



**Cynulliad Cenedlaethol Cymru  
Pwyllgor Archwilio**

**The National Assembly for Wales  
Audit Committee**

**Cyllid GIG Cymru 2003  
The Finances of NHS Wales 2003**

**Cwestiynau 1-57  
Questions 1-57**

**Dydd Iau 12 Mehefin 2003  
Thursday 12 June 2003**

*Aelodau o'r Cynulliad yn bresennol: Janet Davies (Cadeirydd), Leighton Andrews, Mick Bates, Alun Cairns, Jocelyn Davies, Christine Gwyther, Denise Idris Jones, Val Lloyd, Carl Sargeant.*

*Swyddogion yn bresennol: Syr John Bourn, Archwilydd Cyffredinol Cymru; Gillian Body, Swyddfa Archwilio Genedlaethol Cymru; Ian Summers, Swyddfa Archwilio Genedlaethol Cymru; Ceri Thomas, Swyddog Cydymffurfio Cynorthwyol Cynulliad Cenedlaethol Cymru.*

*Tystion: Ann Lloyd, Cyfarwyddwr GIG Cymru; Dr Christine Daws, Pennaeth Is-adran Cyllid y GIG, Cynulliad Cenedlaethol Cymru.*

*Assembly Members present: Janet Davies (Chair), Leighton Andrews, Mick Bates, Alun Cairns, Jocelyn Davies, Christine Gwyther, Denise Idris Jones, Val Lloyd, Carl Sargeant.*

*Officials present: Sir John Bourn, Auditor General for Wales; Gillian Body, National Audit Office Wales; Ian Summers, National Audit Office Wales; Ceri Thomas, Assistant Compliance Officer, National Assembly for Wales.*

*Witnesses: Ann Lloyd, Director of NHS Wales; Dr Christine Daws, Head of NHS Finance Division, National Assembly for Wales.*

*Dechreuodd y sesiwn cymryd tystiolaeth am 3.37 p.m.  
The evidence-taking session began at 3.37 p.m.*

[1] **Janet Davies:** I welcome you to an evidence session on the finances of NHS Wales. I welcome the two witnesses: Ann Lloyd, the director of NHS Wales—I hope that you will get through this session, Ann, given the state of your voice—and Dr Christine Daws. I think that even the new Committee members know Ann Lloyd, but could you please introduce yourself, Dr Daws?

**Dr Daws:** I am NHS Wales's director of finance.

[2] **Janet Davies:** Thank you. I will start with the first few questions; we will get straight into it. This evidence session will not, perhaps, be as long as some of the evidence sessions that we have had in the past. I refer to paragraph 2.3 of the Auditor General for Wales's report. The Committee was very pleased to receive the second annual report from the Auditor General on the finances of NHS Wales. If we look at the big picture in paragraph 2.3, we see that the overall net deficit was £16 million and that this would have been £27.2 million without strategic assistance funding of £11.2 million. The comparative 2001-02 result was a surplus of £23.7 million. That seems to be quite a

[1] **Janet Davies:** Croesawaf chi i sesiwn ar sail tystiolaeth ar gyllid GIG Cymru. Croesawaf y ddau dyst: Ann Lloyd, cyfarwyddwr GIG Cymru—gobeithio y byddwch yn ymdopi â'r sesiwn hon, Ann, o ystyried cyflwr eich llais—a Dr Christine Daws. Credaf fod hyd yn oed aelodau newydd y Pwyllgor yn gyfarwydd ag Ann Lloyd, ond a wnewch chi gyflwyno'ch hun, Dr Daws?

**Dr Daws:** Fi yw cyfarwyddwr cyllid GIG Cymru.

[2] **Janet Davies:** Diolch. Yr wyf am ddechrau gyda'r ychydig gwestiynau cyntaf; dechreuwn yn syth. Ni fydd y sesiwn dystiolaeth hon, o bosibl, mor hir â sesiynau tystiolaeth yr ydym wedi eu cael yn y gorffennol. Cyfeirïaf at baragraff 2.3 adroddiad Archwilydd Cyffredinol Cymru. Yr oedd y Pwyllgor yn falch iawn o dderbyn yr ail adroddiad blynyddol gan yr Archwilydd Cyffredinol ar gyllid GIG Cymru. O edrych ar y sefyllfa yn ei chyfanrwydd ym mharagraff 2.3, gwelwn mai £16 miliwn oedd cyfanswm y diffyg ariannol clir ac y byddai'r ffigur hwn wedi bod yn £27.2 miliwn heb gyllid cymorth strategol o £11.2 miliwn. Y canlyniad

swing, although I did work it out in terms of a percentage of the total budget, more or less, and it is not an enormous percentage. However, it is quite an enormous amount of money. Do you think, Ms Lloyd, that the overall finances of NHS Wales are now firmly under control?

**Ms Lloyd:** I think that a start has been made on ensuring that the finances are firmly under control. If you look at the surplus for 2000-01, then I think that I would describe that surplus as largely technical, because the organisations were helped, with considerable strategic assistance, to cover underlying deficits and they were having to manage accumulated deficit year on year. If you look very carefully at the sorts of support that they were given, I think that what we are seeing—and it has been confirmed in the 2002-03 outturn—is that we are dealing with an accumulating deficit year on year. I think that that has been hidden, largely, by the Assembly providing, where it was reasonable so to do, additional strategic assistance or loans to the organisations. So what Dr Daws and I are intent on doing, given the current round of negotiation that is shortly to be concluded now for the financial management of the NHS for this current year, 2003-04, is to ensure that where recovery plans do not exist in which we have confidence, they must exist. We must have good evidence now that the organisations are making every effort, and it is a feasible effort, to reduce their deficits. We must also monitor through the regional offices on a month-by-month basis how the organisations are managing their finances, because we must drive out this deficit. We are not going to make progress unless we are able to drive it out and to manage it effectively, so that we all—the Audit Committee, Ministers—get a proper understanding of what is the actual financial situation of the NHS in Wales.

[3] **Janet Davies:** It is very concerning that it seems to be the strategic assistance funding that is managing to keep things just about okay.

cymharol yn 2001-02 oedd gwarged o £23.7 miliwn. Ymddengys bod hynny'n dipyn o newid, er i mi gyfrifo hyn o ran canran cyfanswm y gyllideb, fwy neu lai, ac nid yw'n ganran enfawr. Fodd bynnag, mae'n swm enfawr o arian. A ydych yn meddwl, Ms Lloyd, bod cyllid cyffredinol GIG Cymru yn cael ei reoli'n gadarn erbyn hyn?

**Ms Lloyd:** Credaf ein bod wedi dechrau sicrhau bod y cyllid yn cael ei reoli'n gadarn. Os edrychwch ar y gwarged ar gyfer 2000-01, yna credaf y byddwn yn disgrifio'r gwarged fel un technegol yn bennaf, oherwydd bod y sefydliadau wedi'u cynorthwyo, gyda chymorth strategol sylweddol, i wneud yn iawn am ddiffygion sylfaenol ac yr oedd yn rhaid iddynt reoli diffyg cronodig flwyddyn ar ôl blwyddyn. Os edrychwch yn ofalus iawn ar y mathau o gymorth yr oeddent yn ei dderbyn, credaf mai'r hyn yr oeddem yn ei weld—ac mae hyn wedi'i gadarnhau gan alldro 2002-03—oedd ein bod yn delio â diffyg cronodig flwyddyn ar ôl blwyddyn. Credaf fod hyn wedi'i guddio, i raddau helaeth, gan y Cynulliad yn darparu, lle'r oedd yn rhesymol gwneud hynny, cymorth strategol ychwanegol neu fenthyciadau i'r sefydliadau. Felly yr hyn y mae Dr Daws a minnau'n bwriadu ei wneud, o ystyried y trafodaethau presennol a fydd yn cael eu cwblhau'n fuan ar gyfer rheolaeth ariannol y GIG ar gyfer y flwyddyn bresennol, 2003-04, yw sicrhau pan nad oes cynlluniau adfer y mae gennym hyder ynddynt yn bodoli, bod yn rhaid iddynt fodoli. Mae'n rhaid i ni gael tystiolaeth dda yn awr bod y sefydliadau'n gwneud pob ymdrech, a bod hon yn ymdrech ymarferol, i ostwng eu diffygion ariannol. Mae'n rhaid i ni hefyd fonitro drwy'r swyddfeydd rhanbarthol bob mis, sut y mae'r sefydliadau yn rheoli eu cyllid, oherwydd mae'n rhaid i ni ddileu'r diffyg hwn. Ni fyddwn yn gwneud cynnydd os na allwn ei ddileu a'i reoli'n effeithiol, er mwyn sicrhau ein bod i gyd—y Pwyllgor Archwilio, Gweinidogion—yn deall sefyllfa ariannol wirioneddol GIG Cymru.

[3] **Janet Davies:** Mae'n achos pryder mawr mai'r cyllid cymorth strategol sy'n llwyddo i gadw'r ddysgl yn wastad yn ôl pob tebyg.

**Ms Lloyd:** Well, the Minister has declared that there will be no further strategic assistance to NHS organisations in Wales.

[4] **Janet Davies:** So do you think that the trusts will be able to manage without that?

**Ms Lloyd:** They will be able to manage with us with good recovery plans. There will have to be some fairly tough decisions taken about how they utilise their resources, so that we get a true and clear understanding of what the underlying deficit really is. Many of the trusts have made enormous progress in this respect. This is not all gloom and doom. Cardiff and Vale NHS Trust has started to make considerable progress against its £6 million deficit. The north Wales organisations have done extremely well. Dyfed Powys Health Authority, about which we had so much concern last year, is pulling itself round, so there is progress being made. However, I think that, when you just look at the figures, like in figure 1, it tends not to show any of us the real trend, the underlying trend, so that is what Dr Daws and I are intent on doing.

[5] **Janet Davies:** I am sure that the rest of the Committee will be concerned about the quality of patient care—that that should not be compromised.

**Ms Lloyd:** No, absolutely. The financial health of the organisation under our new performance management arrangements is a part of the whole picture that we look at, which does give equal weight to the quality of patient outcomes, the availability of service, and access to those services. So it is one factor, not the sole factor.

[6] **Janet Davies:** Right. Alun, you wanted to come in here?

[7] **Alun Cairns:** Yes, very briefly. Thank you, Cadeirydd. Mrs Lloyd, you said that figure 1 does not quite show a trend. However, you also said in your response that, in 2000-01, there was a significant amount of strategic assistance. Therefore, over the period of the four years that are presented, is

**Ms Lloyd:** Wel, mae'r Gweinidog wedi datgan na fydd rhagor o gymorth strategol i sefydliadau GIG Cymru.

[4] **Janet Davies:** Felly a ydych yn credu y bydd yr ymddiriedolaethau yn gallu ymdopi heb hwnnw?

**Ms Lloyd:** Byddant yn gallu ymdopi gyda ni gyda chynlluniau adfer da. Bydd rhai penderfyniadau eithaf anodd i'w gwneud o ran sut y byddant yn defnyddio'u hadnoddau, er mwyn i ni gael dealltwriaeth wirioneddol a chilir o beth yw'r diffyg sylfaenol mewn gwirionedd. Mae nifer o'r ymddiriedolaethau wedi gwneud cynnydd enfawr yn hyn o beth. Ond nid yw popeth yn edrych yn ddu. Mae Ymddiriedolaeth GIG Caerdydd a'r Fro wedi dechrau gwneud cynnydd sylweddol yn erbyn ei diffyg o £6 miliwn. Mae sefydliadau gogledd Cymru wedi bod yn gwneud yn eithriadol o dda. Mae Awdurdod Iechyd Dyfed Powys, a oedd yn achos cymaint o bryder i ni y llynedd, yn gwella, felly mae digon o gynnydd yn cael ei wneud. Fodd bynnag, credaf, wrth i chi edrych ar y ffigurau yn unig, fel yn ffigur 1, bod tuedd iddo beidio â dangos y duedd wirioneddol i ni o gwbl, y duedd sylfaenol, felly dyna y mae Dr Daws a minnau'n bwriadu ei wneud.

[5] **Janet Davies:** Yr wyf yn siŵr y bydd gweddill y Pwyllgor yn bryderus am ansawdd gofal cleifion—na ddylid cyfaddawdu hynny.

**Ms Lloyd:** Na, ddim ar unrhyw gyfrif. Mae sefyllfa ariannol y sefydliad dan ein trefniadau rheoli perfformiad newydd yn rhan o'r darlun cyfan y byddwn yn edrych arno, sy'n rhoi'r un faint o bwys ar ganlyniadau ansawdd cleifion, y gwasanaeth sydd ar gael, a mynediad i'r gwasanaethau hynny. Felly un ffactor yw hwn, nid yr unig ffactor.

[6] **Janet Davies:** Iawn. Alun, yr oeddech am gyfrannu yma?

