
	£m	£m
Elw ar asedau'r cynllun sy'n (fwy) / llai na'r gyfradd ddisgownt - 22b	(10.44)	1.76
(Elw)/colled actiwaraid sy'n codi yn ystod y cyfnod - 22c	11.32	(0.69)
<b>Cyfanswm (enillion) /colledion actiwaraid a gydnabyddir yn y cronfeydd wrth gefn</b>	<b>0.88</b>	<b>1.07</b>

**(f) Cyfanswm cost y buddion diffiniedig**

	Blwyddyn yn diweddu 31 Mawrth 2017	Blwyddyn yn diweddu 31 Mawrth 2016
	£m	£m
Cyfanswm y gost a gydnabyddir yn SOFA - 22(d)	2.29	2.28
Effaith yr ailfesur a gydnabyddir yn y cronfeydd wrth gefn 22(e)	0.88	1.07
<b>Cost y buddion diffiniedig</b>	<b>3.17</b>	<b>3.35</b>

**(g) Cysoni Sefyllfa'r Fantolen Net**

	Blwyddyn yn diweddu 31 Mawrth 2017	Blwyddyn yn diweddu 31 Mawrth 2016
	£m	£m
(Atebolrwydd) diffiniedig net ar ddechrau'r flwyddyn	(7.41)	(5.65)
Effaith gwasanaethau'r gweithwyr yn y cyfnod cyfredol (22c)	(1.93)	(2.01)
Llog net ar (ased) / rhwymedigaeth buddion diffiniedig net	(0.24)	(0.17)
Effaith yr ailfesur a gydnabyddir yn y cronfeydd wrth gefn 22(e)	(0.88)	(1.07)
Cyfraniadau'r cyflogwr 22b	1.51	1.59
Costau gweinyddol	(0.12)	(0.10)
<b>Rhwymedigaethau'r cynllun ar ddiwedd y flwyddyn - 22a</b>	<b>(9.07)</b>	<b>(7.41)</b>

**(h) Gwerth Asedau ar y Farchnad a Chanran Cyfanswm Asedau'r Cynllun**

	31 Mawrth 2017		31 Mawrth 2016	
	£m	%	£m	%
Ecwitïau	24.7	36.1	19.5	34.6
Bondiau	37.3	54.4	31.0	54.8
Eiddo ac arall	6.5	9.5	6.0	10.6
<b>Cyfanswm gwerth yr asedau</b>	<b>68.5</b>		<b>56.5</b>	

**(i) Tybiaethau Ariannol**

Mae'r tybiaethau ariannol a wnaed er mwyn cyfrifo gofynion datgelu FRS102 fel a ganlyn:

	31 Mawrth 2017	31 Mawrth 2016
	% y flwyddyn	% y flwyddyn
Chwyddiant Prisiau	2.55	2.2
Cyfradd y Cynnydd mewn Cyflogau	2.55	3.7
Cyfradd y cynnydd mewn pensiynau sy'n cael eu talu*	2.55	2.2
Cyfradd y cynnydd ar gyfer pensiynwyr sydd wedi gohirio*	2.55	2.2
<b>Cyfradd ddisgownt**</b>	<b>2.80</b>	<b>3.6</b>

\*\*yn fwy nag unrhyw elfen GMP (Isafswm Pensiwn Gwarantedig)

\*\*wedi'i ragnodi gan Drysorlys EM

Mae'r gyfradd ddisgownt a ddefnyddir ar gyfer datgeliadau FRS102 yn wahanol i'r un a ddefnyddiwyd gan yr Actiwari ar gyfer yr asesiad ariannol mwyaf diweddar o'r Cynllun ar 31 Mawrth 2016. Bryd hynny, aseswyd bod y Cynllun wedi'i ariannu'n llawn. Bydd y gofyniad i ddefnyddio cyfradd ddisgownt y Trysorlys ar gyfer y datgeliad FRS102 yn golygu y bydd sefyllfa ariannol y Cynllun yn cael ei hasesu'n wahanol dan y mesur hwn o'i gymharu â'r dull a ddefnyddir ym mhriiad actiwaraid ffurfiol y Cynllun.

**23. EITEMAU MATEROL**

Yn 2016-17, nid yw'r gwerthoedd yn cael eu hystyried yn ddigon materol i gael eu datgelu ar wyneb y SOFA, ond am resymau cymharol, mae esboniadau yn cael eu darparu am resymau ar gyfer datgelu flwyddyn flaenorol ynghyd a diweddariad ar gynnydd: -

**A. FFFIOEDD YN YMWNEUD Â'R TÂN AR 26 EBRILL 2013**

Talodd y Llyfrgell £15K (2015/16: £19K) mewn costau cyfreithiol i Geldards yn y flwyddyn oedd yn ymwneud ac achos cyfreithiol yn dilyn y tân yn Ebrill 2013.

**A. SETLIAD**

Ni dalwyd unrhyw daliadau setliad yn y flwyddyn. Yn 2015-16, talwyd y taliadau setliad canlynol a oedd wedi cael eu cadarnhau gan Lywodraeth Cymru: -

- Talwyd setliad o £22,500 i'r Athro A G Jones ym mis Tachwedd 2015 yn hytrach na chyfnod rhybudd o 3 mis.
- Talodd y Llyfrgell £7,500 hefyd fel setliad i gyn-aelod o staff yn dilyn hawliad am ddamwain a ddigwyddodd yn y gwaith. Cynhwysodd y Llyfrgell amcangyfrif o £15,000 ychwanegol tuag at gostau cyfreithiol yr ymgeisydd yng nghyfrifon 2015-16, ac fe dalwyd £22,677 yn 2016-17 (felly cost o £7,677 o fewn y cyfrifon eleni).

**C. TÂL DISWYDDO**

Ni thalwyd unrhyw daliadau diswyddo gwirfoddol yn y cyfnod. Roedd y taliad o £77,724 yn ymwneud â 4 aelod o staff wedi gadael yn 2015-16.

**D TRYDYDD ADEILAD Y LLYFRGELL**

Mae'r Llyfrgell wedi talu taliadau olaf yn ymwneud gyda'r gwaith ar y Trydydd Adeilad o £24,061 (2015-16; £439,541). Ni chafodd y gwariant yma ei gapitaleiddio gan nad oedd strwythur yr adeilad yn cael ei wella o ganlyniad i'r gwaith adeiladu.

**24. YMRWYMIADAU CYFALAF**

Ar ddyddiad y fantolen, mae'r ymrwymadau sy'n weddill fel a ganlyn:

	31 Mawrth 2017	31 Mawrth 2016
	£000	£000
Dan gytundeb - Swyddfa Trydydd Adeilad y Llyfrgell - To	-	15
Dan gytundeb - Swyddfa Trydydd Adeilad y Llyfrgell - Swyddfeydd	-	17
Cytundeb adeiladau – gwaith addasu ar gyfer y Comisiwn Brenhinol	64	360
	<b>64</b>	<b>392</b>

**25. DIGWYDDIADAU YN DILYN CREU'R FANTOLEN**

Nid oedd unrhyw ddigwyddiadau materol yn dilyn paratoi'r cyfrifon sydd angen eu datgelu yn y cyfrifon hyn.



**Ken Skates AC/AM**

**Ysgrifennydd y Cabinet dros yr Economi a'r Seilwaith**  
**Cabinet Secretary for Economy and Infrastructure**



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref MA-P-KS/0462/17

Rhodri Glyn Thomas  
Llywydd  
Llyfrgell Genedlaethol Cymru  
Aberystwyth  
Ceredigion SY23 3BU

1 Mawrth 2017

Annwyl Rhodri

### **Llythyr Cylch Gwaith Llyfrgell Genedlaethol Cymru 2017-18**

Rydym yn mynd ati yn y llythyr hwn i nodi'n cenhadaeth ar y cyd, a diben y cymorth grant i Lyfrgell Genedlaethol Cymru ar gyfer 2016-17.

