

## 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, 13 Chwefror 2017 Clerc y Pwyllgor  
Amser: 13.00 0300 200 6565  
[SeneddArchwilio@cynulliad.cymru](mailto:SeneddArchwilio@cynulliad.cymru)

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

(13.15)

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

(13.15 – 13.20)

(Tudalennau 1 – 4)

**Adolygiad o Lywodraethiant Llyfrgell Genedlaethol: Ymateb Llywodraeth Cymru i Adroddiad Archwilydd Cyffredinol Cymru (2 Chwefror 2017)**

(Tudalennau 5 – 7)

**Craffu ar Gyfrifon 2015–16: Llythyr gan Llywodraeth Cymru (2 Chwefror 2017)**

(Tudalen 8)

### 3 Ymchwiliad i oruchwyliaeth reoleiddiol ar Gymdeithasau Tai:

#### Sesiwn dystiolaeth 5

(13.20 – 14.05)

(Tudalennau 9 – 29)

Papur briffio gan y Gwasanaeth Ymchwil

Amanda Davies – Prif Weithredwr, Pobl

Wendy Bourton – Cadeirydd, Pobl

### 4 Ymchwiliad i oruchwyliaeth reoleiddiol ar Gymdeithasau Tai:

#### Sesiwn dystiolaeth 6

(14.05 – 14.50)

Walis George – Prif Weithredwr, Grŵp Cynefin



Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales

John Arthur Jones – Cadeirydd, Grŵp Cynefin

**(Egwyl 14.50 – 15.00)**

**5 Ymchwiliad i oruchwyliaeth reoleiddiol ar Gymdeithasau Tai:**

**Sesiwn dystiolaeth 7**

(15.00 – 15.45)

Anne Hinchey – Prif Weithredwr, Cymdeithas Tai Cymru a Gorllewin Lloegr

Sharon Lee – Cadeirydd, Cymdeithas Tai Cymru a Gorllewin Lloegr

**6 Ymchwiliad i drefn reoleiddio Cymdeithasau Tai: Sesiwn**

**dystiolaeth 8**

(15.45 – 16.30)

(Tudalennau 30 – 32)

PAC(5)-06-17 Papur 1 – Ymateb i'r ymgynghoriad gan Cartrefi Dinas Casnewydd

Ceri Doyle – CEO, Cartrefi Dinas Casnewydd

Jane Mudd - Cadeirydd, Cartrefi Dinas Casnewydd

**7 Cynnig o dan Reol Sefydlog 17.42 i benderfynu gwahardd y**

**cyhoedd o'r cyfarfod ar gyfer y busnes a ganlyn:**

(16.30)

Eitem 8

- 8 Ymchwiliad i oruchwyliaeth reoleiddiol ar Gymdeithasau Tai:  
Trafod y dystiolaeth a ddaeth i law  
(16.30 – 17.00)**

## Cofnodion cryno – Y Pwyllgor Cyfrifon Cyhoeddus

Lleoliad:

Gellir gwyllo'r cyfarfod ar [Senedd TV](#) yn:

Ystafell Bwyllgora 3 – Senedd

<http://senedd.tv/cy/3910>

Dyddiad: Dydd Llun, 6 Chwefror 2017

Amser: 14.00 – 16.22

### Yn bresennol

Categori	Enwau
Aelodau'r Cynulliad:	Nick Ramsay AC (Cadeirydd) Mohammad Asghar (Oscar) AC Neil Hamilton AC Mike Hedges AC Neil McEvoy AC Rhianon Passmore AC Lee Waters AC
Tystion:	Debra Carter, Llywodraeth Cymru Graham Hinchey, City of Cardiff Council Reg Kilpatrick, Llywodraeth Cymru Jon Rae, Welsh Local Government Association (WLGA)
Swyddfa Archwilio Cymru:	Huw Vaughan Thomas – Archwilydd Cyffredinol Cymru Nick Selwyn – Swyddfa Archwilio Cymru Dave Thomas – Swyddfa Archwilio Cymru
Staff y Pwyllgor:	Meriel Singleton (Ail Glerc) Claire Griffiths (Dirprwy Glerc)



## Trawsgrifiad

Gweld trawsgrifiad o'r cyfarfod (PDF 999KB) Gweld fel HTML (999KB)

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

- 1.1 Croesawodd y Cadeirydd Aelodau'r Pwyllgor ac estynnodd groeso i Jennette Arnold, Dirprwy Gadeirydd Cynulliad Llundain a Katie Smith, Pennaeth Craffu yng Nghynulliad Llundain.
- 1.2 Ni chafwyd unrhyw ymddiheuriadau.
- 1.3 Datganodd Neil McEvoy fuddiant fel Cyngorydd ar Gyngor Dinas Caerdydd a'i fod yn adnabod Graham Hinchey o Gyngor Dinas Caerdydd.

