Pecyn dogfennau cyhoeddus

Y Pwyllgor Cyllid

Lleoliad:
Ystafell Bwyllgora 2 - y Senedd

Dyddiad:
Dydd Mercher, 20 Mehefin 2012

Amser:
09:30

Cynulliad Cenedlaethol Cymru
National Assembly for Wales

I gael rhagor o wybodaeth, cysylltwch â:

Helen Finlayson
Clerc y Pwyllgor
02920898409
FinanceCommittee@wales.gov.uk

Agenda

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

2. Papurau i'w nodi (Tudalennau 1 - 19)

FIN(4) 10-12 - Papur 1 - Gohebiaeth gan y Gweinidog Cyllid - Cyllid Datganoledig: Pwerau Benthyg a Dulliau Arloesol o Ddefnyddio Arian Cyfalaf - Gwybodaeth ychwanegol

FIN(4) 10-12 - Papur 2 - Gohebiaeth gan CLlLC - Cyllid Datganoledig: Pwerau Benthyg a Dulliau Arloesol o Ddefnyddio Arian Cyfalaf - Gwybodaeth ychwanegol

FIN(4) 10-12 - Papur 3 - Gohebiaeth gan Jill Evans ASE - Cyllid Datganoledig: Pwerau Benthyg a Dulliau Arloesol o Ddefnyddio Arian Cyfalaf

FIN(4) 10-12 - Papur 4 - Gohebiaeth gan HM Treasury - Cyllid Datganoledig: Pwerau Benthyg a Dulliau Arloesol o Ddefnyddio Arian Cyfalaf

FIN(4) 10-12 - Papur 5 - Gohebiaeth gan Llywodraeth yr Alban - Cyllid Datganoledig: Pwerau Benthyg a Dulliau Arloesol o Ddefnyddio Arian Cyfalaf

Cofnodion y cyfarfod blaenorol

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

Eitemau 4 i 6.

4. Adroddiad drafft ar Gyllid Datganoledig: Pwerau Benthyg a

Dulliau Arloesol o Ddefnyddio Arian Cyfalaf (9:35 - 10:30) (Tudalennau 20 - 80)

5. Yr opsiynau ar gyfer ymdrin â Chyllideb Ddrafft Llywodraeth Cymru ar gyfer 2013-2014 (10:30 - 11:00) (Tudalennau 81 - 83)

6. Goblygiadau ariannol posibl deddfwriaeth (11:00 - 11:30)

Jane Hutt AC / AM
Y Gweinidog Cyllid ac Arweinydd y Ty
Minister for Finance and Leader of the House

Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: SF/JH/1516/12

Jocelyn Davies AM
Chair
Finance Committee
National Assembly for Wales
Cardiff Bay
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30th May 2012

Dear Jocelyn,

Thank you for the opportunity to give evidence to the Committee on its Inquiry into devolved funding, and for your letter of 17 May in which you asked a number of important additional questions. I hope that my answers, both in committee and below, provide a helpful contribution to the Committee's work.

Instruments of Debt

1. ***If the Welsh Government were given the power to issue bonds, what control mechanisms would you, as Minister, wish to see put in place?***
2. ***What control mechanisms would you anticipate that the Treasury might wish to see put in place?***

We would want a system that gave Welsh Ministers the flexibility to manage a capital programme in the most appropriate manner, which also ensured that the UK Government was able to manage the macroeconomic position. In one of your questions during the hearing you alluded to the situation in Spain, where the borrowing of autonomous regions had a detrimental impact on the management of national fiscal policy. That is a situation we would steadfastly wish to avoid.

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The precise way in which the balance of powers would be achieved needs to be negotiated by the two Governments. It is too soon to speculate about exactly what the outcome might be. However, it is clear that there would need to be jointly-agreed constraint on our overall borrowing.

The basis for determining what that constraint, or limit, should be, and the mechanisms for reviewing it over time, would also have to be agreed by the two Governments. Since we fully respect the UK's legitimate role to determine and oversee the national fiscal framework, we see no reason why we should not be able to agree a mutually acceptable set of rules that devolved the power to borrow, including to issue bonds, to the Welsh Government.