Gan edrych yn ôl ar 2016-17, hoffwn eich llongyfarch ar ôl i'r Llyfrgell Genedlaethol gael cydnabyddiaeth ledled y DU am ennill Gwobr Gwirfoddoli'r Gymdeithas Archifau a Chofnodion ar gyfer 2016. Rwyf hefyd am gymeradwyo'ch cyfraniad i brosiect cyfrannu torfol Cynefin, sydd wedi rhoi rhan i nifer mor fawr o rith-wirfoddolwyr mewn gweithgareddau'n gysylltiedig â thirwedd unigryw Cymru. Rwyf yn falch hefyd fod y Llyfrgell yn parhau i gefnogi mentrau cenedlaethol pwysig, gan gynnwys yr arddangosfa *Antur ar bob tudalen* i gefnogi'r Flwyddyn Antur, a gweithgareddau thema sy'n gysylltiedig â choffáu Roald Dahl.

Gan edrych ymlaen at 2017-18, mae'r llythyr hwn yn tynnu sylw at nifer o flaenoriaethau yr hoffwn i'r Llyfrgell Genedlaethol eu mabwysiadu er mwyn sicrhau bod eich sefydliad yn parhau i ddarparu swyddogaethau diwylliannol pwysig i bobl Cymru mewn ffordd gynaliadwy.

Rwyf yn disgwyl i nodau'r Llyfrgell Genedlaethol gyd-fynd â pholisïau Llywodraeth Cymru at ddibenion y cyllid cymorth grant. Er hynny, rwyf yn cydnabod ac yn parchu statws elusennol y Llyfrgell a'i statws fel corff â Siarter Frenhinol, ynghyd â'r angen ichi weithredu'n annibynnol o ddydd i ddydd ac i lunio'ch polisïau a'ch cynlluniau busnes manwl eich hun. Rwyf yn disgwyl i'r berthynas rhyngom fod yn un sy'n seiliedig ar ymddiriedaeth a pharch o'r ddwy ochr ac ar gyfathrebu mewn ffordd agored a gonest. Yn ymarferol, fy swyddogion fydd yn rhoi cymorth ac arweiniad i'r Llyfrgell Genedlaethol ar ran Llywodraeth Cymru.

Mewn cyd-destun pan fo cyllideb gyffredinol Llywodraeth Cymru yn crebachu, a gwasanaethau cyhoeddus hanfodol yn cystadlu â'i gilydd am gyllid, mae'n bwysicach nag erioed o'r blaen ein bod yn gallu darparu tystiolaeth i ddangos bod y cyllid a ddarperir ar gyfer Llyfrgell Genedlaethol yn cynnig gwerth i'r cyhoedd. Mae angen i'n sefydliadau ymateb i'r heriau a osodwyd gan Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) ac i ddarparu gwasanaethau effeithlon ac uchel eu hansawdd sydd o fudd i bobl o bob cefndir ym mhob cwr o Gymru. Fel y pennir yn Neddf Cenedlaethau'r Dyfodol, bydd angen ichi ddarparu tystiolaeth am y cyfraniad y bydd y Llyfrgell yn ei wneud at gyrraedd y nodau llesiant cenedlaethol a'r dangosyddion perthnasol.

Rydym yn gyd-atebol am sicrhau bod yr arian cyhoeddus sy'n cael ei fuddsoddi yn y Llyfrgell Genedlaethol yn cael ei ddefnyddio mewn ffordd briodol a'i fod yn cael yr effaith orau bosibl. Er mwyn mesur effaith, gwerth ac effeithlonrwydd y Llyfrgell yn effeithiol, mae'n rhaid gosod targedau, casglu data a gwneud gwaith ymchwil. Rwyf yn gofyn ichi ddarparu tystiolaeth glir a rheolaidd am y cynnydd y bydd y Llyfrgell yn ei wneud o ran cyrraedd yr amcanion a'r targedau y byddwn wedi cytuno arnynt.

Rwyf yn edrych ymlaen at drafod y targedau yn eich Cynllun Gweithredol a sut yr ydych yn bwriadu eu mesur ac adrodd amdanynt yn rheolaidd; gan adrodd nid yn unig wrth fy swyddogion, ond hefyd wrth ddefnyddwyr a rhanddeiliaid y Llyfrgell Genedlaethol. **Dylech anfon fersiwn ddrafft o'r cynllun at fy swyddogion erbyn 6 Mawrth.** Dim ond pan fyddaf yn fodlon y bydd arian cyhoeddus yn cael ei reoli'n briodol ac amcanion yn cael eu bodloni mewn ffordd gosteffeithiol y gellir rhyddhau'r arian grant. Unwaith y cytunir ar y Cynllun Gweithredol, byddaf mewn sefyllfa i ryddhau cyllid i'r Llyfrgell Genedlaethol ar gyfer 2017-18.

Mae'r blaenoriaethau yr wyf am eich gweld yn gweithredu arnynt yn y flwyddyn sydd i ddod (gan ddefnyddio'r cyllid cymorth grant a ddarperir gan Lywodraeth Cymru) yn cael eu nodi isod:

### **Sefydliad cenedlaethol sy'n ganolog i fywyd Cymru**

Er mwyn i bobl Cymru gael budd o'n sefydliadau treftadaeth ddiwylliannol, mae angen iddynt fod yn ymwybodol o'r hyn sy'n cael ei gynnig a manteisio arno. Mae nifer o ffactorau'n allweddol er mwyn sicrhau bod cwsmeriaid yn cael profiad da, gan gynnwys: pwyntiau mynediad a phyrth deniadol i gyfleusterau ffisegol a digidol; ffyrdd greddfoll o we-lywio er mwyn helpu defnyddwyr i ddod o hyd i wasanaethau ac adnoddau a'u defnyddio; a chymorth cyfeillgar oddi wrth staff parod eu cymwynas.

Rwyf yn disgwyl i'ch Cynllun Gweithredol gynnwys amcanion i:

- hyrwyddo'ch gwasanaethau a'ch adnoddau a'u marchnata'n effeithiol er mwyn denu diddordeb cynulleidfaoedd newydd ac ehangach i wneud mwy o ddefnydd ohonynt
- gwella pwyntiau mynediad a rhoi hyfforddiant priodol i staff sy'n ymwneud â'r cyhoedd
- cyrraedd a chynnal safonau uchel o wasanaeth i gwsmeriaid
- sicrhau bod gwasanaethau'r Llyfrgell Genedlaethol ar gael i gymunedau lleol ym mhob cwr o Gymru

Dylai'r ffyrdd o fesur perfformiad gynnwys:

- monitro sylw yn y cyfryngau, y gynulleidfa a gyrhaeddir, a gwerthuso effaith gwaith hyrwyddo a wneir gan y Llyfrgell Genedlaethol
- cynyddu'r defnydd cyffredinol a wneir o'r Llyfrgell ac annog cwsmeriaid i ymweld â hi yn y cnawd ac ar y we dro ar ôl tro ac i'w defnyddio'n rheolaidd
- monitro ac ymateb i adborth a roddir gan ddefnyddwyr, a gwella lefelau boddhad ymhlith defnyddwyr ac ymwelwyr
- monitro faint sy'n cymryd rhan mewn digwyddiadau a gynhelir gan y Llyfrgell, a sicrhau cynnydd yn y niferoedd hynny, gan fanylu ar faint o grwpiau ac unigolion yn y cynulleidfaoedd targed allweddol sy'n cymryd rhan ynddynt

## **Cof ein cenedl**

Y Llyfrgell Genedlaethol sy'n gyfrifol am ofalu am ein casgliad cenedlaethol a'i ddatblygu, ac am drefnu bod yr adnodd amlgyfrwng cyfoethog ac amrywiol hwnnw ar gael i gynulleidfa yng Nghymru a thu hwnt. Mae cynnal cyfrifoldebau statudol a chyrraedd a rhagori ar safonau proffesiynol yn allweddol er mwyn dangos bod y Llyfrgell Genedlaethol yn llwyddo yn y maes yma . Mae gan y Llyfrgell rôl bwysig i'w chwarae hefyd o ran sefydlu ac arwain amryfal bartneriaethau sy'n ychwanegu gwerth i'r gymuned archifau a llyfrgelloedd ehangach yng Nghymru er budd defnyddwyr.