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

- 2.1 Cafodd y papurau eu nodi.
- 2.2 Cytunodd y Pwyllgor i godi pryderon am fesurau gwrth-dwyll Llywodraeth Cymru gyda'r Ysgrifennydd Parhaol yn ddiweddarach yn y tymor.

**2.1 Sesiwn ymadawol: Llythyr gan Syr Derek Jones, Ysgrifennydd Parhaol, Llywodraeth Cymru (24 Ionawr 2017)**

**2.2 Adroddiad y Bwrdd Cyngori ar Adroddiadau Ariannol 2015–2016**

### **3 Dull strategol cyngorau o greu incwm a chodi tâl: Sesiwn dystiolaeth**

**1**

- 3.1 Craffodd y Pwyllgor ar waith Jon Rae, Cyfarwyddwr Adnoddau, Cymdeithas Llywodraeth Leol Cymru a Graham Hinchey, Aelod Cabinet dros Wasanaethau

Corfforaethol a Pherfformiad, Cyngor Dinas Caerdydd ar ddull strategol cynghorau o greu incwm a chodi tâl.

3.2 Cytunodd Jon Rae i wirio ac anfon gwybodaeth bellach am unrhyw gynlluniau yng Nghymru sy'n cynhyrchu incwm ar gyfer awdurdodau lleol.

3.3 Cytunodd Graham Hinchey i anfon manylion ariannol y cynlluniau a gyflwynwyd gan Gyngor Dinas Caerdydd ers 2012 sy'n cynhyrchu incwm ar gyfer yr awdurdod lleol ynghyd ag enghreifftiau o gynlluniau arloesol y mae'r awdurdod lleol wedi'u cyflwyno sydd o fudd i awdurdodau lleol eraill drwy rannu arfer da.

## **4 Dull strategol cynghorau o greu incwm a chodi tâl: Sesiwn dystiolaeth 2**

4.1 Crafodd y Pwyllgor ar waith Reg Kilpatrick, Cyfarwyddwr, Llywodraeth Leol a Debra Carter, Dirprwy Gyfarwyddwr, Polisi Cyllid Llywodraeth Leol, Llywodraeth Cymru ar ddull strategol cynghorau o greu incwm a chodi tâl.

4.2 Cytunodd Reg Kilpatrick i anfon manylion am enghreifftiau o arfer da yn Lloegr lle mae nifer o awdurdodau lleol wedi mabwysiadu dull newydd o greu cwmnïau masnachu i gynhyrchu incwm.

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

5.1 Derbyniwyd y cynnig.

## **6 Dull strategol cynghorau o greu incwm a chodi tâl: Trafod y dystiolaeth a ddaeth i law**

6.1 Ystyriodd yr Aelodau y dystiolaeth a gafwyd a chytunodd i ysgrifennu at y Pwyllgor Cydraddoldeb, Llywodraeth Leol a Chymunedau gyda sylwadau fel rhan o'u hystyriaeth o'r Papur Gwyn ar Lywodraeth Leol.

## **7 Arlwyo mewn Ysbytai a Maeth Cleifion: Trafod yr adroddiad drafft**

7.1 Ystyriodd Aelodau'r adroddiad drafft a gwneud nifer o awgrymiadau a fydd yn cael eu hymgorffori mewn fersiwn ddrafft arall. Trefnir bod y Pwyllgor yn ystyried hyn ymhellach.

Grwp yr Economi, Sgiliau a Chyfoeth Naturiol  
Economy, Skills and Natural Resources Group

Dirprwy Ysgrifennydd Parhaol • Deputy Permanent Secretary



Llywodraeth Cymru  
Welsh Government

Mr Huw Vaughan Thomas  
Auditor General for Wales  
Wales Audit Office  
24 Cathedral Road  
Cardiff  
CF11 9LJ

2 February 2017

Dear Huw

**National Library of Wales: A Review of Governance report**

We welcome the publication of this report on 5 December 2016. The Report recognises recent progress made by the National Library of Wales, and provides practical recommendations for further improvements to increase the organisation's resilience and sustainability.

Most of the recommendations contained in the Report are for the National Library to consider. The Welsh Government will monitor the Library's progress on the implementation of agreed actions through the existing mechanisms in place between the National Library and its sponsor division.

Our response to the two specific recommendations for the Welsh Government is attached.

Please do not hesitate to contact me if you require any further information.

Yours sincerely,

A handwritten signature in black ink that reads 'James Price'.