Assessment of investment need

3. ***What are the current processes in place within the Welsh Government, when planning infrastructure investment, to establish 'investment need'?***
4. ***Would you envisage any changes to these processes if the Welsh Government were to be granted borrowing powers?***

The Committee has suggested that I would be bringing "an infrastructure plan to the Assembly and asking permission to potentially undertake a particular level of borrowing." I do not think this is an accurate reflection of how the Welsh Government would determine its borrowing. Borrowing would comprise a part of the budget, which would continue to be proposed by Welsh Government Ministers, and put to a vote in the Assembly in the normal way.

There are robust mechanisms in place that provide for Government-wide consultation to help inform Ministers' decisions when selecting and delivering key strategic infrastructure within departmental portfolios.

As I announced when I publicised the WIIP on 22 May, we will be supplementing existing processes and building on previous mechanisms by strengthening cross-departmental procedures, including more rigorous, consistent evaluation and ranking of investment options. We are also establishing a new Committee on Strategic Investment to support Ministerial decisions. These new procedures will be used to inform decisions on allocating around £250 million of capital reserves available in 2013-14 and 2014-15, details of which will be set out in the autumn. The Committee on Strategic Investment will also play a key role in advising Ministers on the development of new innovative funding mechanisms, and would help advise on borrowing in the future.

Wales Infrastructure Investment Plan

5. ***How was the figure of £1bn arrived at?***

6. ***Is the £1bn in addition to 'traditional' capital budgets?***

7. ***Over what timescale is the £1bn expected to be generated?***

On pages 11 to 13 of my evidence paper, I set out a list of innovate finance initiatives, concluding that "these innovative financial vehicles will generate more than £1bn of capital investment in Wales."

The figure of £1bn is therefore the approximate aggregate total of capital investment to be generated by those projects. Details are set out in the table below, including Welsh Government capital contributions to these initiatives and timescales. This shows that the £1 billion is additional to traditional capital budgets.

PROJECT	TOTAL CAPITAL VALUE (£m)	INVESTMENT PROFILE AND WELSH GOVERNMENT CAPITAL CONTRIBUTION
Local Government Borrowing Initiative	170	• To 2015
JEREMIE*	150	• To 2014 • Includes £60m WG capital
SME Investment Fund*	40	• To 2016 • Includes an expected £20m WG capital
Ely Bridge Development Company~	62	• To 2018 • Includes £6m WG capital in the form of a loan
Welsh Housing Partnership	46	• WHP will initially invest over a 10-year period • Includes £9m WG capital
Welsh Housing Bond	100	• To 2016
Waste Infrastructure Programme	758	• To 2020 • Includes £14.25 WG capital
TOTAL	1,326	

* Figures refer to fund capitalisation.

~This figure is based on an early project proposal. Detailed financial appraisal is ongoing and should be completed before the summer.

8. *Has any work been done to estimate the level of savings, if any, which could result from these mechanisms?*

Each mechanism has a different objective, from supporting businesses, through building roads, to providing housing. Each mechanism must be supported by a convincing value for money assessment. For example, benefits for the public sector from our waste infrastructure programme are expected to be substantial. The actual cash saving on our first two Anaerobic Digestion contracts to be awarded is expected to be £1.9 million.

9. *Aside from those covered in the evidence session, which other innovative financial vehicles are being considered for use in Wales?*

In the current economic climate, there is a strong economic and value for money case for boosting the resources we have available for infrastructure investment over and above the level of our capital DEL. First, because of the huge cuts in our capital budget imposed by the UK Government. Second, because of the need for investment to boost jobs and growth in both the short and the long term. Third, because of the economic and other benefits of bringing forward much needed infrastructure projects which would otherwise be delayed by many years, or possibly not happen at all. And fourth, because of the relatively low cost of borrowing that currently prevails.

With each of those factors in mind, we remain committed to working with local government and other partners, such as Registered Social Landlords, to use their borrowing capacity to increase investment in priority infrastructure. In addition, we are actively developing vehicles which use public assets to boost investment, such as the Ely Bridge development. As set out in our Programme for Government, we are considering the full range of potential funding partners – both public and private – and a wide range of instruments and delivery mechanisms, including development of non-dividend vehicles. We aim to complete this work in the autumn.