Mae gan y Llyfrgell ddyletswyddau statudol a rhwymedigaethau penodol mewn perthynas â mathau penodol o ddeunyddiau casglu o dan y darnau isod o ddeddfwriaeth y DU:

- Deddf Llyfrgelloedd Adneuo Cyhoeddus 2003 a Rheoliadau Llyfrgelloedd Adneuo Cyhoeddus (Gweithiau Di-brint) 2013
- Deddf Cofnodion Cyhoeddus 1958, ac mae ganddi gyfrifoldebau hefyd mewn perthynas â dosbarthiadau rheoledig eraill o gofnodion.

Rwyf yn disgwyl i'r Llyfrgell gadw ei Hachrediad Gwasanaeth Archifau a'i statws fel man adneuo o dan Ddeddf Cofnodion Cyhoeddus 1958.

## **Sefydliadau cynhwysol**

Gall ein sefydliadau treftadaeth ddiwylliannol helpu pobl o bob cefndir i gymryd rhan ym mywyd diwylliannol Cymru ac i gael budd ohono.

Er mwyn cyflawni'r amcanion hynny, byddwn yn disgwyl i'r Llyfrgell Genedlaethol:

- ddatblygu cynllun estyn allan, gan gynnwys cydweithio â rhaglen Cyfuno
- datblygu cynlluniau i weithio'n agos gyda sefydliadau priodol yng nghyd-destun eich cynllun gwirfoddoli, ac annog pobl i wella ansawdd eu bywydau a'u sgiliau
- defnyddio'r arbenigedd penodol mewn sydd gennych mewn darpariaeth ddwyieithog i roi cymorth i gymunedau Cymraeg eu hiaith yn Sir Gaerfyrddin ac yng Ngwynedd drwy raglen Cyfuno

Dylai'r ffyrdd o fesur llwyddiant gynnwys:

- mwy o ymweliadau a defnydd gan bobl o gefndiroedd amrywiol neu ddifreintiedig
- recriwtio rhagor o staff o gefndiroedd amrywiol
- mwy o wirfoddolwyr, a mwy o amser yn cael ei gyfrannu gan wirfoddolwyr, a mwy o wirfoddolwyr o gefndiroedd amrywiol neu ddifreintiedig

Byddaf, wrth gwrs, yn disgwyl i'r Llyfrgell Genedlaethol barhau i sicrhau bod y cyfraniad a wneir gan wirfoddolwyr yn ychwanegu gwerth at y swyddi cyflogedig presennol, ac ni ddefnyddir i lenwi swyddi gwag yn y sefydliad.

### **Cenedl sy'n troi ei golygon tuag allan**

Mae angen i'r dreftadaeth ddiwylliannol arbennig ac unigryw sydd gan Gymru gael ei gweld yng ngweddill y DU ac yn y byd ehangach.

Dylai eich Cynllun Gweithredol gynnwys amcanion i:

- gefnogi gweithgareddau twristiaeth ddiwylliannol a gweithgareddau hyrwyddo (yn enwedig y Flwyddyn Chwedlau a Blwyddyn y Môr) gan Croeso Cymru
- sicrhau bod ein casgliadau cenedlaethol yn fwy gweladwy ar-lein drwy'r bartneriaeth sydd gennych eisoes gyda Wikimedia UK, a darparu gwasanaethau ac adnoddau digidol deniadol a hawdd eu defnyddio.

Bydd y ffyrdd o fesur cynnydd yn cynnwys:

- dadansoddiad o effaith digwyddiadau, gweithgareddau ac arddangosfeydd allweddol
- monitro'r defnydd a wneir o wasanaethau ac adnoddau ar-lein sy'n cael eu cefnogi gan y Llyfrgell Genedlaethol

### **Ymgysylltiad digidol**

Mae technoleg ddigidol yn chwyldroi'r ffordd y mae pobl yn creu ac yn defnyddio deunydd diwylliannol ac yn ei addasu at ddibenion gwahanol.

Yn benodol, byddwn yn disgwyl i'ch Cynllun Gweithredol gynnwys amcanion i:

- arwain a chydgyssylltu ymdrechion i gasglu ac i gadw deunydd 'digidol anedig' ac i ddatblygu polisi cenedlaethol ar gyfer cadwraeth ddigidol
- cydweithio â sefydliadau treftadaeth ddiwylliannol eraill i sefydlu platfform dwyieithog newydd, a fydd yn cael ei deilwra'n benodol, ar gyfer gweithgareddau cyfrannu torfol (i'w defnyddio ar gyfer prosiectau rhith-wirfoddoli)
- sicrhau bod mwy o ddeunydd treftadaeth ddiwylliannol o ansawdd uchel ar gael ar-lein drwy ddigideiddio'r casgliadau cenedlaethol a thrwy gydweithio â phartneriaid eraill ar brosiectau
- cyfrannu at gyflawni cynllun gweithredu Casgliad y Werin Cymru ar gyfer 2017-18

Bydd y ffyrdd o fesur yn cynnwys:

- mwy o rith-ymwelwyr yn cael gafael ar adnoddau a gwasanaethau ar-lein ac yn manteisio arnynt
- dilynwyr ar y cyfryngau cymdeithasol a maint y rhyngweithio
- rhith-wirfoddoli ac ymgysylltu'n uniongyrchol â'r casgliadau cenedlaethol drwy gyfrwng technoleg ddigidol

### **Sefydliadau cynaliadwy**

Mae polisi cyni Llywodraeth y DU wedi rhoi cryn straen ar gyllidebau yn y sector treftadaeth dros y blynyddoedd diwethaf, ac mae'r pwysau'n debygol o gynyddu yn y dyfodol. Er mwyn sicrhau bod y Llyfrgell Genedlaethol yn parhau'n hyfyw a'i bod yn gallu mynd ati'n barhaus i wella gwasanaethau, byddwn yn disgwyl iddi ychwanegu at y cyllid cymorth grant y mae'n ei gael oddi wrth Lywodraeth Cymru drwy sicrhau cynnydd sylweddol ym maint y cyllid a ddenir o ffynonellau eraill.

Bydd yr amcanion yn cynnwys:

- sicrhau mwy o gyllid drwy gydweithio â phartneriaid eraill ar brosiectau ehangach (e.e. partneriaid yn y sector treftadaeth ddiwylliannol ac yn y sector addysg uwch)
- mwy o weithgareddau codi arian (rhoddion elusennol)
- mwy o weithgareddau newydd sy'n ychwanegu gwerth a chyfleoedd masnachol sy'n creu incwm

Byddwn yn disgwyl i'ch Cynllun Gweithredol gynnwys targedau ar gyfer cynyddu cyllid.