James Price

Copied to: Chair of the Public Accounts Committee (via [SeneddPAC@Assembly.Wales](mailto:SeneddPAC@Assembly.Wales) )  
Cabinet and Plenary Mailbox ([Government.Committee.Business@wales.gsi.gov.uk](mailto:Government.Committee.Business@wales.gsi.gov.uk) )  
Welsh Government's Corporate Governance Unit mailbox ([cgu@wales.gsi.gov.uk](mailto:cgu@wales.gsi.gov.uk) )



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## **Response to the Auditor General Wales' report: *National Library of Wales: A Review of Governance* (December 2016)**

We welcome the findings of the Report. Most recommendations contained in the Report are for the National Library of Wales. The Welsh Government will monitor the Library's progress on the implementation of agreed actions through the existing mechanisms in place between the National Library and its sponsor division.

The following recommendations contained within the Report are specific to the Welsh Government, and our response to these recommendations is provided below.

### **Recommendation 1:**

**We recommend that the Welsh Government clarifies its position in response to the Public Accounts Committee's recommendations that:**

- **There should be greater clarity around the Library's insurance arrangements; and**
- **Those insurance arrangements should be reviewed**

### **Response: Accepted**

General guidance concerning insurance for sponsored bodies, including the National Library, is provided in *Managing Welsh Public Money*. This document was reissued during 2016, following a major update. General issues concerning insurance arrangements are also applicable to other arms length organisations and need to be considered in a wider context.

The National Library's current funding agreement with the Welsh Government (the Framework Document) specifies that advance approval must be obtained from the Welsh Government prior to the use of public funds to purchase any commercial insurance which covers particular operational issues above and beyond that which is required by statute.

Whilst we have agreed to the Library taking out commercial insurance on a limited basis for some very specific risks, there is no intention it should take out commercial insurance for its buildings, and indeed we have had no request to this effect. To do so would have implications across the estate of the Welsh Government and its funded bodies, and would be a major departure from the fundamental principle that the Government insures itself.

The Library did seek guidance from us some time ago regarding the pursuit of litigation against other parties in respect of the fire. We have been working jointly with the Library and their legal advisers on this matter.

## **Recommendation 8:**

**In order to support the Library in fulfilling its statutory duty to plan for a sustainable future, the Welsh Government should consider:**

- **Notifying the Library of its annual funding allocation at the earliest opportunity in the preceding financial year; and**
- **Resume the practice of providing indicative budgets to the Library once the UK Government confirms indicative levels of future funding to the Welsh Government**

## **Response: Partially Accepted**

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 one-year revenue budget, with capital budgets for four years.

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.

# Eitem 2.2

Sir Derek Jones KCB  
Ysgrifennydd Parhaol  
Permanent Secretary



Llywodraeth Cymru  
Welsh Government

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

2 Chwefror 2017

Annwyl Nick

Ysgrifennais atoch ar 21 Tachwedd 2016 er mwyn rhoi'r wybodaeth ddiweddaraf i'r Pwyllgor am ganlyniadau'r camau a gymerwyd gan reolwyr mewn perthynas â'r taliad ofer o £1.25m a gofnodwyd yng Nghyfrifon Blynyddol 2015-16.

Byddwch yn cofio bod aelodau staff y panel gwerthuso ac aelodau staff y gadwyn reoli (a oedd yn gyfrifol am sicrhau bod y broses gaffael hon yn cael ei rhedeg yn unol â'r safonau a ddisgwyliid) wedi cael eu cyfweld yn ffurfiol gan y Dirprwy Gyfarwyddwr, Adnoddau Dynol, a'r Cyfarwyddwr Llywodraethu, yn unol â chynghor y gyfraith cyflogaeth, i weld a ddylid dechrau cymryd camau pellach, ar sail unigol, yn unol â pholisïau a gweithdrefnau Adnoddau Dynol Llywodraeth Cymru.

Mae'r broses hon bellach wedi ei chwblhau a nodwyd nifer o fethiannau ar y cyd yn ogystal â methiannau gan unigolion. Mae'r rhain yn ymwneud yn bennaf â diffygion o ran rheoli gwybodaeth a goruchwyllo. Roedd y rhain yn y pen draw wedi gwanychu sefyllfa Llywodraeth Cymru, nid yn unig yng nghanfyddiad y cyhoedd o ran pa mor drylwyr a thryloyw yw'r broses gaffael, ond i bwynt lle bu'n rhaid i Lywodraeth Cymru amddiffyn ei hun yn yr achos cyfreithiol a ddilynodd. Bydd y Pwyllgor yn dymuno nodi nad oes unrhyw dystiolaeth bod unrhyw un wedi ennill yn bersonol o'r ymarfer caffael.