10. *Are there are any lessons to be learned from the development or application of specific funding models in Scotland which could be applied in Wales?*

I have been extremely interested in the work of the Scottish Futures Trust (SFT), and its non profit distributing (NPD) model of investment. As I set out above in answer to question 9, my officials are considering the development of non-dividend vehicles that might be appropriate in our specific circumstances. This work will be completed in the autumn.

Capital Finance Investment Sub-Group

11. Could you provide an update on the work of the Capital Finance Investment Sub-Group in relation to all six of its work strands, but particularly those which relate to alternative funding?

The Capital Finance Investment Sub-Group has met on various occasions to consider papers and advise on the issues raised across the six work strands. In particular it has discussed papers on the development of the Local Government Borrowing Initiative, the Wales Infrastructure Investment Plan, revisions to General Capital Funding Formula and the 21st Century Schools Programme.

12. What involvement did the Sub-Group have, and what account was taken of its work and views, in the development of the Wales Infrastructure Investment Plan?

The Capital Finance Investment Sub-Group received presentations on the development of the Wales Infrastructure Investment Plan at its meetings in September 2011, and in February and March 2012. The Wales Infrastructure Investment Plan was also discussed at the Welsh Local Government Society of Welsh Treasurers meeting on 27 April.

Housing

13. In your paper you mentioned the Welsh Housing Partnership, which has a capital value of £16mn to purchase 150 properties. Do you have any plans to expand this further?

When I published the Wales Infrastructure and Investment Plan (WIIP) on 22 May, I announced my intention to recapitalise the WHP by providing an additional £6 million of support in 2012-13, which will lever in an additional £24 million from RSLs and private partners. This new investment should deliver around 280 new affordable homes.

14. *Could you provide more details about the particular funding model in use for the Ely Bridge Development Company?*

EBDC is a social enterprise created by the Welsh Government and the Principality Building Society. It will lead a new venture using an innovative investment model to unlock capital funding to build much-needed housing. EBDC will deliver around 700 homes of mixed tenure, residential accommodation over 5 to 6 years, comprising 100 social rental units, 300 intermediate market units and 300 open market units.

The initiative is based an innovative financial model, which is in part dependent upon the volume of rental income from the non open market homes. This revenue stream will be necessary to attract investment. However, in traditional social and intermediate housing models, rental income alone is insufficient to finance investment. That is why the Welsh Government would typically support the provision of social (and intermediate) housing with a non repayable capital grant.

In the case of the EBDC, the Welsh Government is not providing any grant support. Rather, it is providing a £6 million loan to the EBDC, which will be repaid on a deferred basis after 5 years with interest, and the Ely Mill site. The latter has been sold to EBDC at the open market value, which will be paid on a deferred basis after 5 years with interest payments accrued on an annual basis.

15. *You also mentioned in your paper "a number of other innovative approaches in the housing sector that use public sector assets to attract private investment". Would you provide the Committee with more details of the approaches and the particular funding models being considered?*

On page 12 of my evidence paper I referred you to the Ely Mill initiative. In the medium term, we will want to see whether we can replicate that model elsewhere. Officials are now considering whether that might be possible.

In respect of the more immediate future, however, I announced on 22 May a number of initiatives that we have launched to support the objectives of both the WIIP and the White Paper on housing that the Minister for Housing, Regeneration and Heritage published on 21 May. These initiatives include an additional £5 million for the recyclable empty homes fund, which increases our investment in the fund by 100%, and which will contribute to our target of bringing 5000 empty homes back into use during this Government's mandate.

In addition to the new public and private capital injection of £30 million for the WHP referred to above, a number of other initiatives will see the public and private sectors work together in support of our housing objectives. The establishment of a Welsh mortgage indemnity scheme, in partnership with builders and lenders, will increase the supply of affordable homes and increase access to home ownership. Furthermore, a Welsh Housing Bond will see us commit £4 million a year of funding for 30 years to support a Bond issue to Welsh RSLs of over £100m. This new source of funding will finance the delivery of more than 1000 affordable homes over the next 4 years.

Local Government Borrowing Initiative

I set out the position in my letter to the Committee of 14 November 2011. As I said then, the Local Government borrowing can be split into two categories: borrowing supported by Central Government (or supported borrowing); and self-financed borrowing (or unsupported borrowing).