### **Cydweithio ac Arweinyddiaeth**

Mae ein sefydliadau treftadaeth ddiwylliannol, gan gynnwys y Llyfrgell Genedlaethol, yn gryfach pan fyddant yn gweithio gyda'i gilydd. Byddwn yn disgwyl gweld amcanion o ran cydweithio yn eich cynllun gweithredol, gan gynnwys:

- cefnogi ymchwil a dysgu ffurfiol drwy bartneriaethau â chyrff yn y sector addysg uwch ac addysg bellach
- cydweithio strategol a phartneriaethau gyda'r sector treftadaeth ddiwylliannol, gyda sefydliadau cenedlaethol eraill, a chyda llyfrgelloedd sydd heb fod yn rhai cenedlaethol, a gwasanaethau archifau yng Nghymru.
- gweithgareddau sy'n cefnogi mentrau penodol, gan gynnwys rhaglen *Cymru'n Cofio Wales Remembers 1914 – 1918* a rhaglen Cyfuno

### **Datblygu'r gweithlu**

Gall sgiliau, angerdd ac arbenigedd y bobl sy'n gweithio yn y Llyfrgell Genedlaethol ddod â'n treftadaeth yn fyw i'r un graddau'n union â'n hasedau diwylliannol ffisegol. Mae'n amlwg ei bod yn bwysig bod gan y Llyfrgell weithlu sy'n cael ei barchu a'i symbylu ar bob lefel. Mae hynny'n gryn her i nifer o sefydliadau sydd wedi mynd ati i ailstrwythuro'n helaeth a, chan mai ni yw prif gyllidwr y Llyfrgell, nid yw ond yn iawn ein bod yn gweithio gyda chi i fynd i'r afael ag unrhyw broblemau yn hynny o beth.

Yn benodol, byddwn yn disgwyl i'r Llyfrgell Genedlaethol:

- weithio tuag at gysoni eich polisïau allweddol ym maes adnoddau dynol â'r polisïau sydd gan Lywodraeth Cymru, gan ymgynghori â'r undebau llafur cydnabyddedig wrth wneud hynny
- cynnal asesiad cychwynnol o delerau ac amodau a thâl staff y Llyfrgell Genedlaethol a goblygiadau eu cysoni â rhai Lywodraeth Cymru
- parhau i wella'r berthynas rhwng Bwrdd yr Ymddiriedolwyr, y rheolwyr, y staff a chynrychiolwyr yr undebau, a sicrhau bod cytundeb ffurfiol yn ei le rhwng y Llyfrgell a'r undebau sy'n nodi egwyddorion gweithio mewn partneriaeth a'r gweithdrefnau ar gyfer negodi, ymgynghori a chyfathrebu
- sicrhau bod y staff yn cael hyfforddiant priodol er mwyn iddynt fedru darparu gwasanaethau o ansawdd uchel, a sicrhau eich bod yn nodi unrhyw fylchau o ran sgiliau (gan gynnwys sgiliau arbenigol) ac yn mynd i'r afael â hwy mewn ffordd strategol (gan ymgynghori â'ch undebau llafur cydnabyddedig) yn eich gwaith i ddatblygu'r gweithlu

Mae arolygon ymhlith staff yn sail i bolisïau ac yn hanfodol er mwyn mesur morâl y staff a pha mor effeithiol yw rheolwyr. Byddwn yn disgwyl ichi gynnal arolygon o'r fath yn rheolaidd

ac yna gweithredu mewn ymateb i'r canfyddiadau. Rwyf am ofyn ichi hysbysu fy swyddogion am ganlyniadau'r arolygon a gynhelir ymhlith y staff ac am y dadansoddiadau o'r tueddiadau a ddaw i'r amlwg ynddynt, ac i ofyn iddynt am gyngor pe bai hynny'n ddefnyddiol.

Diolch ichi am gyfraniad y Llyfrgell Genedlaethol i waith Grŵp Llywio Cymru Hanesyddol. Byddaf yn cyhoeddi fy ymateb i adroddiad y Grŵp yn y man. Rwyf yn edrych ymlaen at gydweithio â'r Llyfrgell Genedlaethol wrth inni fwrw ymlaen â'r agenda bwysig hon.

Yn gywir



**Ken Skates AC/AM**

Ysgrifennydd y Cabinet dros yr Economi a'r Seilwaith  
Cabinet Secretary for Economy and Infrastructure

## Atodiad 1

### Cymorth ariannol:

Bydd Llywodraeth Cymru yn rhoi'r Cymorth Grant isod i'r Llyfrgell Genedlaethol yn 2017-18 i gyflawni'r blaenoriaethau a amlinellir yn y llythyr hwn:

<b>Refeniw</b>	<b>Cynlluniau 2017-18 £</b>
Costau Rhedeg sylfaenol (NET)	9,261,000
Cyllid refeniw ychwanegol ar gyfer 2017-18 (3.5%):	324,000
<b>Cyfanswm NET</b>	<b>9,585,000</b>

<b>Nid arian parod</b>	<b>Cynlluniau 2017-18 £</b>
Dibrisiant*	1,250,000

*\*Mae dibrisiant yn eitem nad yw'n arian parod ac nid yw ar gael i'w dynnu i lawr yn ystod y flwyddyn*

<b>Cyfalaf</b>	<b>Cynlluniau 2017-18 £</b>
Grant Prynu	200,000
Grant Seilwaith Digidol	105,000
Cyfalaf Cynnal a Chadw	8,000,000
<b>Cyfanswm</b>	<b>8,305,000</b>

<b>Cyfanswm Cymorth Grant 2017-18</b>	<b>£19,140,000</b>
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<b>Cyllid y cynllun Buddsoddi i Arbed</b>	<b>Cynlluniau 2017-18 £</b>
Buddsoddi i Arbed: Prosiect Effeithlonrwydd Ynni (ad-dalu cyfalaf)	-25,000

Cyllid ychwanegol nad yw'n Gymorth Grant a glustnodwyd eisoes er mwyn cefnogi gweithgareddau penodol:

	<b>Cynlluniau 2017-18 £</b>
Rhaglen Casgliad y Werin Cymru	I'w gadarnhau
Gweithgareddau Coffáu'r Rhyfel Byd Cyntaf (refeniw)	£20,000

### **Telerau ac Amodau'r Cymorth Grant:**

Mae'r cytundeb cyllido rhwng y Llyfrgell Genedlaethol a Llywodraeth Cymru (y ddogfen Fframwaith) yn nodi manylion y berthynas noddi a'r telerau a'r amodau sy'n gysylltiedig â'r cymorth grant y mae Llywodraeth Cymru yn ei roi i'r Llyfrgell Genedlaethol o dan Adran 61 o Ddeddf Llywodraeth Cymru.

Mae'r ddogfen Fframwaith hefyd yn nodi amryfal ofynion gweithredol ac yn cyfeirio at ganllawiau a pholisïau o eiddo'r llywodraeth y mae angen i'r Llyfrgell Genedlaethol gydymffurfio â hwy, yn ychwanegol at ei dyletswyddau a'i chyfrifoldebau ei hun fel corff sydd â Siarter, fel Elusen Gofrestredig, a sefydliad cyhoeddus yng Nghymru. Fel y nodir yn y Ddogfen Fframwaith, Is-adran Amgueddfeydd, Archifau a Llyfrgelloedd Llywodraeth Cymru (MALD) yw'r is-adran sy'n noddi'r Llyfrgell Genedlaethol ac sydd, drwy gynnal cyfarfodydd chwarterol, yn monitro'r cynnydd y mae'r Llyfrgell yn ei wneud yn unol â thargedau a cherrig milltir allweddol, a hefyd y cynnydd a'r gwariant ar brosiectau a gyllidir.

### **Rhaglen treftadaeth ddiigidol Casgliad y Werin Cymru:**

Gan fod y Llyfrgell Genedlaethol yn un o'r partneriaid cyflawni arweiniol ar gyfer rhaglen Casgliad y Werin Cymru, mae cyllid yn cael ei dyrannu iddi ar gyfer y rhaglen honno. Bydd y partneriaid cyflawni arweiniol yn cytuno'n flynyddol ar yr union ddyraniadau cyllid ar gyfer y blynyddoedd i ddod. Mae'n bosibl y bydd y dyraniadau a roddir i'r partneriaid cyflawni arweiniol yn amrywio o'r naill flwyddyn i'r llall, gan ddibynnu ar anghenion a blaenoriaethau'r rhaglen.

Telir y grant ar yr amod y cydymffurfir â Dogfen Fframwaith y Llyfrgell Genedlaethol.