[7] **Alun Cairns:** Oeddwn, yn gryno iawn. Diolch, Gadeirydd. Mrs Lloyd, yr oeddech yn dweud nad yw ffigur 1 yn dangos tuedd mewn gwirionedd. Fodd bynnag, dywedasoeh hefyd yn eich ymateb bod, yn 2000-01, llawer iawn o gymorth strategol. Felly, dros y cyfnod pedair blynedd a

not the reality that the trend is very worrying because of the significant overspend that needs dramatic remedial action?

**Ms Lloyd:** Yes, there is a downward trend, which is being addressed. Dr Daws is putting together a report for the Assembly and the Minister on what this actual trend looks like, how much strategic assistance has been available, and where it has been deployed, so that we get a proper figure. However, the organisations—without affecting patient care, which is an imperative—are starting to make progress against their recovery plans. So we wish to see in this year, particularly with no strategic assistance being available, a diminution of this negative trend, and a rise in the right direction.

[8] **Janet Davies:** But, if I could go on with that, we have been given a forecast for 2002-03 in this report that suggests that the deficit could be even bigger than that for last year. Do you have a latest forecast of the outturn for last year?

**Ms Lloyd:** For 2002-03? Well, the final accounts are not closed yet. However, as you know, we in the Assembly covered a £35 million deficit for the organisations, arising from their service and financial framework conclusions. We believe—and Chris would be able to confirm or deny this, because she has done some preliminary work—that that is the right level. Is it not, Chris?

**Dr Daws:** Yes. The outturn is within £1 million of the forecast that we predicted when we started the year in the service and financial framework. So it is—

[9] **Janet Davies:** £39 million or £44 million.

**Dr Daws:** No. We signed off a service and financial framework deficit of £35 million. We knew at the beginning of the year that there was a £35 million deficit, and we have come within £1 million. I am sorry that I do not have the exact figures, but the operating outturn for the year is within £1 million of the plans that were put in. So things have improved in the year from the forecast. We are now at £34 million at the beginning of the

gyflwynir, onid yw'n wir bod y duedd yn achos pryder mawr oherwydd y gorwario sylweddol sydd angen sylw adferol dramatig?

**Ms Lloyd:** Oes, mae tuedd ar i lawr, yr ydym yn mynd i'r afael â hi. Mae Dr Daws yn llunio adroddiad ar gyfer y Cynulliad a'r Gweinidog ar union natur y duedd hon, faint o gymorth strategol sydd wedi bod ar gael, ac ymhle y mae wedi'i ddefnyddio, er mwyn i ni gael ffigur cywir. Fodd bynnag, mae'r sefydliadau—heb effeithio ar ofal cleifion, sydd o'r pwys mwyaf—yn dechrau gwneud cynnydd yn erbyn eu cynlluniau adfer. Felly yr ydym am weld eleni, yn arbennig heb gymorth strategol ar gael, ostyngiad yn y duedd negyddol hon, a chynnydd yn y cyfeiriad iawn.

[8] **Janet Davies:** Ond, pe bawn yn cael mynd ymlaen â hynny, mae'r adroddiad hwn yn rhagweld y gallai'r diffyg fod yn hyd yn oed fwy yn 2002-03 na'r llynedd. A oes gennych ragolwg diweddaraf o'r alldro ar gyfer y llynedd?

**Ms Lloyd:** Ar gyfer 2002-03? Wel, nid yw'r cyfrifon terfynol wedi'u cwblhau eto. Fodd bynnag, fel y gwyddoch, bu i ni yn y Cynulliad ysgwyddo'r diffyg ariannol o £35 miliwn ar ran y sefydliadau, yn deillio o gasgliadau'r fframwaith gwasanaeth ac ariannol. Credwn—a gallai Chris gadarnhau neu wadu hyn, oherwydd mae wedi cyflawni gwaith rhagarweiniol—mai dyna'r lefel gywir. Onid yw hynny'n wir, Chris?

**Dr Daws:** Ydyw. Mae'r alldro o fewn £1 filiwn i'r swm a ragwelwyd gennym ar ddechrau'r flwyddyn yn y fframwaith gwasanaeth ac ariannol. Felly mae'n—

[9] **Janet Davies:** £39 miliwn neu £44 miliwn.

**Dr Daws:** Na. Bu i ni lofnodi diffyg fframwaith gwasanaeth ac ariannol o £35 miliwn. Yr oeddem yn gwybod ar ddechrau'r flwyddyn bod diffyg o £35 miliwn, ac yr ydym wedi dod o fewn £1 filiwn. Mae'n ddrwg gennyf nad oes gennyf yr union ffigurau, ond mae'r alldro gweithredol ar gyfer y flwyddyn o fewn £1 filiwn i'r cynlluniau a gyflwynwyd gennym. Felly mae pethau wedi gwella yn ystod y flwyddyn o'r

year. [1]

rhagolwg. Yr ydym yn awr ar £34 miliwn ar ddechrau'r flwyddyn. [1]

[10] **Janet Davies:** Right. Thank you very much. Val, would you like to come in?

[10] **Janet Davies:** Iawn. Diolch yn fawr. Val, a ydych am gyfrannu?

[11] **Val Lloyd:** Yes, thank you, Janet. I would like to stay with paragraph 2.19 and the forecast deficit, but perhaps change the questioning slightly. The deficit that was forecast for 2002-03 was more than the deficit approved. The key factor in that seems to be the increased cost of primary care drugs, which, in the 12 months to December 2002, exceeded the cash uplift. I wondered whether you could provide us with more up-to-date figures for increases in the cost of primary care drugs during 2002-03, compared to estimate?

[11] **Val Lloyd:** Ydw, diolch, Janet. Hoffwn barhau â pharagraff 2.19 a'r diffyg a ragwelir, ond gan newid y cwestiynau fymryn o bosibl. Yr oedd y diffyg a ragwelwyd ar gyfer 2002-03 yn fwy na'r diffyg a gymeradwywyd. Ymddengys mai'r ffactor allweddol yma yw costau cynyddol cyffuriau gofal sylfaenol, sydd, yn y 12 mis tan Ragfyr 2002, yn fwy na'r codiad ariannol. Tybed a allech ddarparu ffigurau mwy diweddar i ni ar gyfer y cynnydd yng nghostau cyffuriau gofal sylfaenol yn ystod 2002-03, o'i gymharu â'r amcangyfrif?

**Ms Lloyd:** It is not just a question of the cost of primary care drugs. It is a question of increasing demand as well. We know that the number of scripts, the number of prescriptions, requested during that year rose by £2.8 million, which is 6 per cent, which is quite a high level. That is together with a small increase in the real costs of the ingredients making up those drugs, we also believe, an increasing number of people being able to apply for exemption. So we have this big demand that is being placed on the service, which is why one of the key tasks of the new local health boards will be to investigate more thoroughly the way in which demand is being managed within general practice to try to ensure that best practice is followed. As you know, each of them have primary care advisers, particularly on prescribing. However, this again is something that has to be managed—it really must be managed well. A lot of work has gone on in terms of looking at the use of generic drugs and cost-effective prescribing, but we still have to manage an inexorable demand.

**Ms Lloyd:** Mae mwy i hyn na chostau cyffuriau gofal sylfaenol. Mae'n fater o alw cynyddol hefyd. Gwyddom fod nifer y sgriptiau, nifer y presgripsiynau, y gofynnwyd amdanynt yn ystod y flwyddyn honno wedi codi o £2.8 miliwn, sy'n 6 y cant, sy'n lefel gymharol uchel. Mae hynny ynghyd â chynnydd bach yng nghost gwirioneddol y cynhwysion sy'n rhan o'r cyffuriau hynny, chredwn hefyd, cynnydd yn nifer y bobl sy'n gallu gwneud cais i gael eu heithrio. Felly yr hyn sydd gennym yw'r galw mawr hwn ar y gwasanaeth, sef y rheswm mai un o dasgau allweddol y byrddau iechyd lleol newydd fydd ymchwilio'n fwy trylwyr i'r ffordd y rheolir y galw o fewn ymarfer cyffredinol i geisio sicrhau y dilynir arferion gorau. Fel y gwyddoch, mae gan bob un ohonynt ymgynghorwyr gofal sylfaenol, yn arbennig ar roi presgripsiwn. Fodd bynnag, mae hyn eto'n rhywbeth y mae'n rhaid ei reoli—mae'n rhaid ei reoli'n dda. Mae llawer o waith wedi'i wneud o ran edrych ar ddefnyddio cyffuriau generig a sicrhau presgripsiynau cost effeithiol, ond mae'n rhaid i ni reoli'r galw didrugaredd o hyd.

[12] **Val Lloyd:** If I could just ask another question on that, would you be satisfied then that the cash uplift provided by the Assembly for the increase in costs of primary care drugs, or the increased demand—whichever way you phrase it—during 2003-04, will be adequate for the purpose?

[12] **Val Lloyd:** Os caf fi ofyn cwestiwn arall ar hynny, a fydddech yn fodlon felly bod y codiad ariannol parod a ddarparwyd gan y Cynulliad ar gyfer y cynnydd yng nghostau cyffuriau gofal sylfaenol, neu'r cynnydd mewn galw—sut bynnag y mynegwch hynny—yn ystod 2003-04, yn ddigonol i'r

diben?

**Ms Lloyd:** That is the amount of money that was available for primary care drugs. It is for the LHBs to know, and try to ensure that that uplift, which is considerable, is managed effectively to provide cost-effective, good quality prescribing among general practice.

**Ms Lloyd:** Dyna'r swm o arian a oedd ar gael ar gyfer cyffuriau gofal sylfaenol. Cyfrifoldeb y byrddau iechyd lleol yw gwybod, a cheisio sicrhau bod y codiad, sy'n un sylweddol, yn cael ei reoli'n effeithiol i ddarparu presgripsiynau cost effeithiol, o ansawdd uchel, mewn ymarfer cyffredinol.

[13] **Mick Bates:** I would like to refer to appendix A2. In it, I see that Dyfed Powys Health Authority accounted for over half of the total health authority net deficit on 31 March 2002: £28 million, in fact, out of a total deficit of £51.7 million. Yet, there was no agreed action plan in place at this health authority in 2001-02. Was the absence of such a plan due to the authority's imminent abolition?

[13] **Mick Bates:** Hoffwn gyfeirio at atodiad A2. Yn hwn, gwelaf fod Awdurdod Iechyd Dyfed Powys i gyfrif am dros hanner cyfanswm diffyg ariannol clir awdurdodau iechyd ar 31 Mawrth 2002: £28 miliwn, mewn gwirionedd, allan o gyfanswm diffyg o £51.7 miliwn. Ond eto, ni chytunwyd ar gynllun gweithredu yn yr awdurdod iechyd hwn yn 2001-02. A oedd diffyg cynllun o'r fath yn deillio o ddiddymiad yr awdurdod a oedd ar ddigwydd?

**Ms Lloyd** No, it was not, because whether there is abolition or not makes no difference: one organisation's legacy is passed to another. So, we would expect that good quality action plans should be available. What we did during that year was to look very carefully indeed at what had caused such a very major swing. I think it was about £23 million, and a £10 million loan was given to it. Organisations were also varying in the way in which they were redressing the underlying deficits. We knew why some of them had recurred, in Carmarthen for example, which had had to employ additional medical staff and deal with some really unfortunate circumstances. What we did ensure was that, during that year, there was a real scrutiny of the reasons for the deficit, whether or not they were likely to increase and what action was being taken to address them. Progress has been made.

**Ms Lloyd** Na, nid yw hynny'n wir, oherwydd nid yw a fyddai diddymiad ai peidio yn gwneud gwahaniaeth: bydd etifeddiaeth un sefydliad yn cael ei drosglwyddo i un arall. Felly, byddem yn disgwyl i gynlluniau gweithredu o ansawdd da fod ar gael. Yr hyn a wnaethom yn ystod y flwyddyn honno oedd edrych yn ofalus iawn ar beth oedd wedi achosi'r newid mawr. Credaf ei fod tua £23 miliwn, a rhoddwyd benthyciad o £10 miliwn iddo. Yr oedd sefydliadau hefyd yn amrywio'r ffyrdd o fynd i'r afael â'r diffygion sylfaenol. Yr oeddem yn gwybod y rheswm dros rai ohonynt, yng Nghaerfyrddin er enghraifft, a oedd wedi gorfod cyflogi staff meddygol ychwanegol a delio ag amgylchiadau anffodus iawn. Yr hyn y gwnaethom ei sicrhau, yn ystod y flwyddyn honno, oedd bod archwiliad manwl o'r rhesymau dros y diffyg, a oeddent yn debygol o gynyddu ai peidio a pha gamau a oedd yn cael eu cymryd i fynd i'r afael â hwy. Mae cynnydd wedi'i wneud.