Treasury rules on the budgetary implications of local authority borrowing are set out in Chapter 9 of the Consolidated Budgeting Guidance 2011-12. Supported Capital Expenditure (Revenue) (SCE(R)) is the term used in this guidance for the amount of borrowing which Central Government is prepared to support. A stream of current support to cover Local Authority borrowing to this level is provided as non-ring fenced revenue as part of the Revenue Support Grant and DEL budgets score the capital value of SCE(R), i.e. the amount borrowed. Supported Capital Expenditure by Local Authorities in Wales in 2011-12, funded through General Capital Funding budget lines in the Welsh Government DEL, was around £120m.

Self-financed borrowing by Local Authorities under the prudential borrowing regime that is not supported by Central Government does not score in DEL budgets but scores in Local Authority Self-Financed AME, which is not part of the Welsh Government budget. In 2011-12, Local Authorities in Wales estimate that self-financed borrowing was around £250m.

The LGBI has been established in such a way that it is categorised as self-financed borrowing. The Welsh Government is providing additional revenue funding to assist local authorities in meeting mounting revenue pressures, allowing them to free up resources for self-financed borrowing up to an expected aggregate total of approximately £170 million, exclusively for capital highway improvement investment during the 3-year period 2012- 2015. Revenue funding will be made available over a 22 year period (£4 million in 2012-13, £8 million in 2013-14, £12 million from 2014-15 to 2031-32, £8 million in 2032-33 and £4 million in 2033-34). The funding is distributed via the Road Maintenance Standard Spending Assessment formula.

Best Wishes,

Jane

Jane Hutt AC / AM
Y Gweinidog Cyllid ac Arweinydd y Ty
Minister for Finance and Leader of the House

FIN(4)-10-12 Paper 2

Our Ref/Ein Cyf: JR/SJ
Your Ref/Eich Cyf:
Date/Dyddiad: 29 May 2012
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WLGA • CLlLC

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Dear Jocelyn

Thank you for allowing myself, Will McLean and Peter Davies to give evidence to the Finance Committee on the 24 May.

I look forward to seeing a copy of the final report of the Committee on innovative capital funding and unsupported borrowing. In the meantime I am pleased to answer the questions that could not be covered during the course of the evidence session.

Local Government Borrowing Initiative

The Local Government Borrowing Initiative is similar to supported borrowing, particularly from our perspective, but is not scored as capital in the Welsh Government's Budget as it is not part of the General Capital Funding. General Capital Funding is made up of General Capital Grant and Supported Borrowing and the LGBI funding is clearly neither. However like supported borrowing, the financing after the second year will come through the revenue support grant and the Minister has given a commitment to that effect. The Minister has also committed that the revenue funding will continue to be provided within the settlement for a twenty two year period.

In one key respect LGBI is very similar to the supplementary credit approval that existed before the introduction of the Prudential Code in the Local Government Finance Act 2003 in that it provides capital financing for specific projects in this case highways. As with supported borrowing, local authorities will own the asset and the liability.

Local government will always maintain that funding should come

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without conditions but we welcomed this announcement at the time and will continue to do so. The scope for the Welsh Government to further utilise borrowing in this way may be limited by the Statement of Funding of Policy which is agreed with the Treasury. This is one of the key questions for the Silk Commission and we would argue that the Welsh Government should have more discretion over how its own capital and revenue split is determined.

Another potential limit is the wider availability of revenue funding to service the debt – a question of balancing capital investment needs with the need to manage revenue funding pressures in order to continue to deliver local services.

Non-Profit Distributing Model

The limitations of PFI are well documented by Professor Alison Pollock who gave evidence to this Committee in 2007. Under PFI schemes, the options appraisal is weighted towards accepting the PFI option and the risk is seldom transferred to the private sector. An advantage of PFI from the Treasury point of view is that PFI is not reflected in net debt. Though accounting changes brought about in 2009/10 as part of International Financial Reporting Standard (IFRS) convergence ensured that schemes that met the requirements of IFRIC12 were brought on to the balance sheet such that they were reflected in the Whole of Government Accounts but not in net debt

PFI is a form of Public Private Partnership that is supposed to deliver public infrastructure goods with private sector know-how and public sector funding. A criticism by a recent UK PAC is that the borrowing costs were always poor value for money, especially when interest fell dramatically with the onset of the global financial crisis. Local Government would welcome any innovative approach of the type Gerry Holtham is suggesting or improvements to PFI announcement by the Treasury[1].