Grwp yr Economi, Sgiliau a Chyfoeth Naturiol  
Economy, Skills and Natural Resources Group

Dirprwy Ysgrifennydd Parhaol • Deputy Permanent Secretary

Nick Ramsay AC  
Cadeirydd y Pwyllgor Cyfrifon Cyhoeddus  
Cynulliad Cenedlaethol Cymru  
Bae Caerdydd  
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[SeneddPAC@Assembly.Wales](mailto:SeneddPAC@Assembly.Wales)



Llywodraeth Cymru  
Welsh Government

18 Hydref 2017

Annwyl Nick Ramsay

### Llyfrgell Genedlaethol Cymru: Adolygiad o'r Adroddiad Llywodraethu

Yn dilyn eich llythyr dyddiedig 20 Chwefror 2017 ynghylch yr uchod a'm hatebion dyddiedig 20 Mawrth, rwyf bellach yn darparu ymateb llawn i'r broses gyfreithiol yn dilyn y tân gan bod y mater hwn bellach wedi dirwyn i ben.

Roeddech yn holi a oedd yn bosibl inni gydweithio â'r Llyfrgell Genedlaethol i fynd ar drywydd ymglyfreitha o bosibl yn dilyn y tân. Roedd y Llyfrgell yn gweithio gyda'u cynghorwyr cyfreithiol ar y cychwyn ar yr ymchwiliad i'r tân, ac i benderfynu a oedd yn werth mynd ar ôl hawliadau yn erbyn unrhyw drydydd parti. Yna dywedwyd wrthym yn 2015 eu bod wedi cyrraedd pwynt ble y byddai angen cyllid ychwanegol arnynt er mwyn mynd ar ôl yr hawliadau hyn ymhellach. Ers hynny rydym wedi cydweithio â'r Llyfrgell a'u cynghorwyr cyfreithiol ar y materion hyn. Bu imi gymeradwyo gwariant ar ffioedd cyfreithiol o hyd at £57,000 am y gwaith hwn, i fynd ar ôl hawliadau posibl yn erbyn tri parti a oedd yn rhan o'r broses, yn seiliedig ar strategaeth glir, a oedd yn ystyried barn y Cwnsler.

Rydym bellach wedi cyrraedd pwynt ble yr wyf wedi penderfynu i beidio â mynd ar ôl unrhyw un o'r hawliadau posibl hyn ymhellach, yn seiliedig ar ddadansoddiad ym mhob achos o'r dadleuon cyfreithiol, y costau ychwanegol fyddai hyn yn ei olygu, a'r rhagolygon o ran bod yn llwyddiannus â'r hawliadau. Rwyf felly wedi cytuno i roi'r gorau i fynd ar ôl unrhyw hawliadau posibl, a gallaf hysbysu'r Pwyllgor bod y broses gyfreithiol wedi ei chwblhau.

Cyfanswm y costau cyfreithiol oedd oddeutu £36,000.

Yn gywir

James Price



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Mr Nick Ramsey AC  
Cadeirydd  
Y Pwyllgor Cyfrifon Cyhoeddus  
Cynulliad Cenedlaethol Cymru  
Bae Caerdydd  
Caerdydd CF99 1NA

**Cyfeirnod:** HVT/2759/caf  
**Dyddiad cyflwyno:** 25 Hydref 2017

*Annyl Nick*

## Llyfrgell Genedlaethol Cymru – Adolygiad Llywodraethu

Ar 30 Ionawr 2017, trafododd y Pwyllgor Cyfrifon Cyhoeddus (y Pwyllgor) yn gryno fy Adolygiad Llywodraethu yn Llyfrgell Genedlaethol Cymru (y Llyfrgell), a gyhoeddwyd ym mis Rhagfyr 2016. Roedd fy adroddiad yn cynnwys 12 o argymhellion; cyfeiriwyd deg o'r rhain at Ymddiriedolwyr a rheolwyr y Llyfrgell, a chyfeiriwyd dau ohonynt at Lywodraeth Cymru.

Yn fy mriiff i'r Pwyllgor, dywedais y byddai staff Swyddfa Archwilio Cymru yn olrhain cynnydd y Llyfrgell o ran rhoi ei chynllun gweithredu ar waith mewn ymateb i fy argymhellion. Cytunodd y Pwyllgor i gynnwys y Llyfrgell yn rhan o'i waith 'craffu ar gyfrifon' yn ystod hydref 2017, gan roi cyfle i'r Pwyllgor ailystyried y cynnydd cyffredinol sy'n cael ei wneud mewn ymateb i'r materion a nodwyd yn fy adroddiad.

Mae'r Atodiad i'r llythyr hwn yn crynhoi fy asesiad o'r cynnydd o'i gymharu â'r 12 o argymhellion yn fy adroddiad. Mae'r cynnydd wedi bod yn dda yn y rhan fwyaf o'r argymhellion, yn enwedig y rhai hynny sy'n ymwneud ag effeithiolrwydd a thryloywder y Bwrdd, a gwella lefelau ffydd a chydweithredu rhwng rheolwyr a staff. Nid yw'r Llyfrgell wedi ymdrin yn llwyr â fy argymhellion o ran cynllunio gweithlu a chynllunio'r broses o reoli asedau, ond mae'r gwaith ar y gweill. Ar y cyfan, mae'r modd cadarnhaol a systematig y mae'r Llyfrgell wedi ymateb i'r argymhellion yn arwydd o'r gwelliannau sylweddol yn ei threfniadau llywodraethu a'i chyfathrebu mewnol yn ystod y 18 mis diwethaf.

Adroddais fis Rhagfyr diwethaf fod agweddau ar drefniadau ariannu cyfredol Llywodraeth Cymru yn cyfyngu ar allu'r Llyfrgell i gynllunio a rheoli ei darpariaeth gwasanaethau yn y tymor canolig. Yn fy adroddiad nodais fod angen i'r Llyfrgell ailasesu ystod a graddfa'r gwasanaethau y mae'n eu darparu a'r safonau ansawdd y mae'n ceisio eu cyflawni mewn ymateb i ostyngiadau mewn cyllid a staff. Roedd y Cymorth Grant ar gyfer 2017-18 yn cynnwys cyllid referniw ychwanegol o £324,000 (3.5% o'r costau gweithredu sylfaenol). Bydd y Llyfrgell hefyd yn cael lefel sylweddol o fuddsoddiad cyfalaf rhwng 2017-18 a 2019-20, a fydd yn caniatáu iddi fynd i'r afael â rhai o broblemau iechyd a diogelwch

mwyaf brys yr adeilad. Mae'r Llyfrgell wedi parhau i gynnig ystod lawn o wasanaethau. Er hynny, mae gostyngiadau staff wedi parhau, ond ar gyfradd arafach nag a fu. Hyd yn hyn, nid yw'r Llyfrgell wedi cymryd camau amiwg i fynd i'r afael â'r cwestiynau anodd yn ei chynlluniau strategol, sy'n ymwneud â pha wasanaethau craidd y gallai fod angen iddi eu lleihau neu eu dirwyn i ben yn y dyfodol os bydd lefelau Cymorth Grant yn gostwng.

Fodd bynnag, mae'r Llyfrgell o reidwydd yn rhagweithiol o ran chwilio am gyllid grant allanol. Mae dyfarniad cyllid o Gronfa Dreftadaeth y Loteri i letya Archif y BBC, er enghraifft, yn cynrychioli llwyddiant sylweddol diweddar yn hynny o beth. Mae'r newido gynllun gweithredu blynyddol i gynllun pedair blynedd, i'w gyfddyddio'n flynyddol er mwyn adlewyrchu Llythyr Gorchwyl Llywodraeth Cymru, yn fuddiol gan ei fod yn rhoi hyblygrwydd i'r Llyfrgell ail-flaenoriaethu ac addasu er mwyn cyflawni datblygiadau o'r fath, a'u cyfocchri gymaint â phosibl â ffrydiau gwaith presennol. Er hyn, mae cynaliadwyedd y gwasanaethau craidd y mae'n ofynnol i'r Llyfrgell eu darparu dan ei Siarter Frenhinol yn parhau i fod yn risg sylweddol.