I asked the Auditor General to undertake an in-depth scrutiny of Dyfed Powys because it was such a large deficit that one had to be sure it was true, and that there were agreed action plans in order to address a rectifying of the situation. He has done that. In fact, I had his report on Dyfed Powys yesterday, and it is extremely helpful. Progress is now being

Gofynnais i'r Archwilydd Cyffredinol gynnal archwiliad manwl o Ddyfed Powys oherwydd ei fod yn ddiffyg mor fawr fel bod yn rhaid sicrhau ei fod yn wir, a bod cynlluniau gweithredu y cytunwyd arnynt er mwyn mynd i'r afael â'r sefyllfa a'i datrys. Mae wedi gwneud hynny. Derbyniais ei adroddiad ar Ddyfed Powys ddoe, ac mae'n ddefnyddiol

made, particularly with Carmarthenshire NHS Trust, to ensure that its £6 million deficit is being turned around. Progress is now being made by the new management team in that trust to rectify the deficits. Nevertheless, we are looking very carefully at Dyfed Powys. We have just finished a service and financial framework round with it, and with other organisations in Wales. It does look to us as if they have addressed this problem seriously and are making progress.

[14] **Mick Bates:** Well, in that case, did the health authority remain within its financial limits, which were between £5.25 million at the low end to an upper limit of £5.44 million?

**Dr Daws:** Across the health economy area, yes, certainly, the underlying deficit has gone down at the start of this year. So the plans for this year indicate that.

[15] **Mick Bates:** It does indicate that they are within those limits?

**Dr Daws:** Yes.

[16] **Mick Bates:** Thank you. Finally, then, what has happened to the accumulated debt?

**Ms Lloyd:** The cumulative debt was written off at the end of—

[17] **Mick Bates:** That is all of it?

**Ms Lloyd:** Yes.

**Dr Daws:** It was given a loan that it has to repay. However, the cumulative debt of £23 million was actually written off. So it will have to repay the loan, and we will probably have to give it a loan in the financial year 2003-04. However, it now has a plan that will actually identify how it would repay those loans and get itself into financial balance.

[18] **Mick Bates:** Right. Thank you, Chair.

[19] **Alun Cairns:** Paragraph 2.17 of the

iawn. Mae cynnydd yn awr yn cael ei wneud, yn arbennig gydag Ymddiriedolaeth GIG Sir Gaerfyrddin, i sicrhau bod ei diffyg ariannol o £6 miliwn yn cael ei wyrddroi. Mae cynnydd yn cael ei wneud yn awr gan y tîm rheoli newydd yn yr ymddiriedolaeth honno o ran unioni'r diffygion. Fodd bynnag, yr ydym yn edrych yn ofalus iawn ar Ddyfed Powys. Yr ydym newydd orffen cylch fframwaith gwasanaeth ac ariannol gyda'r ymddiriedolaeth, a chyda sefydliadau eraill yng Nghymru. Ymddengys i ni eu bod wedi mynd i'r afael â'r broblem hon o ddifrif a'u bod yn gwneud cynnydd.

[14] **Mick Bates:** Wel, os yw hynny'n wir, a wnaeth yr awdurdod iechyd aros o fewn ei derfynau ariannol, a oedd rhwng £5.25 miliwn ar yr isaf i derfyn uchaf o £5.44 miliwn?

**Dr Daws:** Yn y maes economi iechyd, do, heb os, bu i'r diffyg ariannol sylfaenol leihau ar ddechrau'r flwyddyn. Felly mae'r cynlluniau ar gyfer eleni'n nodi hynny.

[15] **Mick Bates:** Mae'n dangos eu bod o fewn y terfynau hynny?

**Dr Daws:** Ydyw.

[16] **Mick Bates:** Diolch. Yn olaf, felly, beth sydd wedi digwydd i'r ddyled gronedig?

**Ms Lloyd:** Cafodd y ddyled gronedig ei dileu ar ddiwedd—

[17] **Mick Bates:** Dyna'r holl ddyled?

**Ms Lloyd:** Ie.

**Dr Daws:** Cafodd fenthyciad y mae'n rhaid iddi ei ad-dalu. Fodd bynnag, dilëwyd y ddyled gronedig o £23 miliwn. Felly bydd yn rhaid iddi ad-dalu'r benthyciad, ac mae'n debyg y byddwn yn gorfod rhoi benthyciad iddi yn y flwyddyn ariannol 2003-04. Fodd bynnag, mae ganddi gynllun yn awr a fydd yn nodi sut y byddai'n ad-dalu'r benthyciadau hynny a sicrhau cydbwysedd ariannol.

[18] **Mick Bates:** Iawn. Diolch, Gadeirydd.

[19] **Alun Cairns:** Mae paragraff 2.17 yn



Auditor General's report relates to the fact that the appointed auditors expressed concerns about the financial standing of seven NHS trusts in 2001-02. Agreed recovery plans were in place in five out of the seven trusts, although the auditors conclude that they were unlikely to be achieved in two of the cases. They also expressed concerns about the absence of an agreed recovery plan at Carmarthenshire NHS Trust, which was one of the two trusts not to have a plan in place. Do you think that the finances of individual NHS trusts are being adequately controlled, given that the appointed auditors expressed concerns about the financial standing of seven trusts?

**Ms Lloyd:** I think that the auditors at that time were quite right to express concern because we had not seen, in the previous years, progress made to address the problems effectively, particularly with Carmarthenshire. We did agree a recovery plan with it, and because of the scale of the deficit that it was facing and the problems that it had to overcome, we agreed that that should be recovered over a five-year period. That is now in train. In terms of the remaining trusts, considerable progress was made by them, because it also says of Ceredigion and Mid Wales NHS Trust that the Auditor General had concerns that its plans would not be achieved. Fortunately, its plans were achieved. The matter was taken very seriously by that trust and it has turned the place around, as have all the other organisations. We also had, in 2001-02, Gwent NHS Trust going into deficit for the first time. It took us, I am afraid, about 10 months to agree a recovery plan with that trust, working closely with its district auditors to ensure that there was a legitimacy about the way in which that trust was going to recover, because it had never been in recovery before. A lot of work was done on that. It, too, is starting to draw back. I think that it was timely for a warning shot to be fired by the Auditor General, because these organisations have taken this seriously and, certainly, with the new service and financial framework discipline being rolled out throughout Wales, there is, I think, a much greater awareness of the necessity to not

adroddiad yr Archwilydd Cyffredinol yn trafod y ffaith bod yr archwilydd a benodwyd wedi mynegi pryderon am sefyllfa ariannol saith ymddiriedolaeth GIG yn 2001-02. Gweithredwyd cynlluniau adfer y cytunwyd arnynt mewn pum ymddiriedolaeth o'r saith, er i'r archwilydd ddod i'r casgliad nad oedd yn debygol y byddid yn eu cyflawni mewn dau achos. Bu iddynt fynegi pryder hefyd am nad oedd gan Ymddiriedolaeth GIG Sir Gaerfyrddin gynllun adfer y cytunwyd arno, sef un o'r ddwy ymddiriedolaeth heb gynllun ar waith. A ydych yn credu bod cyllid ymddiriedolaethau GIG unigol yn cael eu rheoli'n ddigonol, o ystyried bod yr archwilydd a benodwyd wedi mynegi pryderon am sefyllfa ariannol saith ymddiriedolaeth?

**Ms Lloyd:** Credaf fod yr archwilydd ar y pryd yn iawn i fynegi pryder oherwydd nid oeddem, yn y blynyddoedd blaenorol, wedi gweld cynnydd i fynd i'r afael â'r problemau'n effeithiol, yn arbennig yn sir Gaerfyrddin. Bu i ni gytuno ar gynllun adfer â hi, ac oherwydd maint y diffyg ariannol yr oedd yn ei wynebu a'r problemau yr oedd yn rhaid iddi eu datrys, cytunwyd y dylid adfer hyn dros gyfnod o bum mlynedd. Mae hynny ar waith yn awr. O ran yr ymddiriedolaethau eraill, gwnaethant gynnydd sylweddol, oherwydd mae hefyd yn nodi bod gan yr Archwilydd Cyffredinol bryderon na fyddai cynlluniau Ymddiriedolaeth GIG Ceredigion a Chanolbarth Cymru yn cael eu cyflawni. Yn ffodus, cyflawnwyd ei chynlluniau. Ystyriwyd y mater fel un difrifol iawn gan yr ymddiriedolaeth honno ac mae wedi adfer y sefyllfa, fel yr holl sefydliadau eraill. Hefyd, yn 2001-02, cafodd Ymddiriedolaeth GIG Gwent ddiffyg ariannol am y tro cyntaf. Yn anffodus, cymerodd oddeutu 10 mis i ni gytuno ar gynllun adfer gyda'r ymddiriedolaeth honno, gan weithio'n agos gyda'r archwilydd dosbarth i sicrhau y byddai'r ymddiriedolaeth yn adfer mewn ffordd ddilys, oherwydd nad oedd wedi gorfod adfer o'r blaen. Gwnaethpwyd llawer o waith ar hynny. Mae'r ymddiriedolaeth honno, hefyd, yn dechrau dringo'n ôl. Credaf fod yr Archwilydd Cyffredinol wedi rhoi rhybudd amserol, oherwydd bod y sefydliadau hyn wedi cymryd hyn o ddifrif ac, yn sicr, gyda disgyblaeth y fframwaith gwasanaeth ac ariannol newydd yn cael ei

perpetually remain in deficit and believe that you will be bailed out, but that the deficits must be managed effectively and reduced.

[20] **Alun Cairns:** Can I try to reconcile what you said in terms of your response in relation to Carmarthenshire NHS Trust and what is in the report? You said that there was a recovery plan over five years, but, yet again, the Auditor General's report states that there was an absence of a recovery plan. Was it not a recovery plan? Was it something else?

**Ms Lloyd:** At the beginning of 2001-02, there was no recovery plan for Carmarthenshire. I negotiated it, because I came into post at the beginning of that financial year. We negotiated a recovery plan with that trust organisation during that year, so, by the end of it, it had one and it started to make progress on it. However, it was later than I would have wished.

[21] **Alun Cairns:** Can I tie that issue into what is included in paragraph 2.20, which talks about a service and financial framework between NHS Wales and the health authorities—now the local health boards? Would it be a good idea to have a similar framework or principle between the local health boards and the trusts themselves?

**Ms Lloyd:** Well, that, in effect, is what happens because we now deal with the service and financial frameworks on a community basis. Therefore, region by region, the service and financial frameworks are being signed off now—because it has taken quite a lot of difficulty to negotiate them this year—and we will have not just a statement of what the local health board wishes to purchase and what deficit is within that community, but also what is happening with the trust. We are trying to manage it against a regional dimension, rather than picking off individuals. There will be individual performance reviews of the organisation but, basically, we need to be

gyflwyno fesul cam ledled Cymru, mae mwy o ymwybyddiaeth, yn fy marn i, o'r angen i beidio â bod byth a hefyd mewn diffyg ariannol a chredu y byddwch yn cael eich cynorthwyo, ond bod yn rhaid rheoli'r diffygion yn effeithiol a'u gostwng.

[20] **Alun Cairns:** A gaf fi geisio cysoni'r hyn a ddywedasoch o ran eich ymateb i Ymddiriedolaeth GIG Sir Gaerfyrddin a'r hyn sydd yn yr adroddiad? Dywedasoch fod cynllun adfer dros bum mlynedd ar waith, ond, eto, mae adroddiad yr Archwilydd Cyffredinol yn nodi nad oedd cynllun adfer. Onid oedd hwn yn gynllun adfer? A oedd yn rhywbeth arall?

**Ms Lloyd:** Ar ddechrau 2001-02, nid oedd cynllun adfer ar gyfer sir Gaerfyrddin. Yr oeddwn yn gyfrifol am ei negodi, oherwydd fy mod wedi cychwyn yn fy swydd ar ddechrau'r flwyddyn ariannol honno. Bu i ni negodi cynllun adfer gyda'r sefydliad ymddiriedolaeth hwnnw yn ystod y flwyddyn, felly, erbyn ei diwedd, yr oedd ganddo gynllyn a dechreuodd wneud cynnydd. Fodd bynnag, yr oedd yn ddiweddarach nag y buaswn wedi dymuno.

[21] **Alun Cairns:** A gaf fi gysylltu'r mater hwn gyda'r hyn sydd wedi'i gynnwys ym mharagraff 2.20, sy'n siarad am fframwaith gwasanaeth ac ariannol rhwng GIG Cymru a'r awdurdodau iechyd—y byrddau iechyd lleol bellach? A fyddai'n syniad da cael fframwaith neu egwyddor debyg rhwng y byrddau iechyd lleol a'r ymddiriedolaethau eu hunain?

