

THE NATIONAL ASSEMBLY FOR WALES: AUDIT COMMITTEE

**REPORT 00-02 – Presented to the National Assembly on 12th May 2000 in accordance
with section 102(1a) of the Government of Wales Act 1998**

Report on an irregular payment made to a former Assistant Director of the National Museums and Galleries of Wales

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Annex A : Relevant proceedings of the Committee – Minutes of Evidence (Thursday 17th February 2000)

Annex B: Letter from the Assembly's Principal Finance Officer to the Accounting Officers of all Assembly Sponsored Public Bodies.

Annex C : Letter to the Committee from Anna Southall, enclosing 'Disciplinary Procedures of the National Museums and Galleries of Wales'

Annex D : The Audit Committee

INTRODUCTION

1. The Comptroller and Auditor General highlighted an irregular payment of £31,470 in his report ¹ on the 1998-99 accounts of the National Museum of Wales (trading as the National Museums and Galleries of Wales, and referred to in this Report as “the Museum”). This payment was made to Mr Tim Arnold, a departing Assistant Director.
2. The accounts were laid before Parliament as they related to pre-devolution expenditure. Responsibility for sponsorship of the Museum now rests with the National Assembly for Wales and the House of Commons Committee of Public Accounts (PAC) agreed that the Audit Committee could take evidence on this matter. We are grateful to the PAC for an early opportunity to examine an issue of financial regularity and propriety.
3. We took evidence from the Museum’s Director and Accounting Officer, Ms Anna Southall, her predecessor Mr Colin Ford, and from Mr Jon Shortridge in his role as the Assembly’s own Principal Accounting Officer. A transcript of this evidence is at Annex A. We also received written evidence from Mr Shortridge (Annex B), and from Ms Southall (Annex C). We would like to thank all three witnesses for the positive and constructive way in which they responded to the Committee’s questions.
4. In this report, we examine the events surrounding this irregular payment under four headings:
 - The initiation of disciplinary proceedings against Mr Arnold;
 - The ‘Compromise Agreement’ reached with Mr Arnold;
 - The failure to apply for approval of the payment; and
 - The application for retrospective approval and corrective actions taken.

We also report our main findings and conclusions, together with a series of recommendations to the National Assembly for Wales, the Museum and to the wider public sector in Wales, which should help prevent a recurrence of these unfortunate events.

¹ Laid before Parliament on 17 November 1999 (HC 17 of 1999-2000)

INITIATION OF DISCIPLINARY PROCEEDINGS AGAINST MR ARNOLD

5. Tim Arnold was employed by the Museum for 14 years, and for much of this period was the Assistant Director responsible for resource management. Allegations of mismanagement were made against him, and these were brought to the attention of the then Director, Mr Colin Ford, in August 1998². Mr Ford held two informal meetings with Mr Arnold, and Museum staff were told that he was on sick leave³.
6. From the outset, Mr Ford failed to follow the Museum's own prescribed standard disciplinary procedures in this case (reproduced at Annex C). At no time was Mr Arnold provided with a written statement of the allegations that had been made against him⁴. Rather than conduct a full investigation into the allegations against Mr Arnold, the Museum instead negotiated a 'Compromise Agreement' with Mr Arnold and his legal advisors⁵.
7. Mr Ford acted throughout this case in what he genuinely believed to be the best interests of the Museum. He told us that he did not want to burden his successor with a difficult and potentially protracted personnel problem⁶.

COMPROMISE AGREEMENT REACHED WITH MR ARNOLD

8. Under this Compromise Agreement, Mr Arnold left the Museum's employment and received £30,000, plus a contribution of £1,450 (excluding VAT) towards his legal costs and an agreed Employer's Reference. The wording of this reference was silent on the reasons for his departure. In return, Mr Arnold waived his rights to any claims he may have had against the Museum and undertook not to disclose the existence or the contents of the Compromise Agreement⁷.

² C&AG's Report, paragraph 7

³ C&AG's Report, paragraph 8.

⁴ Qs 4 and 16.

⁵ C&AG's Report, paragraph 10.

⁶ Qs 21 and 29.

⁷ C&AG's Report, paragraph 12.

9. The departure settlement was agreed in discussions between both parties and their respective solicitors, but it is unclear as to which side proposed the financial settlement⁸. Other options were discussed and costed by the Museum⁹, and we were told that the Compromise Agreement represented the cheapest option¹⁰.