*Ta gyw i'm*



**HUW VAUGHAN THOMAS**  
**ARCHWILYDD CYFFREDINOL CYMRU**

## Atodiad

### Llyfrgell Genedlaethol Cymru – Adolygiad Llywodraethu

#### Cynnydd o'i gymharu â'r argymhellion

Argymhelliad	Cynnydd
<p>A1. Rydym yn argymell bod Llywodraeth Cymru yn egluro ei sefyllfa mewn ymateb i argymhellion y Pwyllgor Cyfrifon Cyhoeddus:</p> <ul style="list-style-type: none"><li>• dylai fod mwy o eglurder ynghylch trefniadau yswiriant y Llyfrgell; a</li><li>• dylai'r trefniadau yswiriant hynny gael eu hadolygu.</li></ul>	<p><b>Gweithredwyd</b></p> <p>Gyda chymorth ariannol Llywodraeth Cymru, aeth y Llyfrgell i'r afael â chanlyniadau uniongyrchol y tân yn 2013. Fodd bynnag, wrth i ni gynnal ein hadolygiad cychwynnol, roedd y trafodaethau yn parhau ynghylch a allai'r Llyfrgell gymryd camau cyfreithiol llwyddiannus yn erbyn contractwr er mwyn adennill rhywfaint o'r gwariant a ysgwyddwyd. Wrth Graffu ar Gyfrifon 2014-15, mynegodd Pwyllgor Cyfrifon Cyhoeddus Cynulliad Cenedlaethol Cymru y farn bod, 'y tân yn 2013 yn codi cwestiynau am drefniadau yswiriant y Llyfrgell Genedlaethol.' Argymhellodd y Pwyllgor (Argymhelliad 3) y dylai trefniadau yswiriant y Llyfrgell, 'gael eu hadolygu ar frys i sicrhau bod y trefniadau yswiriant yn y dyfodol yn gost effeithiol a'u bod yn gostwng y colledion i'r pwrs cyhoeddus cymaint â phosibl' ac (Argymhelliad 4) bod 'angen mwy o eglurder ynghylch trefniadau yswiriant y Llyfrgell Genedlaethol ac rydym yn argymell y dylid trafod hyn â Llywodraeth Cymru i fynd i'r afael â hyn.'</p> <p>Mae Llywodraeth Cymru wedi ariannu'r costau a ysgwyddwyd wrth ystyried cymryd camau cyfreithiol yn erbyn partion eraill ynghylch y tân yn 2013. Mae'r broses gyfreithiol hon wedi dod i ben erbyn hyn.</p> <p>Hefyd, mae'r Llyfrgell wedi adolygu ei threfniadau yswiriant ei hun a cheir mwy o eglurder yn eu cylch erbyn hyn. Yn benodol, mae'r Llyfrgell yn cryfhau ei threfniadau contractio i sicrhau bod gan bawb sy'n cyflenwi nwyddau, gwasanaethau a gwaith cyfalaf yswiriant priodol ar waith.</p> <p>Ar ôl ymgynghori â Llywodraeth Cymru a'r Comisiwn Elusennau, mae'r Llyfrgell wedi penderfynu trefnu ac ariannu yswiriant indemniad ymddiriedolwyr masnachol hefyd sy'n cwmpasu'r holl Ymddiriedolwyr, pa un a ydynt wedi'u cyflogi gan Lywodraeth Cymru neu gan y Llyfrgell.</p>

Argymhelliad	Cynnydd
<p>A2. Er mwyn cynyddu lefel dealltwriaeth y staff a'r Bwrdd o swyddogaethau ei gilydd, dylai'r Llyfrgell:</p> <ul style="list-style-type: none"> <li>• greu cyfleoedd ffurfiol ac anffurfiol i Ymddiriedolwyr a staff gyfarfod yn rheolaidd; a</li> <li>• sefydlu gweithdrefnau i sicrhau nad yw'r ymgysylltiad rhwng yr Ymddiriedolwyr a'r staff yn tanseilio strwythurau rheoli llinell y Llyfrgell.</li> </ul>	<p><b>Gweithredwyd</b></p> <p>Mae lefel dealltwriaeth y staff a'r Bwrdd o swyddogaethau ei gilydd yn cynyddu.</p> <p>Mae Ymddiriedolwyr yn ymgysylltu'n adeiladol â'r staff, yn ffurfiol ac yn anffurfiol, mewn amrywiaeth o wahanol ffyrdd. Er enghraifft:</p> <ul style="list-style-type: none"> <li>• cyfranogiad Ymddiriedolwyr mewn pwyllgorau a grwpiau ffurfiol sy'n cynnwys staff;</li> <li>• presenoldeb Ymddiriedolwyr mewn digwyddiadau yn y Llyfrgell;</li> <li>• sianeli cyfathrebu mewnol newydd sydd wedi eu cynllunio i godi proffil yr Ymddiriedolwyr, fel cyflwyno Bwletin y Bwrdd a phroffiliau'r Ymddiriedolwyr ar wefan y Llyfrgell.</li> </ul> <p>Mae'r Llywydd a'r Ymddiriedolwyr yn awyddus i gael rhagor o ymgysylltiad â'r staff pryd bynnag y bo hynny'n bosibl er mwyn i'r ddwy ochr fod â gwell dealltwriaeth o waith ei gilydd.</p> <p>I atal yr Ymddiriedolwyr rhag tanseilio strwythur rheoli llinell y Llyfrgell, mae'r Llyfrgell wedi diwygio ei Fframwaith Llywodraethu Corfforaethol (sy'n cynnwys Cod Ymddygiad yr Ymddiriedolwyr), gan ehangu Rheoliadau'r Llyfrgell o ran y safonau ymddygiad a ddisgwylir o'r Ymddiriedolwyr. Hefyd, mae Ymddiriedolwyr newydd eu penodi yn dilyn rhaglen hyfforddiant sefydlu sy'n cwmpasu eu dyletswyddau fel Ymddiriedolwyr a'u swyddogaeth yng ngweithrediad a gwaith y Llyfrgell, ac fe'u cefnogir yn dda gan lawlyfr llywodraethu.</p>
<p>A3. Er mwyn gwella effeithiolrwydd ei gyfarfodydd, dylai'r Bwrdd:</p> <ul style="list-style-type: none"> <li>• roi blaenoriaeth i'r eitemau hynny y mae angen gwneud penderfyniad arnynt wrth lunio ac amserlennu eitemau agenda;</li> <li>• canolbwyntio'r drafodaeth ar wneud penderfyniad pan fo angen penderfyniad o'r fath;</li> <li>• cofnodi penderfyniadau yn glir yn y cofnodion; a</li> <li>• sefydlu a chynnal cofnod o'r camau gweithredu, ac</li> </ul>	<p><b>Gweithredwyd</b></p> <p>Mae effeithiolrwydd cyfarfodydd y Bwrdd wedi gwella.</p> <p>Caiff cyfarfodydd y Bwrdd eu cynnal yn dda ac yn drefnus, a rhoddir blaenoriaeth i faterion y mae angen eu trafod a phenderfynu arnynt.</p> <p>Nodir penderfyniadau yn glir yn y cofnodion a nodir camau gweithredu a gaiff eu hadolygu ym mhob cyfarfod o'r Bwrdd.</p>