**Ms Lloyd:** Wel, dyna sy'n digwydd, mewn gwirionedd, oherwydd ein bod yn awr yn delio gyda'r fframweithiau gwasanaeth ac ariannol yn y gymuned. Felly, fesul rhanbarth, mae'r fframweithiau gwasanaeth ac ariannol yn cael eu llofnodi yn awr—oherwydd eu bod wedi bod yn anodd eu negodi eleni—a bydd gennym fwy na dim ond datganiad o'r hyn y mae'r bwrdd iechyd lleol am ei brynu a pha ddiffyg ariannol sydd yn y gymuned honno, ond hefyd yr hyn sy'n digwydd gyda'r ymddiriedolaeth. Yr ydym yn ceisio rheoli hyn yn erbyn dimensiwn rhanbarthol, yn hytrach na phwyntio bys at unigolion. Bydd adolygiadau perfformiad unigol o'r sefydliad ond, yn y bôn, mae

able to consolidate this on a regional basis to ensure that we manage the performance effectively, because the service and financial framework does not just include the money, but the outturn of the care and services that are available for a community. Often there is more than one local health board negotiating with an NHS Trust and, therefore, you need a slightly wider picture. You also have Health Commission Wales buying across trusts, so you need a slightly wider picture to be able to get a true view of the health of those communities financially, and in service terms.

[22] **Alun Cairns:** Thank you. The second issue that I wanted to cover is in paragraph 1.16, in which the Auditor General refers to the Dental Practice Board. Of course, that is on an England and Wales basis, I think, rather than a UK basis—yes, an England and Wales basis—and the accounts were qualified because of

‘inappropriate expenditure, including administrative error, misunderstanding of regulations, inappropriate or poor quality of work and deliberate theft’,

even, amounting to £74.6 million in 2001-02. Now, obviously, not all of this relates to Wales, but no doubt part of it will relate to Wales. What are you doing to ensure that money that could be spent on providing healthcare in Wales is not wasted by the Dental Practice Board, and do you have any indication of the scale of the problem in Wales?

**Ms Lloyd:** The underlying deficits for the Welsh bit of it is about £0.8 million but, nevertheless, that is still money that is not being effectively used. Given the seriousness of these reasons for the deficit, we are working with the Dental Practice Board to ensure that the work that it is doing across England and Wales is translated directly for Wales, to address issues that might be particular to us. When we go on through this report, you will see the reports on fraud and mismanagement mentioned there, and how we are working with the Dental Practice Board to try to ensure that that is also

angen i ni allu atgyfnerthu hyn yn rhanbarthol er mwyn sicrhau ein bod yn rheoli'r perfformiad yn effeithiol, oherwydd bod y fframwaith gwasanaeth ac ariannol yn cynnwys mwy na'r arian yn unig, mae hefyd yn cynnwys alldro'r gofal a'r gwasanaethau sydd ar gael i gymuned. Yn aml mae mwy nag un bwrdd iechyd lleol yn trafod ag un o Ymddiriedolaethau'r GIG ac, felly, mae angen i chi gael darlun ychydig yn ehangach. Hefyd, mae Comisiwn Iechyd Cymru yn prynu gan sawl ymddiriedolaeth, felly mae angen darlun ehangach er mwyn gallu cael golwg wirioneddol ar sefyllfa ariannol y cymunedau hynny, ac o ran gwasanaeth.

[22] **Alun Cairns:** Diolch. Mae'r ail fater yr oeddwn am ei drafod i'w gael ym mharagraff 1.16, lle mae'r Archwilydd Cyffredinol yn cyfeirio at y Bwrdd Ymarfer Deintyddol. Wrth gwrs, mae hwn yn fwrdd i Gymru a Lloegr, credaf, yn hytrach nag i'r DU—ie, Cymru a Lloegr—ac yr oedd y cyfrifon yn gymwys oherwydd

‘[g]wariant amhriodol, yn cynnwys gwallau gweinyddol, camddealltwriaeth o reoliadau, gwaith amhriodol neu o ansawdd gwael ac achosion bwriadol o ladrata’,

hyd yn oed, gyda chyfanswm o £74.6 miliwn yn 2001-02. Felly, yn amlwg, nid yw hyn i gyd yn berthnasol i Gymru, ond mae'n amlwg y bydd rhan ohono'n berthnasol i Gymru. Beth ydych chi'n ei wneud i sicrhau nad yw arian y gellid ei wario ar ddarparu gofal iechyd yng Nghymru yn cael ei wastraffu gan y Bwrdd Ymarfer Deintyddol, ac a oes gennych unrhyw syniad o hyd a lled y broblem yng Nghymru?

**Ms Lloyd:** Mae diffygion sylfaenol rhan Cymru o'r ddyled oddeutu £0.8 miliwn ond, er hynny, mae'n arian nad yw'n cael ei ddefnyddio'n effeithiol. O ystyried difrifoldeb y rhesymau hyn dros y diffyg, yr ydym yn gweithio gyda'r Bwrdd Ymarfer Deintyddol i sicrhau bod y gwaith y mae'n ei wneud ledled Cymru a Lloegr yn cael ei drosi'n uniongyrchol i Gymru, er mwyn gallu mynd i'r afael â materion a allai fod yn benodol i ni. Wrth bori drwy'r adroddiad hwn, byddwch yn gweld yr adroddiadau ar dwyll a chamreoli a grybwyllir, a sut yr ydym yn gweithio gyda'r Bwrdd Ymarfer

reduced here in Wales. However, there is a very serious set of statements about the Dental Practice Board, and that has caused us very great concern. We are looking for assistance from the Auditor General to make sure, from his point of view, that he is satisfied that that board is now effectively regulated. However, on our part of the problem, we inherited a £0.8 million deficit.

Deintyddol i geisio sicrhau bod hyn hefyd yn cael ei ostwng yma yng Nghymru. Fodd bynnag, mae cyfres ddifrifol iawn o ddatganiadau am y Bwrdd Ymarfer Deintyddol, ac mae hynny wedi peri pryderon mawr iawn i ni. Yr ydym yn chwilio am gymorth gan yr Archwilydd Cyffredinol i sicrhau, o'i safbwynt ef, ei fod yn fodlon bod y bwrdd hwnnw'n cael ei reoleiddio'n effeithiol yn awr. Fodd bynnag, mewn perthynas â'n rhan ni o'r broblem, etifeddwyd diffyg ariannol o £0.8 miliwn.

[23] **Alun Cairns:** A final question, Mrs Lloyd. Significant savings were made in relation to fraudulent prescription charges through work conducted jointly by the Committee as well as, obviously, being delivered by your department and your colleagues. Has the NHS Counter Fraud Operational Service undertaken verification checks on dental patients' exemption entitlements yet, possibly learning the lessons from the experience of both?

[23] **Alun Cairns:** Un cwestiwn terfynol, Mrs Lloyd. Gwnaethpwyd cynilion sylweddol o ran y taliadau presgripsiwn twyllodrus drwy'r gwaith a gyflawnwyd ar y cyd gan y Pwyllgor ynghyd â'r gwaith a wneir gan eich adran a'ch cydweithwyr chi, yn amlwg. A yw Gwasanaeth Gweithredol Gwrth-dwyll y GIG wedi cynnal archwiliadau gwirio ar hawliadau eithrio cleifion deintyddol eto, a dysgu'r gwersi o brofiadau'r ddau o bosibl?

**Ms Lloyd:** We actually wanted the Dental Practice Board to undertake that work on our behalf, but that has been rather delayed because it is not a public body and, therefore, you have to have legislation to allow it to undertake those checks for us. However, it is undertaking work on issues of fraud and we are ensuring that the Welsh fraud agency is following up the trends that have arisen here and from other types of contractor services, to ensure that those lessons are also applied in the dental field. However, there has been a bit of a hiatus about our being able to ask it to assist us in quite the way we would have wished, but that is things in the round—it is not just Wales.

**Ms Lloyd:** A dweud y gwir yr oeddem am i'r Bwrdd Ymarfer Deintyddol gyflawni'r gwaith hwnnw ar ein rhan, ond mae hyn wedi'i ddal yn ôl i raddau oherwydd nad yw'n gorff cyhoeddus ac, felly, mae'n rhaid i chi gael deddfwriaeth i ganiatáu iddo gyflawni'r archwiliadau hynny ar ein rhan. Fodd bynnag, mae'n cyflawni gwaith ar faterion twyll ac yr ydym yn sicrhau bod asiantaeth dwyll Cymru yn adolygu'r tueddiadau sydd wedi deillio yma ac o fathau eraill o wasanaethau contractwr, i sicrhau bod y gwersi hynny hefyd yn cael eu defnyddio mewn maes deintyddol. Fodd bynnag, cafwyd bwllch o ran ein gallu i ofyn i'r asiantaeth ein cynorthwyo yn y ffordd yr oeddem am iddi wneud, ond mae hynny'n wir yn gyffredinol—nid yng Nghymru'n unig.

[24] **Janet Davies:** Jocelyn, do you want to pursue the payment of invoices at this point?

[24] **Janet Davies:** Jocelyn, a ydych am drafod talu anfonebau yma?

[25] **Jocelyn Davies:** The report says, in paragraph 2.12, that NHS bodies are required to pay undisputed invoices within 30 days and, of course, you view that as very important. Now, only 83 per cent of invoices were paid within 30 days in 2001-02. Why was that? I also note that you decided to

[25] **Jocelyn Davies:** Mae'r adroddiad yn nodi, ym mharagraff 2.12, ei bod yn ofynnol i gyrff GIG dalu anfonebau diamheuol o fewn 30 diwrnod ac, wrth gwrs, yr ydych yn ystyried bod hyn yn bwysig iawn. Yn awr, 83 y cant yn unig o anfonebau a dalwyd o fewn 30 diwrnod yn 2001-02. Beth oedd y rheswm

make payment within 30 days a formal financial duty. Of course, setting targets for others does not always mean that they will be met, even if they are formal duties. So, could you explain how making it a duty will make a difference?

**Ms Lloyd:** I am glad to say that it seems to have made a difference. At the end of March 2003, the vast majority had already reached the 95 per cent target, with a few stragglers. Many had exceeded the 95 per cent target. So, on this occasion, making it a duty seems to have worked a treat.

The reason why there was a problem in 2000 and 2001-02 was that, as it also states at the end of this report, there was a new financial management system being introduced throughout Wales, which was important. However, it did lead to a big glitch in terms of some of the organisations being able to meet this duty. They have now had time for that system to settle down, and lots of recommendations on improving it and improving how it might be managed, which do seem to be having effect. We are now in a much better position in terms of ensuring that the bills are paid, because cash flow and everything goes out if the bills are not paid: you cannot get a proper view of the finances of an organisation.

[26] **Jocelyn Davies:** Are there any sanctions if a trust does not meet that 95 per cent level?

**Ms Lloyd:** The Minister is due to consider a paper that we have put together, as a consequence of the service and financial framework and the whole management of finances and services in Wales, to look at how we invest for improvement, and also what sort of sanctions are taken if trusts fail to meet their duties. They are supposed to meet their financial duties over a three-year period. Traditionally—I have never known it to be applied, but there is always a first time—if a trust fails to meet its financial duty over three years, then its authority to operate

am hynny? Sylwaf hefyd eich bod wedi penderfynu gwneud talu o fewn 30 diwrnod yn ddyletswydd ariannol ffurfiol. Wrth gwrs, nid yw gosod targedau ar gyfer eraill yn golygu y byddant yn cael eu bodloni bob tro, hyd yn oed os ydynt yn ddyletswyddau ffurfiol. Felly, a allwch egluro sut y bydd gwneud hyn yn ddyletswydd yn gwneud gwahaniaeth?

**Ms Lloyd:** Yr wyf yn falch o ddweud ei bod yn ymddangos ei fod wedi gwneud gwahaniaeth. Ar ddiwedd Mawrth 2003, yr oedd y mwyafrif llethol eisoes wedi cyrraedd y targed o 95 y cant, gydag ambell un ar ei hôl hi. Yr oedd nifer yn perfformio'n well na'r targed o 95 y cant. Felly, ar yr achlysur hwn, mae'n ymddangos bod gwneud hyn yn ddyletswydd wedi gweithio i'r dim.

Y rheswm bod problem yn 2000 a 2001-02, fel a nodir eto ar ddiwedd yr adroddiad hwn, oedd bod system reoli ariannol newydd yn cael ei chyflwyno ledled Cymru, a oedd yn bwysig. Fodd bynnag, arweiniodd hyn at drafferthion mawr am nad oedd rhai o'r sefydliadau'n gallu bodloni'r ddyletswydd hon. Maent wedi cael amser bellach i sefydlu'r system a derbyn llawer o argymhellion ar ei gwella a gwella'r ffordd o'i rheoli, sy'n ymddangos yn effeithiol. Yr ydym mewn llawer gwell sefyllfa yn awr i sicrhau bod y biliau'n cael eu talu, gan fod llif arian a phopeth arall yn mynd ar chwâl os na thelir y biliau: ni ellir cael darlun cyflawn o gyllid sefydliad.

[26] **Jocelyn Davies:** A oes unrhyw sancsiynau os nad yw ymddiriedolaeth yn bodloni'r lefel 95 y cant hon?