Er y byddwch yn deall na allaf roi sylwadau ar faterion sy'n ymwneud ag aelodau unigol o staff, gallaf roi gwybod i'r Pwyllgor bod camau ffurfiol yn cael eu cymryd gan reolwyr mewn perthynas ag aelodau perthnasol o staff yn unol â chynghor y gyfraith cyflogaeth.

Yn gywir,



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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.

Tudalen y pecyn 8

Mae cyfyngiadau ar y ddogfen hon

**Newport City Homes' (NCH) contribution to:  
Inquiry into Regulatory Oversight of Housing Associations**

**1. The effectiveness of the current Regulatory Framework for Housing Associations Registered in Wales**

- 1.1. NCH supports the new Regulatory Framework launched on 1 December 2016, which the sector has influenced and has been a positive experience and was co-ordinated via Community Housing Cymru (CHC).
- 1.2. Whilst recognising the importance of regulation, NCH questions who regulation intends to serve. NCH welcomes the impact of the new regulatory approach, as currently there is a lack of clarity on whether regulation is serving Welsh Government, residents or lenders.
- 1.3. The NCH Board takes a degree of assurance from the Regulatory Opinion. However, the Board's main assurance is generated from the NCH Assurance Framework which includes risk, VfM and internal audit. NCH lenders were disappointed that they were not able to have access to the NCH's very positive regulatory opinion in draft form and questioned why co-regulation didn't extend to their £112m investment in NCH. Feedback from residents suggests that the presentation of the Regulatory Opinion does not necessarily meet their needs.
- 1.4. The housing sector is evolving and, in the same way that it has to ensure boards are suitably skilled to deliver their strategic vision, there is a responsibility on the Welsh Government to demonstrate that the new Regulatory Framework is effectively and appropriately resourced.
- 1.5. Many of the Audit, Inspection and Regulatory bodies were reviewed by the WG AIR Review published in February 2015. NCH is unsure as to whether the housing sector was included in this review. Is there an opportunity that learning embedded from this review could support the Regulation team to provide assurance of its approach to Housing regulation?

1.6. Given the scale of housing associations being regulated are we adequately sharing best practice from the outcomes of co-regulation and guarding against the potential variation in the way co-regulation is conducted.

## **2. The effectiveness and quality of governance arrangements**

- 2.1. The importance of governance in the sector is evolving eg governance specific roles and the regulatory focus on skills and experience of Board and Executive is welcomed. However, the recent high profile cases requiring regulatory intervention, could suggest the quality of governance requires improvement in some parts of the sector and learning from regulatory intervention in relation to those cases would be welcomed.
- 2.2. The introduction of the CHC Code of Governance, its adoption by the NCH Board, and expected compliance by WG is raising awareness of what good governance means within NCH. However, a sector wide definition of good corporate governance could strengthen the sector's approach.
- 2.3. The housing sector appears to adopt a varying approach to who holds the role of Company Secretary. Reiteration for the need for boards to secure impartial advice with appropriate segregation of duties in line with good governance would be welcomed.

## **3. Whether the current regulatory regime is effective in managing and mitigating sector wide risks**

- 3.1. Whilst recognising Welsh Government has issued a sector risk paper. Risk is managed at NCH by its Board who incorporate sector risks at a strategic, corporate or operational level as appropriate.

## **4. The effectiveness of the co-regulatory approach in practice**

- 4.1. The clarity provided by the new Performance Standards is welcomed and NCH looks forward to seeing the systematic application across the sector.
- 4.2. It is imperative that those employed by the Regulator continue to understand the strategic context within which boards are operating.

## **5. The remuneration of senior executives of housing associations.**

- 5.1. Housing associations provide an essential role in communities alongside other public sector bodies. Within the context of the current austerity measures, housing associations are increasingly providing a vital leadership role in communities. In addition, Housing Associations are complex social businesses with significant annual turnover and innovative loan arrangements that require appropriate strategic and corporate skills from their senior executives.
- 5.2. In NCH the accountability for senior executives' financial packages rests with the Board. The Board in turn, have delegated the review of senior executive packages to its Remuneration Committee which acts on independent advice, and benchmarking both within and outside of the sector.
- 5.3. Executive structures vary across the sector. The NCH Board, acting on advice, has recently reviewed its executive structure from 5, one Chief Executive and four Directors to one Chief Executive and two Executive Directors.
- 5.4. As a Board with accountability for a multi-million pound social business, providing essential services to the people of Newport, NCH is ultimately accountable to its residents. It is therefore essential that the NCH Board is able to justify the decisions it makes to both assess and set salaries to attract and maintain the senior leaders required to deliver NCH's strategic objectives, which is carried out annually.