Argymhelliad	Cynnydd
adolygu eu statws ym mhob cyfarfod o'r Bwrdd.	
<p>A4. Er mwyn gwella ansawdd y broses o wneud penderfyniadau yng nghyfarfodydd y Bwrdd, dylai'r Bwrdd sefydlu rhagor o bwyllgorau gyda chylch gorchwyl clir, a gallai eu gwaith gynnwys materion sy'n ymwneud â'r:</p> <ul style="list-style-type: none"> <li>• gweithlu, gan gynnwys cydnabyddiaeth ariannol y staff; ac</li> <li>• ystâd y Llyfrgell.</li> </ul>	<p><b>Gweithredwyd</b></p> <p>Mae'r Bwrdd a'r Pwyllgor Llywodraethu a Pherfformiad wedi ystyried yr angen am ragor o bwyllgorau. Mae swyddogaeth y Pwyllgor Llywodraethu a Pherfformiad wedi ei sefydlu yn llawn, ac mae'r Bwrdd hefyd wedi creu y Pwyllgor Cynllunio Ariannol i gefnogi gwaith y Bwrdd. Mae gwaith y pwyllgorau yn gwneud cyfraniad cadarnhaol i effeithiolrwydd y Bwrdd.</p> <p>Mae'r Bwrdd yn bwriadu sefydlu Panel Ystadau ac mae wedi dod i'r casgliad nad oes angen rhagor o bwyllgorau ar hyn o bryd.</p>
<p>A5. Er mwyn cynyddu lefel y ffydd a'r cydweithrediad rhwng y staff ac arweinwyr y Llyfrgell:</p> <ul style="list-style-type: none"> <li>• dylai'r tîm gweithredol ymgysylltu â'r Undebau Llafur wrth ystyried strwythur, cynnwys ac amledd un arolwg o ganfyddiadau staff, a cheisio cefnogaeth yr Undebau Llafur wrth annog yr holl staff i gymryd rhan; a</li> <li>• dylai canlyniadau arolygon staff yn y dyfodol gael eu hadrodd yn rheolaidd i'r Bwrdd.</li> </ul>	<p><b>Gweithredwyd</b></p> <p>Mae cyfathrebu ac ymgysylltiad mewnol yn y Llyfrgell wedi gwella yn fawr, gan adlewyrchu ymdrechion y Bwrdd, y rheolwyr a'r staff. Cyfrannodd hyn yn helaeth at gynyddu lefel y ffydd a'r cydweithrediad rhwng staff ac arweinwyr y Llyfrgell. Mae'r Llyfrgell yn cydnabod yr angen i barhau i ganolbwyntio ar ddatblygu cyfathrebu mewnol ymhellach.</p> <p>Er mwyn cadw'r gallu i gymharu arolygon â rhai blaenorol ac arolygon a gynhelir mewn cyrff cyhoeddus eraill, mae'r Llyfrgell a'r Undebau Llafur wedi dewis cynnal arolygon canfyddiadau ar wahân ar gyfer 2017.</p> <p>Yn y blynyddoedd blaenorol, ychydig iawn o gyfathrebu a fu rhwng y Weithrediaeth, yr Undebau Llafur ac, yn benodol, y Bwrdd ynghylch canlyniadau arolygon canfyddiadau staff.</p> <p>Erbyn hyn, mae'r Llyfrgell a'r Undebau Llafur wedi cytuno i gyflwyno dadansoddiad wedi'i gydgrynhoi o'r ddau arolwg i'r Bwrdd yn 2018. Mae hyn yn cynrychioli cam sylweddol ymlaen.</p>
<p>A6. Er mwyn cynyddu tryloywder cyfarfodydd y Bwrdd, dylai'r Llyfrgell gyhoeddi ar ei gwefan:</p>	<p><b>Gweithredwyd</b></p> <p>Mae tryloywder cyfarfodydd y Bwrdd wedi gwella.</p>

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<ul style="list-style-type: none"> <li>bapurau sy'n cefnogi eitemau agenda mewn sesiynau agored; a</li> <li>rhesymau cryno dros gefnogi'r penderfyniad i atal y cyhoedd rhag gweld yr eitemau hynny sydd i'w trafod mewn sesiynau caeedig.</li> </ul>	<p>Ynghyd â'r agendâu a'r cofnodion, mae'r Llyfrgell erbyn hyn yn cyhoeddi adroddiadau cyflwyno ar gyfer eitemau agenda ar ei gwefan cyn cyfarfodydd y Bwrdd. Mae'r papurau cyflwyno yn amlinellu'r adroddiad llawn.</p> <p>Er na chaiff papurau ategol manwl pob eitem agenda eu cyhoeddi, mae'r Llyfrgell yn gweithredu yn unol â'i Rheoliadau diwygiedig. Rydym ni o'r farn bod lefel yr wybodaeth a gyhoeddir yn gymesur gan ei bod yn rhoi gwybodaeth ddigonol i'r cyhoedd am y materion a fydd yn cael eu trafod ac yn caniatáu iddynt chwilio am ragor o wybodaeth cyn y cyfarfod pe byddent yn dymuno gwneud hynny.</p> <p>Mae'r defnydd o sesiynau caeedig yn fwy prin nag yn y gorffennol, ac mae'r agendâu cyhoeddus yn nodi'r hyn a fydd yn cael ei drafod yn y sesiynau caeedig.</p>
<p>A7. Yn rhan o gynllunio ariannol yn y dyfodol, dylai'r Bwrdd ystyried sefydlu targedau ar gyfer terfyn uchaf ac isaf o ran balans cronfeydd wrth gefn preifat anghyfyngedig a nodi'n glir y rhesymau dros ei benderfyniad.</p>	<p><b>Gweithredwyd</b></p> <p>Mae'r Llyfrgell wedi cymeradwyo Polisi Buddsoddi Cronfeydd Wrth Gefn Preifat sy'n cynnwys terfyn uchaf ac isaf ar gyfer balans cronfeydd wrth gefn preifat anghyfyngedig. Mae'r polisi newydd yn rhoi digon o hyblygrwydd i'r Llyfrgell, ac ar yr un pryd, yn rhoi pwyntiau cyfeirio ar gyfer penderfyniadau ynghylch defnyddio cronfeydd wrth gefn preifat, a sail resymegol i gyfiawnhau lefel y cronfeydd wrth gefn a ddelir.</p>
<p>A8. Er mwyn cefnogi'r Llyfrgell i gyflawni ei dyletswydd statudol i gynllunio ar gyfer dyfodol cynaliadwy, dylai Llywodraeth Cymru ystyried:</p> <ul style="list-style-type: none"> <li>roi gwybod i'r Llyfrgell am ei dyraniad cyllid blynyddol ar y cyfle cynharaf yn y flwyddyn ariannol flaenorol; ac</li> <li>ailddechrau'r arfer o ddarparu cyllidebau dangosol i'r Llyfrgell pan fydd Llywodraeth y DU yn cadarnhau lefelau dangosol y cyllid i Lywodraeth Cymru yn y dyfodol.</li> </ul>	<p><b>Gweithredwyd yn rhannol</b></p> <p>Nodir ymateb Llywodraeth Cymru ar 2 Chwefror 2017 i'r argymhelliad, isod:</p> <p>"We always inform the National Library of their budget on the day on which the Welsh Government's Draft Budget is published. This is subject to confirmation in the Final Budget. Budgets since 2015-16 have been developed against the backdrop of unprecedented uncertainty. Our intention throughout summer 2016 was to publish a budget for a three-year horizon, which would have provided our partner organisations with greater certainty in planning for a longer budget period. However, the lack of clarity about the revenue resources available beyond 2017-18 meant this ambition was not possible. As a result, we were able to only lay a</p>