Tax Incremental Financing

We would welcome any move that gives local government greater freedom to use its resources for to improve the wellbeing of all its citizens. TIF is a label that has been applied to the earmakarking of business rates growth for borrowing. In a similar way you could securitise additional income from council tax on second homes or from empty properties and this requires changes to primary or secondary legislation currently in the gift the Welsh Government.

The Minister may be correct in stating that this currently may not raise significant amounts nationally but for certain authorities, and especially in the context of the work that the Minister for Business, Enterprise and Technology and Science is pursuing around City-Region economic growth then it has the potential to be a useful additional funding mechanism. The review currently being undertaken by Professor Brian Morgan into business rates should be a useful contribution to that debate.

The Community Infrastructure Levy is also a potential model that may need some development but again there are questions about the significance of sums involved over and above 'S106 contributions' achieved under existing arrangements.

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[1] http://www.hm-treasury.gov.uk/press_128_11.htm

Alternative local government funding mechanisms

Some of these alternative funding mechanisms are being pursued collectively by local government. During the course of the evidence session my colleague Will McLean talked about work the WLGA and the LGA had been involved with in setting up an agency to raise financing directly through bond markets, powers that some committee members remembered that local government had in decades gone by.

The lack of freedom to borrow in this way is symptomatic of the decline of local discretion that characterised central-local relations over the course of the latter half of the twentieth century. So in one respect the lack of innovation may be explained by excessive central prescription and the work of innovation, at a strategic level, has to be done nationally and collaboratively through groups like the Capital Financing and Investment Group and through the work of the WLGA and the LGA.

The innovation that is being done by local authorities is usually being done within the constraints of the current system. The evidence we presented shows that whether these schemes range from sophisticated approaches to boosting resources for the Housing Revenue Account to School Reorganisation, local government is making good progress.

In the final analysis, there is nothing about local government borrowing that is different from the choices faced by the average mortgage payer. The amount you can borrow is based on the value of the revenue stream and your existing commitments. For local government, that revenue stream may be tax income, a rental income, grant income, or a cashable efficiency saving. The opportunity cost of that revenue stream is lower Council tax or more funding for current services.

For local government, borrowing costs are long-term and cannot be easily removed from the revenue stream where borrowing concerns assets used in day-to-day service provision. In times of funding restrictions and a very uncertain financial climate due to the on-going Eurozone crisis this is a real concern for treasurers.

I hope this additional information is useful to your evidence gathering.

Yours sincerely

Jon Rae
Director of Resources

JILL EVANS ASE / MEP

Plaid Cymru - The Party of Wales

Dear Jocelyn,

Thank you for your question and I apologise for the delay in my response. I have not seen any papers, nor heard anything being discussed at EU level regarding the ability of regional governments to borrow or issue bonds. I have, therefore, made enquiries with financial advisors in the European Parliament as well as politicians from Catalonia. The European Commission cannot prevent regional governments from borrowing money and is thus unable to dictate to Member States whether or not they should be allowed to issue bonds to regional governments. Furthermore, the EU looks at the debt of a Member State as a whole, not in terms of regions.

The question of jointly issued bonds is currently being discussed in several EU countries. One such country is Spain. The Spanish government is debating whether or not to enable regional governments to issue bonds in cooperation with the central government. "Hispanobonos" as they are referred to in Spain, would be common bonds issued by the Autonomous Communities and backed by the Spanish Treasury. The idea behind the bonds is that regional governments are to be jointly liable for their debt (i.e. jointly issued bonds). These bonds will enable Spain's regions to tap the financial markets and allow them to meet the payment of their debts. The German government is also discussing the creation of "Deutschlandbonds", which would work in much the same way as "Hispanobonos". Furthermore, in Germany, the Länder (or states) already have the ability to issue bonds. "Länder Bonds" are issued by a number of federal states join together with one federal state acting as a paying agent in order to issue a bond with liability on a pro rata basis.

I hope this will assist you in your work.

Yours sincerely,

Jill Evans

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RESTRICTED

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Jocelyn Davies AC
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8 June 2012

Dear Jocelyn,

INQUIRY INTO BORROWING

Thank you for your letter dated 25 May containing two further questions relating to tax and borrowing powers. Please see a response to each question below.