**Ms Lloyd:** Bydd y Gweinidog yn ystyried papur a luniwyd gennym maes o law, o ganlyniad i'r fframwaith gwasanaeth ac ariannol a rheolaeth gyffredinol cyllid a gwasanaethau yng Nghymru, i edrych ar y ffordd yr ydym yn buddsoddi mewn gwelliannau, a hefyd pa fath o sancsiynau a ddefnyddir os nad yw ymddiriedolaethau'n bodloni eu dyletswyddau. Dylent fodloni eu dyletswyddau ariannol dros gyfnod o dair blynedd. Yn draddodiadol—nid wyf wedi clywed am hyn yn digwydd, ond mae tro cyntaf i bopeth—os nad yw ymddiriedolaeth

is withdrawn.

yn bodloni ei dyletswydd ariannol dros dair blynedd, yna bydd ei awdurdod i weithredu'n cael ei ddileu.

[27] **Jocelyn Davies:** Are there any rewards for meeting the targets?

[27] **Jocelyn Davies:** A oes unrhyw wobrau am fodloni'r targedau?

**Ms Lloyd:** That is part of this investment for improvement scheme that the Minister is considering at the present time.

**Ms Lloyd:** Mae hynny'n rhan o'r cynllun buddsoddi mewn gwelliannau hwn y mae'r Gweinidog yn ei ystyried ar hyn o bryd.

[28] **Jocelyn Davies:** I see from the report that Cardiff and Vale NHS Trust only managed to pay 62 per cent of invoices within 30 days. Were there any specific factors in that trust that led it to perform particularly poorly in this respect?

[28] **Jocelyn Davies:** Gwelaf o'r adroddiad mai 62 y cant yn unig o'r anfonebau y llwyddodd Ymddiriedolaeth GIG Caerdydd a'r Fro eu talu o fewn 30 diwrnod. A oedd unrhyw ffactorau penodol yn yr ymddiriedolaeth honno a arweiniodd ati'n perfformio'n arbennig o wael yn y cyswllt hwn?

**Ms Lloyd:** It was the pilot site for implementing the new financial management system. It experienced significant teething problems that meant that it was unable—although it was not a duty then—to meet that best practice guideline. It has now gone up to 94.2 per cent, so it is just 0.8 per cent behind the target.

**Ms Lloyd:** Yr ymddiriedolaeth oedd y safle arbrofol ar gyfer gweithredu'r system reoli ariannol newydd. Profodd broblemau cychwynnol sylweddol a oedd yn golygu nad oedd yn gallu—er nad oedd yn ddyletswydd ar y pryd—bodloni'r canllaw hwnnw ar arferion gorau. Mae wedi codi i 94.2 y cant erbyn hyn, sef 0.8 y cant yn is na'r targed.

[29] **Jocelyn Davies:** Perhaps it will get a reward, then?

[29] **Jocelyn Davies:** Efallai y caiff ei gwobrwyo, felly?

**Ms Lloyd:** Possibly. It depends if it comes in with its recovery plan properly.

**Ms Lloyd:** Efallai. Mae'n dibynnu a yw'n cyflawni ei chynllun adfer yn iawn.

[30] **Jocelyn Davies:** I will leave it there, Chair.

[30] **Jocelyn Davies:** Fe adawaf y mater yma, Gadeirydd.

[31] **Janet Davies:** We will now move on to the restructuring part of the report. Val, you have some questions?

[31] **Janet Davies:** Symudwn yn awr at adran yr adroddiad ar ailsdrwythuro. Val, mae gennych gwestiynau?

[32] **Val Lloyd:** Thank you, Chair. Mrs Lloyd, the previous Audit Committee questioned you on the matter of restructuring costs on the basis of a note submitted by the Auditor General. Could you please update the Committee on the progress that has been made? For example, is there now greater certainty on matters such as redundancy costs and infrastructure?

[32] **Val Lloyd:** Diolch, Gadeirydd. Mrs Lloyd, cawsoch eich cwestiynu gan y Pwyllgor Archwilio diwethaf am gostau ailsdrwythuro ar sail nodyn a gyflwynwyd gan yr Archwilydd Cyffredinol. A allwch chi roi'r newyddion diweddaraf i'r Pwyllgor ar y cynnydd sydd wedi'i wneud? Er enghraifft, a oes mwy o sicrwydd yn awr ar faterion megis costau diswyddo a seilwaith?

**Ms Lloyd:** You will recall that the Auditor General made six recommendations that he will follow through with us over the next few

**Ms Lloyd:** Byddwch yn cofio i'r Archwilydd Cyffredinol wneud chwe argymhelliad y bydd yn eu trafod gyda ni yn ystod y

years to ensure that restructuring has been managed effectively and well. One of the things that obviously caused everyone most concern, and rightly so, was the issue of the risks surrounding reorganisation, because we have all been through enough to know what the possible risks will be. Therefore, we have been tracking carefully the three main risks that the Auditor General pointed out to us: first, that we would lose key staff; secondly, that we would not be able to track assets and liabilities and legacy documents; and, thirdly, whether or not we could maintain the service.

I have to say that, in looking at what has happened on a month-by-month basis, I think that a great deal of the maintenance of the service on the issues relating to loss of staff have largely been sorted by the application of the staff involved. They did work extremely hard—knowing that these were key issues that would be of concern to them, and to us—to ensure that services were maintained, and that the legacy statements were accurate, were understandable, were properly broken down to LHBs. Many staff, although appointed to new positions—particularly those in finance—did keep a foot in the door in terms of trying to close the accounts. Those chief executives and finance directors of the former organisations have been asked, and are willing, to maintain vigilance over the accounts until they are finally closed, so that we get some continuity of people who understand. So, that has been alright. We also have an audit trail going through the system to track the assets and the liabilities to make sure that they are perfectly understood by the LHBs and by Health Commission Wales.

In terms of the costs, the cost envelope remains as stated last time and we have made significant progress in looking at how we meet the gap of £8.5 million—we had already made £4.7 million in cost savings, or as a reduction in costs, for my department and the LHBs by the last time that we discussed this issue—and the National Public Health Service had reduced its initial bid by £1.2 million. The business services centre was the big outstanding part when we last met. It has

blynyddoedd nesaf i sicrhau bod ailsdrwythuro wedi'i reoli'n effeithiol ac yn dda. Un o'r pethau yn amlwg a achosodd y mwyaf o bryder i bawb, a hynny'n iawn, a oedd y risgiau a oedd yn gysylltiedig ag addrefnu, oherwydd ein bod ni oll wedi bod drwy ddiagon i wybod beth fydd y risgiau posibl. Felly, yr ydym wedi bod yn dilyn yn ofalus y tair prif risg a nodwyd gan yr Archwilydd Cyffredinol: yn gyntaf, y byddem yn colli staff allweddol; yn ail, na fyddem yn gallu olrhain asedion a chyfrifoldebau a dogfennau etifeddiaeth; ac, yn drydydd, a fyddem yn gallu cynnal y gwasanaeth ai peidio.

Mae'n rhaid i mi ddweud, wrth edrych ar yr hyn sydd wedi digwydd fis ar ôl mis, credaf fod llawer o'r gwaith o gynnal a chadw'r gwasanaeth o ran y materion sy'n ymwneud â cholli staff wedi'u trefnu'n bennaf gan ymroddiad y staff a gyfrannodd. Gwnaethant weithio'n galed iawn—gan wybod bod y rhain yn faterion allweddol a fyddai'n berthnasol iddynt, ac i ni—er mwyn sicrhau bod gwasanaethau'n cael eu cynnal, a bod datganiadau etifeddiaeth yn gywir, yn ddealladwy, yn cael eu rhannu'n briodol i Fyrddau Iechyd Lleol. Cadwodd nifer o aelodau staff, er eu bod wedi'u penodi i swyddi newydd—yn arbennig y rhai cyllid—droed yn y drws o ran ceisio cau'r cyfrifon. Gofynnwyd i brif weithredwyr a chyfarwyddwyr cyllid y cyn sefydliadau gadw golwg ar y cyfrifon tan iddynt gael eu cau'n derfynol, ac maent wedi cytuno i hynny, er mwyn sicrhau peth parhad ymhlith y bobl sy'n eu deall. Felly, mae hynny wedi bod yn iawn. Mae gennym hefyd lwybr archwilio drwy'r system i olrhain yr asedion a'r chyfrifoldebau i sicrhau bod y Byrddau Iechyd Lleol a Chomisiwn Iechyd Cymru yn eu deall yn iawn.

O ran y costau, mae'r amlen gost yn parhau fel y nodwyd hi y tro diwethaf ac yr ydym wedi gwneud cynnydd sylweddol o ran edrych ar sut i gau'r bwlc o £8.5 miliwn—yr ydym wedi gwneud arbedion cost o £4.7 miliwn yn barod, neu fel gostyngiad mewn costau, yn fy adran i a'r Byrddau Iechyd Lleol ers y tro diwethaf i ni drafod y mater hwn—ac yr oedd y Gwasanaeth Iechyd Cyhoeddus Cenedlaethol wedi gostwng ei gynnig cychwynnol o £1.2 miliwn. Y

now come in with a proposal this year to contain its costs by a reduction of £1.1 million. It, together with the National Public Health Service, will be returning to me in September with a two-year plan on how they intend to live within their specified limits and what the specifications of the services that they will provide will be.

In terms of transitional costs, I have a month-by-month update of the people who remain to be placed. The last time I reported it was 44. Unfortunately, some people's plans failed to materialise, so it is now 47. However, I have appointed from transitional costs a small team to help individuals to be sorted out effectively. Some people will be coming up to retirement anyway this year, and I should be able to provide both yourselves and the Health and Social Services Committee with a better review of how many staff we think that we are actually going to be left with after this initial year in the next month, because, day by day, the picture is changing as people get effectively placed. We also have additional work that needs to be done to look at the evaluation of the effectiveness of the new structure, and that will absorb some of the staff who have not been absorbed so far and who are without a permanent position, because we need them to do that.

[33] **Val Lloyd:** I have a confirmatory question. All in all, you would confirm, then, that service delivery was maintained during the transfer of functions?

**Ms Lloyd:** The health authorities have assured me that they did not take their eyes off the ball and we were not faced with any major crises due to people losing control over the organisation. Indeed, if that had occurred, I would have expected to see massive swings in expenditure going the wrong way and an increase in the sorts of complaints of critical incidents that one finds. That does not seem to have occurred. Nevertheless, we are auditing it extremely carefully, because we all have to be assured.

ganolfan gwasanaethau busnes oedd yr elfen amlwg fawr y tro diwethaf i ni gyfarfod. Y mae'n awr wedi gwneud cynnig eleni i ostwng ei gostau o £1.1 filiwn. Gyda'r Gwasanaeth Iechyd Cyhoeddus Cenedlaethol, bydd yn dod yn ôl ataf i ym mis Medi gyda chynllun dwy flynedd ar sut maent yn bwriadu byw o fewn eu terfynau penodol a beth fydd manylion y gwasanaethau y byddant yn eu darparu.

O ran y costau pontio, yr wyf yn cael y newyddion diweddaraf bob mis am y bobl sy'n dal i aros i gael eu lleoli. Y tro diwethaf i mi adrodd, 44 oedd y nifer. Yn anffodus, methodd cynlluniau rhai i ddatblygu, felly mae 47 erbyn hyn. Fodd bynnag, yr wyf wedi penodi tîm bach o'r costau pontio i gynorthwyo unigolion i gael eu lleoli'n effeithiol. Bydd rhai pobl yn cyrraedd oed ymdeol beth bynnag eleni, a dylwn allu darparu gwell adolygiad i chi a'r Pwyllgor Iechyd a Gwasanaethau Cymdeithasol ar faint o staff y credwn y bydd gennym mewn gwirionedd ar ôl y flwyddyn gyntaf hon yn ystod y mis nesaf, oherwydd, wrth i bob diwrnod fynd rhagddo, mae'r sefyllfa'n newid wrth i bobl gael eu lleoli'n effeithiol. Mae gennym hefyd waith ychwanegol sydd angen ei wneud i edrych ar y gwerthusiad o effeithlonrwydd y sdrwythur newydd, a bydd hynny'n defnyddio rhywfaint o'r staff nad ydynt wedi'u defnyddio eto ac sydd heb swydd barhaol, oherwydd yr ydym angen iddynt wneud hynny.

[33] **Val Lloyd:** Mae gennyf gwestiwn ategol. Ar y cyfan felly, byddech yn cadarnhau bod darpariaeth y gwasanaeth wedi parhau wrth drosglwyddo swyddogaethau?

**Ms Lloyd:** Mae'r awdurdodau iechyd wedi fy sicrhau nad oeddent wedi bod yn esgeulus ac nad oeddent wedi wynebu unrhyw argyfyngau o bwys yn sgîl pobl yn colli rheolaeth dros y sefydliad. Yn wir, pe bai hynny wedi digwydd, byddwn wedi disgwyl gweld newidiadau enfawr mewn gwariant i'r cyfeiriad anghywir a chynnydd yn y mathau o gwynion y mae rhywun yn ei gael am ddigwyddiadau tyngedfennol. Ymddengys nad yw hyn wedi digwydd. Fodd bynnag, yr ydym yn ei archwilio'n ofalus iawn, oherwydd mae'n rhaid ein sicrhau ni oll.