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	<p>one-year revenue budget, with capital budgets for four years.</p> <p>As we consider future Welsh Government budgets, we will continue to work with partners to provide the available indicative information to inform their forward financial planning. Our aim is always to provide a longer run of budgets whenever possible.”</p> <p>Nododd cyllideb ddrafft Llywodraeth Cymru, a gyhoeddwyd ar 24 Hydref 2017, Grant Cymorth drafft y Llyfrgell ar gyfer 2018-19 a ffigwr arfaethedig ar gyfer 2019-20.</p>
<p>A9. Wrth weithredu ei strategaeth creu incwm, dylai'r Llyfrgell sicrhau bod ganddi ddull cyson o weithredu a monitro cynlluniau busnes adrannol sy'n cynnwys dadansoddiad cadarn o'r incwm a grëwyd a'r costau cysylltiedig.</p>	<p><b>Gweithredwyd</b></p> <p>Cymeradwyodd y Pwyllgor Cynllunio Ariannol gynllun gweithredu ar gyfer creu incwm ym mis Chwefror 2017.</p> <p>Mae adrannau yn mabwysiadu dull mwy cyson a threfnus ac maent yn ystyried incwm ochr yn ochr â'r costau a ysgwyddir wrth ei greu, a cheir targedau incwm adrannol clir ar gyfer 2017-18.</p> <p>Mae'r Bwrdd a'r Pwyllgor Cynllunio Ariannol yn monitro gweithrediad y strategaeth creu incwm yn rheolaidd ar lefel gorfforaethol ac adrannol.</p>
<p>A10. Wrth ddatblygu ei Gynllun Strategol newydd i ddisodli 'Gwybodaeth i Bawb', dylai'r Bwrdd fabwysiadu cynllun busnes tair blynedd, i'w ddiweddarau'n flynyddol, sy'n:</p> <ul style="list-style-type: none"> <li>• galluogi cynhyrchu'r Cynllun Gweithredu blynyddol yn fwy prydlon, a thrwy hynny caniatáu digon o ymgysylltiad gan y Bwrdd; a</li> <li>• sefydlu cyfres o brosiectau a chyllidebau a threfniadau llywodraethu cysylltiedig, a fydd, gyda'i gilydd, yn cyflawni ei Gynllun Strategol.</li> </ul>	<p><b>Gweithredwyd</b></p> <p>Mae'r Llyfrgell wedi cynhyrchu Cynllun Strategol newydd a Chynllun Gweithredu newydd, y ddau ar gyfer y cyfnod o bedair blynedd 2017-2021. Mae'r ddwy ddogfen yn gyson â'i gilydd ac mae eu cynnwys yn adlewyrchu ymgysylltiad mewnol ac allanol.</p> <p>Mae ychwanegiad blynyddol i'r Cynllun Gweithredu yn ymdrin â gofynion Llythyr Cyloch Gwaith Llywodraeth Cymru.</p> <p>Mae rhaglen waith pedair blynedd y Llyfrgell, wedi'i seilio ar gynlluniau gweithredu blynyddol manwl, gan ragdybio y bydd setliad ariannol sefydlog.</p> <p>Mae agweddau ar drefniadau cyllid cyfredol Llywodraeth Cymru yn cyfyngu ar allu'r Llyfrgell i gynllunio a rheoli ei darpariaeth gwasanaethau yn y tymor canolig (gweler Argymhelliad 8). Nid yw'r Llyfrgell, hyd yn hyn, wedi ailasesu ystod a graddfa'r gwasanaethau y mae'n eu darparu a'r safonau ansawdd y mae'n ceisio eu cyflawni mewn ymateb i'r gostyngiadau a fu o ran cyllid a staff.</p>



Argymhelliad	Cynnydd
	<p>Nid yw cynllunio strategol y Llyfrgell wedi ymdrin yn glir â'r cwestiynau anodd ynghylch pa wasanaethau craidd y gallai fod angen iddi eu lleihau neu eu dirwyn i ben yn y dyfodol os yw lefelau'r Cymorth Grant yn gostwng. Mae'r dull o fod â Chynllun Gweithredu pedair blynedd sy'n nodi'r cynnyrch a'r canlyniadau y mae'r Llyfrgell yn bwriadu eu cyflawni erbyn 2021 yn rhoi cyfle i'r Llyfrgell nodi canlyniadau tymor canolig unrhyw benderfyniadau anodd y mae angen iddi eu gwneud mewn ymateb i newidiadau nas rhagwelwyd yn ei hamgylchedd allanol.</p>
<p>A11. Wrth lunio ei Strategaeth Datblygu Gweithlu, gweithredu dull dau gam o gynllunio gweithlu drwy:</p> <ul style="list-style-type: none"> <li>• asesu'r trefniadau presennol ar gyfer y gweithlu er mwyn hysbysu adolygiad strategol o swyddogaethau'r Llyfrgell a darpariaeth yn y dyfodol; a</li> <li>• phan fo'r cyfeiriad strategol yn glir, datblygu 'Strategaeth Pobl' sy'n adlewyrchu'r cynllun corfforaethol ac sy'n cynnwys yr elfennau cynllunio gweithlu, cynllunio dilyniant, a rheoli talent.</li> </ul>	<p><b>Yn parhau</b></p> <p>Mae'r rhan fwyaf o'r gwaith sy'n ofynnol ar gyfer yr argymhelliad hwn o'n blaenau, ac mae llawer o broblemau'r gorffennol yn parhau o ran recriwtio, cadw ac erydu dilydol y sylfaen sgiliau.</p> <p>Mae ymrwymiad clir, wedi'i amseru, yn y Cynllun Strategol a'r Cynllun Gweithredu i fynd i'r afael â'r argymhelliad hwn. Mae Archwiliad Sgiliau wedi ei gynllunio ar gyfer mis Rhagfyr 2017 ac mae'r Llyfrgell wedi ymrwmo i gynhyrchu Strategaeth Pobl a Chynllun Datblygu Gweithlu yn ystod 2018.</p>
<p>A12. Wrth ddatblygu ei chynllun rheoli asedau, dylai'r Llyfrgell:</p> <ul style="list-style-type: none"> <li>• gyfochri'r cynllun â'r cynllunio strategol tymor canolig, gan roi ystyriaeth i'r weledigaeth ar y cyd ar gyfer math a nifer y gwasanaethau y bydd y Llyfrgell yn eu cynnig o'i safle yn Aberystwyth;</li> <li>• asesu cyflwr cyfredol asedau ei hystad, gan nodi pa mor dda y maent yn diwallu anghenion y Llyfrgell, a chostau'r camau y mae angen eu cymryd i'w gwella i'r safonau gofynnol er mwyn cyflawni Cynllun Strategol y Llyfrgell;</li> </ul>	<p><b>Yn parhau</b></p> <p>Ers cyhoeddi'r adroddiad mae Llywodraeth Cymru wedi darparu gwerth £7.75 miliwn o gyllid cyfalaf i gyflawni rhaglen gyfalaf fawr yn ystod y cyfnod 2017-2020.</p> <p>Mae'r Llyfrgell yn blaenoriaethu'r modd o ddefnyddio'r cyllid hwn yn ofalus i fynd i'r afael â risgiau iechyd a diogelwch sylweddol a phroblemau storio. Mae Bwrdd Rhaglen wedi ei sefydlu i gyflawni'r rhaglen gyfalaf hon. Mae'r Llyfrgell hefyd yn ymateb yn dda i'r her o letya archif y BBC.</p> <p>Wrth edrych ar y tymor canolig, roedd Cynllun Strategol a Chynllun Gweithredu y Llyfrgell yn nodi ei hymrwymiad i ddatblygu ei chynlluniau rheoli asedau hirdymor. Caiff Panel ystadau ei sefydlu yn fuan a fydd â phwyslais strategol a bydd yn ystyried gofynion y Llyfrgell yn y dyfodol o ran yr ystad.</p>

Argymhelliad	Cynnydd
<ul style="list-style-type: none"> <li>• sefydlu llinell sylfaen realistig ar gyfer costau cynnal a chadw rheolaidd;</li> <li>• blaenoriaethu'r asedau y mae angen sylw arnynt, gan ddangos sut y bydd y gwelliannau sydd wedi eu cynllunio yn cyfrannu at gyflawni amcanion strategol y Llyfrgell a'r risgiau sy'n gysylltiedig â pheidio â gwneud y gwaith; a</li> <li>• gweithio gyda Llywodraeth Cymru i nodi'r ffynonellau cyllid y mae eu hangen i ddatblygu a chynnal yr asedau.</li> </ul>	