1. **Whether there an inherent link between borrowing powers and the devolution of tax varying powers, or is it possible for there to be borrowing powers without tax varying powers.**

   In principle, I believe there is an inherent link between borrowing powers and the ability to raise revenue independently to support borrowing for two reasons. First, borrowing powers can be appropriate and necessary to reflect and manage the increased responsibility from raising revenue. Secondly, an independent source of income can be adjusted as appropriate to support the costs of borrowing.

   While it is the case that the Northern Ireland Executive (NIE) has borrowing powers without tax varying powers, these powers exist in lieu of prudential borrowing for Local Authority-type functions, many of which fall to the central government sector in Northern Ireland. This is reflected in the purpose of the bulk of NIE borrowing, for schools and roads, both of which are LA functions in the rest of the UK.

2. The Scotland Act transfers over time the volatility associated with tax raising powers to the Scottish Parliament. Could you clarify the impact tax varying powers might have on future borrowing powers.

From 2016 the Scottish Parliament will be responsible for setting and raising a Scottish rate of income tax. OBR forecasts suggest this could raise between £4.4bn to £4.8bn in Scotland.

In order to ensure a smooth transfer of tax powers, the UK Government will manage any errors in forecasts on behalf of the Scottish Parliament for a transitional period lasting between two to three fiscal years.

Although errors in forecasts are expected to even out over time, Scottish Ministers will have a number of tools available to manage the volatility from forecasts from extended borrowing powers to cutting back spending in other areas. The borrowing limits in the Scotland Act, which are appropriate for managing forecasting errors in normal times, will be reviewed at Spending Reviews.

DANNY ALEXANDER

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The Scottish Government

DELIVERING
A GAMES LEGACY FOR SCOTLAND

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13 June 2012

Dear Jocelyn,

Thank you for your letters of 23 May regarding your Committee's inquiry into devolved funding to inform the work of the Independent Commission on Devolution in Wales.

I am glad that you have had the opportunity to take evidence from the Scottish Futures Trust in relation to its role in developing financial models and being a centre of expertise. The full strategic business case supporting the creation of the organisation prepared in 2008 can be found at http://www.scotland.gov.uk/Publications/2008/05/19155435/0.

In terms of the Committee's request for further information about our long-term sustainability framework, the Scottish Government's Infrastructure Investment Plan 2011 outlines plans for for infrastructure investment totalling up to £60 billion in the period 2015 to 2030. The Plan sets out why we invest, how we invest and what we will invest in over the coming years. The full Plan can be found at: http://www.scotland.gov.uk/Publications/2011/12/05141922/0.

As you point out, the Plan sets a cap on revenue commitments related to capital investment at 5 per cent of the expected future total DEL, which is equivalent to around £1.4 billion at current levels of funding. Revenue commitments include the Scottish Government share of historical PFI commitments, debt repayments on future borrowing flowing from the new powers in the Scotland Act 2012, and payments in relation to Network Rail's Regulatory Asset Base (RAB) and our Non Profit Distributing (NPD) programme.

Officials are currently discussing with procuring bodies the timeframe for progressing individual NPD projects and, where projects have been advertised to market, with prospective private sector delivery partners the likely range of costs associated with these projects. In addition, we are in process of agreeing with HM Treasury the detail of how the Scotland Act borrowing powers will operate. Against this background, it is not possible to state with certainty the long-term level of revenue commitments in relation to the cap.

We have, however, provided the Scottish Parliament with our projections for the spending review period as a percentage of the resource departmental expenditure limit (DEL) and the total DEL as shown in the following table.

	2012-13	2013-14	2014-15
Revenue-Financed investment Charges as a % of Resource DEL	3.4%	3.5%	3.9%
Revenue-Financed investment Charges as a % of Total DEL	3.1%	3.3%	3.6%

The total is likely to be an overestimate of the charges related directly to investment, as some of the PFI payments will include costs related to ongoing maintenance. At present it is not possible to separate the different elements of the unitary charges.

We will make available further information regarding future revenue commitments in due course when the NPD pipeline and capital borrowing plans have progressed further.

I hope this information is helpful to the Committee.