[34] **Jocelyn Davies:** Have all those bodies been able to manage the risks that you mentioned?

**Ms Lloyd:** They assure me that they have.

[35] **Jocelyn Davies:** Okay. That covers the question that I was going to raise.

[36] **Janet Davies:** Carl, you have some questions to ask about the issue of early retirement?

[37] **Carl Sargeant:** Ms Lloyd, obviously there are other challenges facing the NHS, such as the restructuring and so on. I would like to touch upon early retirement costs. I note that the average cost of early retirement across the NHS trusts has increased from £36,000 to £42,000 in 2001-02 and that the number of cases at health authorities has also increased. What has emerged from the monitoring as regards the practical impact of the guidance that you issued in April to the chief executive?

**Ms Lloyd:** A number of things have occurred because, as with everything, things creep out of the woodwork once you issue guidance. We were finding that, in some organisations, they had people on two-year termination and there was a very mixed approach to the way in which one employed or discharged staff. That has come out, so we have issued guidance about the model type of contract that one should employ for staff. Also, if there is any contentious, major or disputatious settlement that any organisation is likely to make, it, at a very early stage, has to report that to me. A number have so been reported and I have, to date, not agreed to any of them, because I felt that the evidence was not available to me to make that sort of judgment; therefore, they have been referred back. I think that they have taken the concerns expressed by the Committee and the Auditor General on this very seriously. We would not wish to prevent anybody from retiring on the grounds of ill health, where that is justifiable, and we must make it as painless as possible for people. However, we still have to have a scrutiny over the way in which organisations manage their

[34] **Jocelyn Davies:** A yw'r holl gyrff hynny wedi gallu rheoli'r risgiau y gwnaethoch eu crybwyll?

**Ms Lloyd:** Maent wedi rhoi sicrwydd i mi eu bod wedi gwneud hynny.

[35] **Jocelyn Davies:** Iawn. Mae hynny'n ateb y cwestiwn yr oeddwn am ei godi.

[36] **Janet Davies:** Carl, mae gennych gwestiynau i'w gofyn am fater ymddeol yn gynnar?

[37] **Carl Sargeant:** Ms Lloyd, yn amlwg mae heriau eraill yn wynebu'r GIG, megis yr ailsdrwythuro ac ati. Hoffwn drafod costau ymddeol yn gynnar. Sylwaf fod cost ymddeol yn gynnar ar gyfartaledd drwy ymddiriedolaethau'r GIG wedi cynyddu o £36,000 i £42,000 yn 2001-02 a bod nifer yr achosion mewn awdurdodau iechyd hefyd wedi cynyddu. Beth sydd wedi dod i'r amlwg o'r monitro o ran effaith ymarferol y canllaw a gyhoeddwyd gennych ym mis Ebrill i'r prif weithredwr?

**Ms Lloyd:** Mae nifer o bethau wedi digwydd oherwydd, fel gyda phopeth, mae pethau'n digwydd yn annisgwyl ar ôl i chi gyhoeddi canllaw. Yr oeddem yn canfod, mewn rhai sefydliadau, bod ganddynt bobl ar gontract dwy flynedd yn unig ac yr oedd agwedd gymysg iawn at y ffordd yr oeddent yn cyflogi neu'n cael gwared ar staff. Mae hynny wedi dod i'r amlwg, felly yr ydym wedi cyhoeddi canllaw am fodel o gontract y dylai sefydliad ei ddefnyddio ar gyfer ei staff. Hefyd, os oes unrhyw setliadau cynhennus, sylweddol neu ddadleuol y mae unrhyw sefydliad yn debygol o'u gwneud, mae'n rhaid iddo, yn gynnar iawn, roi gwybod am hynny i mi. Mae nifer wedi rhoi gwybod i mi ac nid wyf, hyd yma, wedi cytuno i unrhyw un ohonynt, oherwydd nad oeddwn yn teimlo bod y dystiolaeth ar gael i mi wneud y cyfryw benderfyniad; felly, maent wedi'u cyfeirio'n ôl. Credaf eu bod wedi ystyried y pryderon a fynegwyd gan y Pwyllgor a'r Archwilydd Cyffredinol yn ddifrifol iawn. Ni fyddem am atal unrhyw un rhag ymddeol ar sail salwch, os gellir cyfiawnhau hynny, ac mae'n rhaid i ni wneud hyn mor ddi-boen â phosibl i bobl. Fodd bynnag, mae'n rhaid i ni

employment policies and practices.

archwilio'r ffordd y mae sefydliadau'n rheoli eu polisïau a'u harferion cyflogaeth.

[38] **Carl Sargeant:** Given the guidance to the chief executives—moving on slightly time-wise—have there been fewer cases for 2002-03, and has the average cost been reduced?

[38] **Carl Sargeant:** O ystyried y canllaw i'r prif weithredwyr—gan symud ymlaen ychydig o ran amser—a fu llai o achosion yn 2002-03, ac a yw'r cost cyfartalog wedi gostwng?

**Ms Lloyd:** I have not yet received that information. That will come out of the final accounts, so I will be able to answer that question after July. Would you like me to send you a note on that, when it comes out?

**Ms Lloyd:** Nid wyf wedi derbyn y wybodaeth honno eto. Bydd hynny'n cael ei ddatgelu yn y cyfrifon terfynol, felly byddaf yn gallu ateb y cwestiwn ar ôl mis Gorffennaf. A fydddech yn hoffi i mi anfon nodyn i chi ar hynny, pan fydd yn dod allan?

[39] **Janet Davies:** That would be very helpful. We now move on to progress in tackling fraud. I know that both Denise and Leighton want to ask questions about that.

[39] **Janet Davies:** Byddai hynny'n ddefnyddiol iawn. Yr ydym yn awr am symud ymlaen i drafod cynnydd o ran mynd i'r afael â thwyll. Gwn fod Denise a Leighton am ofyn cwestiynau am y mater hwnnw.

[40] **Denise Idris Jones:** The previous Audit Committee welcomed the progress that you are making in tackling NHS fraud. Has the NHS Counter Fraud Operational Service investigated further cases since the Auditor General reviewed progress earlier this year?

[40] **Denise Idris Jones:** Yr oedd y cyn Bwyllgor Archwilio yn croesawu'r cynnydd yr ydych yn ei wneud o ran mynd i'r afael â thwyll yn y GIG. A yw Gwasanaeth Gweithredol Gwrth-dwyll y GIG wedi ymchwilio i achosion pellach ers i'r Archwilydd Cyffredinol adolygu'r cynnydd yn gynharach eleni?

**Ms Lloyd:** Well, it is a continuous cycle. Given that the cost of tackling fraud is not peanuts, we have to make sure that we are receiving value for money from it. There is a heightened awareness in NHS organisations about the prevalence of fraud and how it might be managed. We have also set up our own unit within Wales that works with Jim Gee's unit for England and Wales and a lot of work has gone into the organisations in terms of training, heightened awareness and so on, therefore we are constantly getting a reflection of that increased awareness coming through. So, yes, it has continued to investigate this trend and we have also asked for additional work to go on, to look at ophthalmic fraud—which should report back later this year—additional pharmaceutical fraud, and other contractor fraud in Wales, so that we get a full spread.

**Ms Lloyd:** Wel, mae'n gylch parhaus. O ystyried nad yw mynd i'r afael â thwyll yn fusnes rhad, mae'n rhaid i ni sicrhau ein bod yn derbyn gwerth am arian ohono. Mae ymwybyddiaeth gynyddol yn sefydliadau'r GIG o ba mor gyffredin yw twyll a sut y gellid ei reoli. Yr ydym hefyd wedi sefydlu ein huned ein hunain yng Nghymru sy'n gweithio gydag uned Jim Gee yng Nghymru a Lloegr ac mae llawer o waith wedi'i wneud yn y sefydliadau o ran hyfforddiant, cynyddu ymwybyddiaeth ac ati, felly yr ydym yn cael adlewyrchiad parhaus o'r ymwybyddiaeth gynyddol hon ar waith. Felly, do, y mae wedi parhau i ymchwilio i'r duedd hon ac yr ydym hefyd wedi gofyn am i ragor o waith gael ei wneud, i edrych ar dwyll offthalmig—a dylai adrodd yn ôl yn ddiweddarach eleni—twyll fferyllol ychwanegol, a thwyll ymhlith contractwyr eraill yng Nghymru, er mwyn i ni gael darlun llawn.

[41] **Denise Idris Jones:** Further savings have been identified?

[41] **Denise Idris Jones:** Mae arbedion pellach wedi'u nodi?

**Ms Lloyd:** Yes, they will be, and they, again, will be in the final accounts.

[42] **Denise Idris Jones:** Good. Is the study of optical patient and contractor fraud still on track?

**Ms Lloyd:** Yes, I have not been advised otherwise.

[43] **Denise Idris Jones:** Will it be completed by the summer?

**Ms Lloyd:** Well, it depends upon what you call the summer, but yes.

[44] **Denise Idris Jones:** Let us say September. Okay?

**Ms Lloyd:** Yes.

[45] **Leighton Andrews:** I am sure that we are all pleased to see that the NHS Counter Fraud Operational Service has estimated that there has been a £7 million reduction in the loss of prescription income as a result of the steps that you have taken. To what extent do you think that the post payment verification unit at Velindre NHS Trust has contributed to that, and do you feel that it is sufficiently well staffed to carry out its tasks?

**Ms Lloyd:** Well, it has only been going for just under a year, and what it is doing is actually looking at a slightly different issue. It is very much looking at whether people are claiming correctly for this, or whether they are claiming exemptions to which they are not entitled. It has checked an enormous number of scripts so far, and it looks, from the Auditor General's report, like we have not saved much from this mammoth exercise of 48,000 scripts. However, if I can just update you and refer to my text, what has happened subsequently is that the unit has issued about 4,500 letters to patients, which are either penalty charge letters or surcharge letters, and a very small number have been referred to county court judgment. So, it has now saved a total of about £17,000 on top of this from the work that it has been doing as it has geared itself up. As to whether or not it is staffed effectively, until we audit its first year

**Ms Lloyd:** Oes, mae rhai, a byddant, eto, yn y cyfrifon terfynol.

[42] **Denise Idris Jones:** Da iawn. A yw'r astudiaeth ar dwyll cleifion optegol a chontractwyr ar y trywydd iawn o hyd?

**Ms Lloyd:** Ydyw, nid wyf wedi clywed yn wahanol.

[43] **Denise Idris Jones:** A fydd wedi'i orffen erbyn yr haf?

**Ms Lloyd:** Wel, mae'n dibynnu beth yr ydych yn ei alw'n haf, ond bydd.

[44] **Denise Idris Jones:** Gadewch i ni ddweud Medi. Iawn?

**Ms Lloyd:** Iawn.

[45] **Leighton Andrews:** Yr wyf yn siŵr ein bod i gyd yn falch iawn o weld bod Gwasanaeth Gweithredol Gwrth-dwyll y GIG wedi amcangyfrif y bu gostyngiad o £7 miliwn yn yr incwm o bresgripsiynau a gollwyd o ganlyniad i'r camau yr ydych wedi'u cymryd. I ba raddau y credwch bod yr uned ddilysu ar ôl talu yn Ymddiriedolaeth GIG Felindre wedi cyfrannu at hynny, ac a ydych chi'n credu bod digon o staff yno i gyflawni ei thasgau?

**Ms Lloyd:** Wel, nid yw wedi bod ar waith am flwyddyn eto, a'r hyn y mae'n ei wneud mewn gwirionedd yw edrych ar fater sydd ychydig yn wahanol. Mae'n edrych ar a yw pobl yn hawlio'n gywir am hyn, neu a ydynt yn hawlio eithriadau nad oes ganddynt hawl iddynt. Mae wedi archwilio llawer iawn o sgriptiau hyd yma, ac nid yw'n ymddangos, o adroddiad yr Archwilydd Cyffredinol, ein bod wedi cynilo llawer o'r ymarferiad anferth hwn o 48,000 o sgriptiau. Fodd bynnag, os caf fi roi'r newyddion diweddaraf i chi a chyfeirio at fy nhestun, yr hyn sydd wedi digwydd ers hynny yw bod yr uned wedi dosbarthu oddeutu 4,500 o llythyrau i gleifion, sydd naill ai'n llythyrau cosb ariannol neu'n llythyrau gordal, ac mae nifer fach iawn wedi'u cyfeirio i lys sirol am ddyfarniad. Felly, y mae bellach wedi arbed cyfanswm o oddeutu £17,000 yn ychwanegol at hyn o'r gwaith y mae wedi bod yn ei wneud wrth

and look at the kind of workload that it is having to deal with—and Velindre is very accustomed to looking at workload in terms of checking, which is why it is managing this on our behalf—I cannot be prescriptive in my answer. However, we will be looking at this with Velindre as part of the end of year accounts.

[46] **Leighton Andrews:** The figure of 4,000 that you just mentioned, I think, is that the total number of false exemptions that you have identified since the unit was established?

**Ms Lloyd:** That is that 4,500. Those are the patient first contact letters.

[47] **Janet Davies:** I would like to ask about the agency nursing situation, Ms Lloyd. The Audit Committee has expressed concern about the costs of agency nursing before. In 2001-02, there was a 50 per cent increase in expenditure on agency nursing, so that it was costing the NHS in Wales around £15 million a year. What are you doing to get hold of that issue?

**Ms Lloyd:** I think that this is a very serious issue because the agency nursing costs this last year have risen to approximately £18 million. It still represents about 2.5 per cent of the staff, because we have, of course, had increases in the number of staff throughout Wales during that year. There are two particular problems in Cardiff and the Vale and Gwent, and we asked the chief nurse to establish a review into whether or not we could undertake the same kind of action that had been undertaken in England, and look at much more of a pan-Wales agency contract for the employment of agency and other staff, such as bank staff. We were hampered, I think, by the fact that that service in England collapsed, because we were hoping to learn some good practice from it, particularly the one that was going on in Bristol. Therefore, she is certainly looking at a scheme whereby we could ensure that there was a proper contractual basis for the acquisition of agency nurses, to look at a different use of agency nurses and the whole nursing complement

iddo fynd o nerth i nerth. O ran a oes ganddo nifer digonol o staff, ni allaf roi ateb pendant tan i ni archwilio ei flwyddyn gyntaf ac edrych ar y math o lwyth gwaith y mae'n gorfod ymdopi ag ef—ac mae Felindre wedi hen arfer ag edrych ar lwyth gwaith o ran archwilio, sef y rheswm ei fod yn rheoli hyn ar ein rhan. Fodd bynnag, byddwn yn edrych ar hyn gyda Felindre fel rhan o'r cyfrifon diwedd blwyddyn.

[46] **Leighton Andrews:** Credaf mai'r ffigur o 4,000 yr ydych newydd ei grybwyll yw cyfanswm yr eithriadau ffug a nodwyd gennych ers sefydlu'r uned?

**Ms Lloyd:** Dyna yw'r ffigur o 4,500. Y rhai hynny yw'r llythyrau cyswllt cyntaf â'r claf.

[47] **Janet Davies:** Hoffwn ofyn am y sefyllfa o ran nyrsio asiantaeth, Ms Lloyd. Mae'r Pwyllgor Archwilio wedi mynegi pryder am gostau nyrsio asiantaeth yn y gorffennol. Yn 2001-02, yr oedd cynnydd o 50 y cant mewn gwariant ar nyrsio asiantaeth, felly yr oedd yn costio oddeutu £15 miliwn y flwyddyn i'r GIG yng Nghymru. Beth yr ydych yn ei wneud i fynd i'r afael â'r mater hwnnw?

**Ms Lloyd:** Credaf fod hyn yn fater difrifol iawn, gan fod costau nyrsio asiantaeth yn ystod y flwyddyn ddiwethaf wedi codi i oddeutu £18 miliwn. Mae'n parhau i gynrychioli oddeutu 2.5 y cant o'r staff, oherwydd ein bod, wrth gwrs, wedi gweld cynnydd yn nifer y staff drwy Gymru yn ystod y flwyddyn honno. Mae dwy broblem benodol yng Nghaerdydd a'r Fro a Gwent, a bu i ni ofyn i'r brif nyrs lunio adolygiad i weld a fyddai modd i ni weithredu yn yr un modd â Lloegr, ac edrych ar gontract asiantaeth Cymru-gyfan cryfach ar gyfer cyflogi staff asiantaeth a staff eraill, fel staff banc. Fe'n rhwysdrwyd, yn fy marn i, gan y ffaith bod y gwasanaeth yn Lloegr wedi methu, gan ein bod yn gobeithio dysgu rhai arferion da ganddo, yn arbennig yr arfer da ym Mryste. Felly, mae'n bendant yn edrych ar gynllun a fyddai'n fodd i ni sicrhau bod sail cytundebol iawn ar gyfer caffael nyrsys asiantaeth, i edrych ar ffyrdd gwahanol o ddefnyddio nyrsys asiantaeth a'r holl gyflenwad o nyrsys sydd gan sefydliad.

that an organisation has.

That work has not progressed as quickly as possible because of the recent Iraq war—the project manager was seconded there. However, what I have done as well is to ask the two chief executives of these NHS organisations to lead a serious and in-depth piece of work themselves on how, together, they will reduce the number of agency nurses used to the absolute minimum, and to ensure that either they have an effective bank system, which will be their own staff, or start to put into train additional recruitment practices. They have done quite a lot, but I have asked them to really make sure that nothing further can be done. We are, of course, increasing the number of people who are going into training for nursing over the next three years, including this one. Nevertheless, this is a serious problem that we are trying to tackle. It is not unique to us, but, nevertheless, we certainly have to stop this tap now.

[48] **Janet Davies:** Do you find that there is a problem with the retention of nursing staff and that, perhaps, some attempt to go over to agency nursing, instead of staying within the health service?

**Ms Lloyd:** Yes. That does happen. If you look at the type of responses that you get from the forms completed by staff as to why they are leaving the health service or why they are leaving their jobs, you will see that some people prefer to work for agencies—because of their responsibilities, or greater flexibility or their individual requirements at that time. What, I think, we have to do is to listen more carefully to why our staff leave us and to really institute a very flexible approach to their employment. They are a scarce commodity and we must make better use of their talents as best we can. I think that, in looking at the practices in some organisations, not only in Wales, but in England also, we have not been as flexible as we need to be these days in order to retain our good quality staff. You need very experienced people to provide excellent quality of care, and I think that it is a disappointment to every member of staff when such people leave. That is why so much emphasis has been placed on return-to-

Nid yw'r gwaith hwn wedi'i gyflawni mor gyflym â phosibl oherwydd y rhyfel diweddar yn Irac—secondiwyd y rheolwr prosiect yno. Fodd bynnag, yr hyn yr wyf hefyd wedi'i wneud yw gofyn i ddau brif weithredwr o'r sefydliadau GIG hyn i arwain gwaith difrifol a dwys ar sut, gyda'i gilydd, y gallant ostwng nifer y nyrsys asiantaeth a ddefnyddir i'r lefel isaf bosibl, a sicrhau bod ganddynt naill ai system fanc effeithiol, sef eu staff eu hunain, neu ddechrau defnyddio ymarferion recriwtio ychwanegol. Maent wedi cyflawni cryn dipyn, ond yr wyf wedi gofyn iddynt wneud yn hollol siŵr na ellir gwneud mwy. Yr ydym, wrth gwrs, yn cynyddu nifer y bobl sy'n hyfforddi i fod yn nyrsys yn ystod y tair blynedd nesaf, gan gynnwys y flwyddyn hon. Fodd bynnag, mae hon yn broblem ddiffrifol yr ydym yn ceisio'i goresgyn. Nid yw'n unigryw i ni, ond, er hynny, mae'n rhaid i ni roi'r gorau i'r arfer hwn yn awr.

[48] **Janet Davies:** A ydych o'r farn bod cadw staff nyrsio yn broblem ac, efallai, bod rhywfaint yn ymdrechu i fynd yn nyrsys asiantaeth, yn hytrach nag aros o fewn y gwasanaeth iechyd?

**Ms Lloyd:** Ydyw, mae hynny'n digwydd. Os ydych yn edrych ar y math o ymatebion yr ydych yn eu cael o'r ffurflenni a lenwir gan staff ynglŷn â pham eu bod yn gadael y gwasanaeth iechyd neu pam eu bod yn gadael eu swyddi, byddwch yn gweld bod yn well gan rai weithio i asiantaethau—oherwydd eu cyfrifoldebau, neu ragor o hyblygrwydd neu eu gofynion unigol ar y pryd. Credaf mai'r hyn sy'n rhaid i ni ei wneud yw gwrando'n fwy gofalus ar resymau ein staff dros ein gadael a sefydlu agwedd wirioneddol hyblyg at eu cyflogaeth. Maent yn adnoddau prin ac mae'n rhaid i ni wneud ein gorau i wneud gwell defnydd o'u doniau. Credaf, o edrych ar yr ymarferion mewn rhai sefydliadau, nid yn unig yng Nghymru, ond yn Lloegr hefyd, nad ydym wedi bod mor hyblyg ag sy'n rhaid i ni fod yn yr oes sydd ohoni er mwyn cadw staff o ansawdd da. Mae angen pobl brofiadol iawn arnom i ddarparu gofal o ansawdd rhagorol, a chredaf ei bod yn siom i bob aelod o staff pan fo pobl fel hyn yn gadael. Dyna pam fod cymaint o bwys wedi'i roi ar

practice courses and so on, which have been very successful, but we have to put an effort behind not losing the staff in the first place.

[49] **Janet Davies:** Thank you. Christine, you have some questions?

[50] **Christine Gwyther:** Thank you, Chair. Ms Lloyd, I would like to test you on clinical negligence and the forward planning of the Welsh risk pool, particularly in the context of the four-fold increase in clinical negligence payments in 2001-02, from a base level of £10.4 million in 2001 to £46.3 million in 2001-02. As there was a failure to anticipate this in setting premium levels for the Welsh risk pool, there was a £20 million supplementary levy late in the year. Why do you think that there was such a significant increase in clinical negligence costs, and why was this not foreseen?

**Ms Lloyd:** It is a multi-factorial answer. There was some issue around the actual way in which the Welsh risk pool operated with its clients, namely health authorities and trusts. There was no absolute obligation on those health authorities and trusts to submit their claims in the first place. There was not an absolute obligation on them to claim when a claim had been settled, so the Welsh risk pool was faced with an anomalous position, whereby claims might have been settled but the health authorities were not recovering the costs of those claims. I think that, certainly, the work that my external review team did showed that they were almost using some of the Welsh risk pool money to manage their cash balances. Well, that was not appropriate, particularly as the Welsh risk pool was then very vulnerable to swings. That was one of the reasons.

Secondly, it is actually extremely difficult to forecast when a claim is going to be settled and it is almost impossible to assess whether or not a client is going to accept a structured settlement: in other words, you do not just pay a great big lump sum, but the client gets paid over a number of years. That has been difficult to assess, because it makes a huge

gyrsiau dychwelyd-i-ymarfer ac ati, sydd wedi bod yn llwyddiannus iawn, ond mae'n rhaid i ni wneud ein gorau glas i beidio â cholli'r staff yn y lle cyntaf.

[49] **Janet Davies:** Diolch. Christine, mae gennych rai cwestiynau?

[50] **Christine Gwyther:** Diolch, Gadeirydd. Ms Lloyd, hoffwn eich profi ar esgeulustod clinigol a'r cynllunio ymlaen llaw a wneir gan gronfa risg Cymru, yn arbennig yng nghyd-destun cynnydd bedair gwaith drosodd mewn taliadau esgeulustod clinigol yn 2001-02, o lefel sylfaenol o £10.4 miliwn yn 2001 i £46.3 miliwn yn 2001-02. Oherwydd na ragwelwyd hyn wrth sefydlu lefelau premiwm ar gyfer cronfa risg Cymru, yr oedd ardoll atodol o £20 miliwn yn hwyr yn y flwyddyn. Pam yr ydych yn credu bod cynnydd mor sylweddol mewn costau esgeulustod clinigol, a pham na ragwelwyd hyn?

**Ms Lloyd:** Mae sawl ffactor i'r ateb. Yr oedd rhywfaint o ddadlau ynglŷn â'r union ffordd yr oedd cronfa risg Cymru'n gweithredu gyda'i chleientiaid, yn bennaf awdurdodau ac ymddiriedolaethau iechyd. Nid oedd rhwymedigaeth lwyr ar yr awdurdodau ac ymddiriedolaethau iechyd hynny i gyflwyno'u hawliadau yn y lle cyntaf. Nid oedd rhwymedigaeth lwyr arnynt i hawlio ar ôl setlo ar hawliad, felly yr oedd cronfa risg Cymru mewn sefyllfa afreolaidd, a hynny'n golygu y gallai hawliadau fod wedi'u setlo ond nad oedd yr awdurdodau iechyd yn adfer costau'r hawliadau hynny. Credaf, heb amheuaeth, fod gwaith a wnaed gan fy nhîm adolygu allanol yn dangos eu bod bron yn defnyddio rhywfaint o arian cronfa risg Cymru i reoli eu cyllid mantoledig. Wel, nid oedd hynny'n briodol, yn arbennig o ystyried bod cronfa risg Cymru yn agored iawn i newidiadau bryd hynny. Dyna un o'r rhesymau.