Y– sily,

JS

JOHN SWINNEY

Y Pwyllgor Cyllid

Lleoliad:	**Ystafell Bwyllgora 2 - Y Senedd**
Dyddiad:	**Dydd Mercher, 30 Mai 2012**
Amser:	**09:20 - 12:00**

Cynulliad Cenedlaethol Cymru
National Assembly for Wales

Gellir gwylio'r cyfarfod ar Senedd TV yn:
http://www.senedd.tv/archiveplayer.jsf?v=cy_300000_30_05_2012&t=0&l=cy

Cofnodion Cryno:

Aelodau'r Cynulliad:	**Jocelyn Davies (Cadeirydd)** **Peter Black** **Christine Chapman** **Paul Davies** **Mike Hedges** **Ann Jones** **Julie Morgan** **Ieuan Wyn Jones**
Tystion:	**Alan Davies y Dirprwy Weinidog Amaethyddiaeth, Pysgodfeydd, Bwyd a Rhaglenni Ewropeaidd, i'r cyfarfod** **Jonathan Price, WEFO** **Damien O'Brien, WEFO**
Staff y Pwyllgor:	**Helen Finlayson (Clerc)** **Daniel Collier (Dirprwy Glerc)** **Eleanor Roy (Ymchwilydd)** **Tom Jackson (Clerc)** **Joanest Jackson (Cynghorydd Cyfreithiol)**

1. Cyflwyniad, ymddiheuriadau a dirprwyon

1.1 Croesawodd y Cadeirydd yr Aelodau ac aelodau'r cyhoedd i'r cyfarfod.

2. Effeithiolrwydd Cyllid Strwythurol Ewropeaidd yng Nghymru

2.1 Croesawodd y Cadeirydd Alun Davies, y Dirprwy Weinidog Amaethyddiaeth, Pysgodfeydd, Bwyd a Rhaglenni Ewropeaidd, i'r cyfarfod.

2.2 Bu'r Pwyllgor yn craffu ar waith y Dirprwy Weinidog.

Cytunodd Llywodraeth Cymru i ddarparu:

- Manylion am yr hyfforddiant a gafodd staff Swyddfa Cyllid Ewropeaidd Cymru ar roi cyngor i noddwyr prosiectau ynghylch y broses gaffael.
- Nodyn i'r Pwyllgor yn cynnwys y wybodaeth ddiweddaraf am y cynnydd yn nhrafodaethau Llywodraeth Cymru â'r Comisiwn Ewropeaidd ynghylch mynd i'r afael â materion cyfreithiol a thechnegol sy'n berthnasol i ffynhonnell gyllido JESSICA, sef y rhaglen Cyd-gymorth Ewropeaidd ar gyfer Buddsoddi Cynaliadwy mewn Ardaloedd Dinesig.
- Rhagor o fanylion am y trafodaethau sydd i ddod gyda'r Pwyllgor Monitro Rhaglenni ar yr effaith y gallai'r gyfradd gyfnewid ei chael ar brosiectau ac ar sut y gellir rheoli risgiau posibl.

3. Papurau i'w nodi
3.1 Nododd y Pwyllgor y dystiolaeth ychwanegol a ddarparwyd gan Scottish Futures Trust.

3.2 Cymeradwyodd y Pwyllgor gofnodion y cyfarfod blaenorol, a gynhaliwyd ar 24 Mai 2012.

4. Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y cyhoedd o'r cyfarfod ar gyfer y canlynol:
Eitemau 5 a 6.

5. Trafod y dystiolaeth - Effeithiolrwydd Cyllid Strwythurol Ewropeaidd yng Nghymru
5.1 Bu'r Pwyllgor yn trafod y dystiolaeth a gafwyd mewn perthynas â'i ymchwiliad i effeithiolrwydd cyllid strwythurol Ewropeaidd yng Nghymru.

6. Cyllid datganoledig: pwerau benthyg a dulliau arloesol o ddefnyddio arian cyfalaf - tystiolaeth allweddol a themâu sy'n dod i'r amlwg
6.1 Bu'r Pwyllgor yn trafod tystiolaeth allweddol a themâu sy'n dod i'r amlwg mewn perthynas â'i ymchwiliad i gyllid datganoledig: pwerau benthyg a dulliau arloesol o ddefnyddio arian cyfalaf.

Yn rhinwedd paragraff(au) vi o Reol Sefydlog 17.42

Mae cyfyngiadau ar y ddogfen hon

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