Yn ail, mae'n anodd iawn mewn gwirionedd i ragweld pryd y bydd hawliad yn cael ei setlo ac mae bron yn amhosibl asesu a yw cleient am dderbyn setliad wedi'i sdrwythuro ai peidio: mewn geiriau eraill, nid ydych yn talu un cyfandaliad mawr yn unig, ond bydd y cleient yn cael ei dalu dros nifer o flynyddoedd. Mae hynny wedi bod yn anodd

difference if a claim is settled in April rather than March, particularly when it is a big claim.

The other trend we noticed at this particular period of time was the number of extremely large claims that were coming to fruition. Much of that was actually good, because the Woolf reforms had required that claims be settled much more quickly. Many of the claims that were settled in that particular year were claims that had been outstanding for many years. Many of them were to do with children born 10 to 15 years before, for whom the assessment of final disability would not be made until they were much older. Therefore, we found that, in that year, 14 cases came forward that were over £1 million each. That was completely outside the trend.

My external review group also found that the estimation made by the organisations of their liabilities was not slick enough. They had estimations, but they needed to revise them in the light of current rulings and they needed to be a bit clearer about where the risk would lie in which years. That is why, when faced with this grave difficulty of trying to find £20 million more, we set up the external review to have a very thorough scrutiny.

Now, I am not placing blame on the Welsh risk pool at that time; I think that it had been doing a very good job on behalf of the organisations in Wales for many years, but the situation was starting to change, arising from Woolf and the increased and heightened awareness of clients in terms of litigation.

[51] **Christine Gwyther:** If we can say, then, that 2001-02 was a peak that you would not expect to be reached, certainly in the next few years, and it sounds as if you are saying that further increases are not envisaged for 2002-03, could you tell me then, please, if contribution levels for the Welsh risk pool are now consistent with the level of settlements expected? Are you confident that that system is in place?

i'w asesu, oherwydd mae'n gwneud gwahaniaeth sylweddol os yw hawliad yn cael ei setlo ym mis Ebrill yn hytrach na mis Mawrth, yn arbennig os yw'n hawliad mawr.

Y duedd arall a nodwyd yn y cyfnod penodol hwn oedd nifer yr hawliadau mawr iawn a oedd yn dwyn ffrwyth. Yr oedd llawer o'r rhain yn dda, oherwydd bod diwygiadau Woolf wedi golygu ei bod yn ofynnol setlo hawliadau yn llawer cyflymach. Yr oedd nifer o'r hawliadau a setlwyd yn ystod y flwyddyn benodol honno yn hawliadau a oedd heb eu clirio ers blynnyddoedd lawer. Yr oedd llawer ohonynt yn ymwneud â phlant a oedd wedi'u geni 10 i 15 mlynedd yn gynharach, plant na fyddai eu hasesiad anabledd terfynol wedi ei wneud tan y byddent yn llawer hŷn. Felly, yn y flwyddyn honno, gwelsom bod 14 achos wedi'u cyflwyno a oedd dros £1 filiwn yr un. Yr oedd hynny'n hollol groes i'r duedd.

Gwelodd fy ngrŵp adolygu allanol hefyd nad oedd yr amcangyfrif a wnaed gan y sefydliadau o'u cyfrifoldebau'n ddigon effeithlon. Yr oedd ganddynt amcangyfrifon, ond yr oedd angen iddynt eu diwygio yng ngoleuni'r rheolau cyfredol ac yr oedd angen iddynt fod ychydig yn fwy eglur ynglŷn ag ymhle y byddai'r risg ym mha flynyddoedd. Dyna pam, wrth wynebu'r anhawster difrifol hwn o geisio dod o hyd i £20 miliwn yn fwy, y sefydlwyd yr adolygiad allanol i gael archwiliad manwl iawn.

Yn awr, nid wyf yn rhoi'r bai ar gronfa risg Cymru bryd hynny; credaf iddi wneud gwaith da iawn ar ran y sefydliadau yng Nghymru am flynyddoedd lawer, ond yr oedd y sefyllfa'n dechrau newid, yn deillio o Woolf ac ymwybyddiaeth gynyddol a mwy effro cleientiaid o ran ymglyfreithiad.

[51] **Christine Gwyther:** Pe gallwn ddweud, felly, bod 2001-02 yn uchafbwynt na fyddch wedi disgwyl y byddai'n cael ei gyrraedd, yn sicr yn yr ychydig flynyddoedd nesaf, ac mae'n ymddangos eich bod yn dweud na ragwelir cynydd pellach ar gyfer 2002-03, a allech ddweud wrthyf felly, os gwelwch yn dda, a yw lefelau cyfraniadau ar gyfer cronfa risg Cymru nawr yn gyson â'r lefel o setliadau a ddisgwylir? A ydych yn hyderus bod y system hon ar waith?

**Ms Lloyd:** What we have done is that we have found that it has levelled off as we expected, and actually slightly reduced. There was an underspend of £11 million at the end of this last year, which we have transferred over to this year to ensure that the actual amount of money that organisations had to pay in was therefore reduced, because it was almost a bonus. What we did do as part of the recommendations of the external review, which was accepted by the Ministers, is that we used actuarial advice—and very specific actuarial advice, too—on what the levels of contributions should be for the future, based on the claims. We have tested our actuary to the nth degree and he is content that, given the sort of buffer that actuaries usually put on an estimate—it is a much large buffer than has usually been applied in the health service, but we have accepted his advice—the contributions should be sufficient to meet it. I think that taking very specific actuarial advice has been a very good step forward, because you have that automatic test.

The NAO and the Audit Commission were both represented on my external group and, I think, found comfort and benefit—but they can speak for themselves—from the sort of work that was done by the actuary who was employed, because there are very few actuaries that understand the NHS risk business. We have also been working with the risk pool in England, and Sir Liam Donaldson, the Chief Medical Officer for England, has had a group working with him to look at clinical risk and its management, because the same sort of problems were occurring in England, with a very great rise, which meant a very great rise in contributions, and so we have all been working collectively together. However, I have confidence in our actuary and that, if he says that we are getting it right, there has been a thorough external scrutiny of whether it is right or not.

[52] **Christine Gwyther:** Thank you. It does sound as if you are very confident that the recommendations are correct and that it is correct to implement them as soon as

**Ms Lloyd:** Yr hyn yr ydym wedi'i wneud yw canfod ei fod wedi lefelu fel yr oeddem yn ei ddisgwyl, a'i fod wedi gostwng fymryn mewn gwirionedd. Yr oedd tanwariant o £11 miliwn ar ddiwedd y flwyddyn a aeth heibio, ac yr ydym wedi'i drosglwyddo i eleni i sicrhau bod yr union swm o arian yr oedd yn rhaid i sefydliadau ei dalu felly wedi'i ostwng, oherwydd ei fod bron yn fonws. Yr hyn a wnaethom fel rhan o argymhellion yr adolygiad allanol, a dderbyniwyd gan y Gweinidogion, oedd defnyddio cyngor actiwari—a chyngor actiwari manwl iawn hefyd—ar beth ddylai lefelau'r cyfraniadau fod yn y dyfodol, ar sail yr hawliadau. Yr ydym wedi profi ein hactiwari i'r eithaf ac mae ef yn fodlon, o ystyried y math o glustog y mae actiwariaid yn ei roi ar amcangyfrif fel arfer—y mae'n glustog llawer mwy nag sydd wedi'i ddefnyddio fel arfer yn y gwasanaeth iechyd, ond yr ydym wedi derbyn ei gyngor—dylai'r cyfraniadau fod yn ddigonol i'w fodloni. Credaf fod derbyn cyngor actiwari penodol iawn wedi bod yn gam da iawn ymlaen, oherwydd eich bod yn cael y prawf awtomatig hwnnw.

Yr oedd y SAG a'r Comisiwn Archwilio yn cael eu cynrychioli ar fy ngrŵp allanol a, chredaf, yn cael cysur a budd—ond gallant siarad ar eu rhan eu hunain—o'r math o waith a gyflawnwyd gan yr actiwari a gyflogwyd, gan mai ychydig o actiwariaid sy'n deall busnes risg y GIG. Yr ydym hefyd wedi bod yn gweithio â'r gronfa risg yn Lloegr, ac mae Syr Liam Donaldson, Prif Swyddog Meddygol Lloegr, wedi bod yn gweithio gyda grŵp i edrych ar risg clinigol a'i reolaeth, oherwydd bod yr un math o broblemau'n digwydd yn Lloegr, gyda chynnydd sylweddol, a oedd yn golygu cynnydd sylweddol mewn cyfraniadau, ac felly yr ydym i gyd wedi bod yn cydweithio â'n gilydd. Fodd bynnag, mae gennyf hyder yn ein hactiwari ac, os yw ef yn dweud ein bod yn gwneud pethau'n iawn, bod archwiliad allanol manwl wedi'i gynnal i weld a ydym yn gwneud pethau'n iawn ai peidio.

[52] **Christine Gwyther:** Diolch. Ymddengys eich bod yn hyderus iawn bod yr argymhellion yn gywir a'i bod yn iawn eu gweithredu cyn gynted â phosibl. A ydych yn



possible. Are you confident that that implementation is on track?

**Ms Lloyd:** Yes.

[53] **Christine Gwyther:** Thank you.

[54] **Janet Davies:** Alun, do you want to come in?

[55] **Alun Cairns:** Yes. Thank you, Cadeirydd. Further to that answer, Mrs Lloyd, you mentioned the actuarial advice that you have received in terms of the Welsh risk pool. Can you now tell us what the forecast costs are over the next couple of years or so, bearing in mind that advice, because you talked about an increased buffer? What I am concerned about is that, with the deficits that need to be brought down, as well as potential increased claims, as well as a larger buffer, there is the potential for large-scale funding to be drawn away from patient care.

**Ms Lloyd:** He has given us the same level for this year. He has not given me an estimate for next year. He has not given me an estimate for 2004-05 yet, but it is the same for this year.

[56] **Alun Cairns:** Okay. Thank you.

[57] **Janet Davies:** Thank you very much. You will be pleased to know, given the state in which your voice is in, Ms Lloyd, that those are all the questions that we want to ask you. I would like to thank both of you for your very full answers this afternoon. As you are aware, a draft transcript will be sent to you for you to check its factual accuracy before it is published as part of the minutes and that, when the Committee publishes its report, the transcript will be published as an annex. Thank you.

hyderus eu bod yn cael eu gweithredu'n effeithlon?

**Ms Lloyd:** Ydw.

[53] **Christine Gwyther:** Diolch.

[54] **Janet Davies:** Alun, a ydych am gyfrannu yma?

[55] **Alun Cairns:** Ydw. Diolch, Gadeirydd. Ynghylch yr ateb hwnnw, Mrs Lloyd, bu i chi sôn am y cyngor actiwari yr ydych wedi'i dderbyn o ran cronfa risg Cymru. A allwch ddweud wrthym beth yw'r costau a ragwelir yn ystod y flwyddyn neu ddwy nesaf, gan gofio'r cyngor hwnnw, gan ichi siarad am glustog cynyddol? Yr hyn yr wyf yn bryderus amdano yw, gyda'r diffygion sydd angen eu gostwng, ynghyd â'r posibilrwydd o gynnydd mewn hawliadau, ynghyd â chlustog mwy, mae potensial i gyllid ar raddfa fawr gael ei dynnu oddi wrth ofal cleifion.

**Ms Lloyd:** Mae wedi rhoi i ni'r un lefel ar gyfer eleni. Nid yw wedi rhoi amcangyfrif i mi ar gyfer y flwyddyn nesaf. Nid yw wedi rhoi amcangyfrif i mi ar gyfer 2004-05 eto, ond mae'r un peth ar gyfer eleni.

[56] **Alun Cairns:** Iawn. Diolch.

[57] **Janet Davies:** Diolch yn fawr. Byddwch yn falch o wybod, o ystyried cyflwr eich llais, Ms Lloyd, mai dyna'r cwbl o gwestiynau yr ydym am eu gofyn i chi. Hoffwn ddiolch i chi'ch dwy am eich atebion llawn yn ystod y prynhawn. Fel y gwyddoch, bydd trawsgrifiad drafft yn cael ei anfon atoch i chi archwilio ei gywirdeb ffeithiol cyn ei gyhoeddi fel rhan o'r cofnodion a, phan fydd y Pwyllgor yn cyhoeddi ei adroddiad, bydd y trawsgrifiad yn cael ei gyhoeddi fel atodiad. Diolch.

*Daeth y sesiwn cymryd tystiolaeth i ben am 4.33 p.m.  
The evidence-taking session ended at 4.33 p.m.*

[1] Yr oedd y ffigurau hyn yn gywir ar 12 Mehefin. Dengys sylwadau pellach bod y diffyg gweithredu dros dro, yn amodol ar archwilio, bellach yn £31.4 miliwn.

[1] These figures were correct on 12 June. Further submissions indicate that the provisional operating deficit, subject to audit, is now £31.4 million.