FAILURE TO APPLY FOR APPROVAL OF THE PAYMENT

10. Under the Museum's Financial Memorandum, novel or contentious payments of this nature require prior approval from the Assembly (and before 1 July 1999, the Welsh Office). Mr Ford told us that he believed he had informed senior officials at the Welsh Office of the situation¹¹. It is not possible to ascertain precisely what details had been discussed between Mr Ford and senior Welsh Office officials, as there are no contemporaneous records of these discussions and there is a divergence of opinion between the parties on their content¹². However, it is indisputable that written approval was neither sought by the Museum nor granted by the Welsh Office¹³.
11. We questioned whether the Museum's solicitors should have been aware that the course of action they recommended lay outside the delegated authorities set out in the Financial Memorandum. Mr Ford told us that he believed he was entitled to rely on the solicitors' advice, but was fully aware that ultimate responsibility for the actions of the Museum lay with the Accounting Officer¹⁴.
12. Once the Compromise Agreement had been finalised, Mr Ford sent a memo to the Museum's Financial Controller, requesting that a cheque be raised in Mr Arnold's name. The Financial Controller raised the cheque and sent it to Mr Ford for signature, together with a memo stating that he assumed that the required Welsh Office approval had been obtained¹⁵. However, by this time the Compromise Agreement had already been signed

⁸ Qs 44, 46 and 75.

⁹ Q 60.

¹⁰ Qs 43, 63 and 82-84.

¹¹ Qs 122-128.

¹² Qs 117-119 and 146-167.

¹³ C&AG's Report, paragraph 19.

¹⁴ Qs 47-55 and 65.

¹⁵ C&AG's Report, paragraph 13.

and so Mr Arnold would have been contractually entitled to the payment. The cheque was issued to Mr Arnold on 9 October 1998, and Mr Ford retired from the Museum at the end of that month ¹⁶.

APPLICATION FOR RETROSPECTIVE APPROVAL AND CORRECTIVE ACTIONS TAKEN

13. The National Audit Office during their routine audit of the 1998-99 accounts brought this case to the attention of the Museum's incoming Director, Ms Anna Southall. She sought retrospective approval for the payment from the responsible officials in the Assembly, but this was refused ¹⁷. As a result, the expenditure was deemed irregular and the Comptroller and Auditor General decided to bring the case to the attention of Parliament in his report on the Museum's 1998-99 accounts ¹⁸.
14. Since her appointment as Director in November 1998, Ms Southall has made several changes to the Museum's structures and procedures. Mr Arnold's responsibility for a range of key functions including all finance, compliance, legal and personnel issues proved too broad a remit ¹⁹. She has now split these responsibilities between two senior staff ²⁰.
15. The Museum has also changed its systems for the receipt and dissemination of guidance from the Treasury and the Assembly (these take the form of 'Dear Accounting Officer' and 'Chief Executive Officer' letters), to ensure that all relevant senior members of staff are fully aware of them ²¹.
16. In the light of this case, the National Assembly's Principal Finance Officer has written to the Accounting Officers of all Assembly Sponsored Public Bodies to ensure that they are aware of some of the more important lessons already learned ²² (a copy of this letter is at Annex B to this report).

¹⁶ C&AG's Report, paragraphs 13 and 14.

¹⁷ C&AG's Report, paragraphs 22-24.

¹⁸ C&AG's Report, paragraphs 26 and 27.

¹⁹ Qs 25 and 184.

²⁰ Q 183.

²¹ Q 183.

²² Q 189.

17. The 'Financial Memorandum' and 'Management Statement' issued to each Assembly Sponsored Public Body are important financial control documents. They detail the precise scope of the powers and duties delegated by the Assembly and the circumstances in which formal approval from the sponsor division within the National Assembly should be sought and obtained ²³. Mr Shortridge emphasised to us that these documents should be clear and unambiguous²⁴.
18. We were told that, in common with all other Assembly Sponsored Public Bodies, the Museum's Financial Memorandum and Management Statement have yet to be updated and reissued to reflect the establishment of the National Assembly for Wales ²⁵. On important matters, such as the need in certain cases for the former Welsh Office to obtain Treasury approvals, these documents are therefore outdated, although they are in the process of being reviewed ²⁶.
19. The Museum's current Director and Accounting Officer, Ms Southall, also told us that the training she received on her appointment as a new Accounting Officer comprised only a very intense, information-compressed, half-day ²⁷.

FINDINGS AND CONCLUSIONS

20. Our main findings and conclusions are as follows:

On the initiation of disciplinary proceedings against Mr Arnold

- (i) We find it hard to understand why Mr Ford, as Director of the Museum, was unaware of the apparently long-standing difficulties surrounding Mr Arnold – a very senior officer - until these were brought to his attention by the Museum's Human Resources Manager in August 1998. We commend the actions of the Human Resources Manager in 'blowing the whistle' on her line manager, Mr Arnold.
- (ii) We consider it unacceptable that the Museum's prescribed disciplinary procedures were not followed. In particular, Mr Arnold should have been notified in writing of the precise nature of these allegations, to enable him to formulate his response. We

²³ C&AG's Report, paragraph 5.

²⁴ Q 191.

²⁵ C&AG's Report, paragraphs 4-5, and Q 183.

²⁶ C&AG's Report, paragraph 6, and Q 190.

²⁷ Qs 172 and 183.

believe the Museum's actions in this respect were contrary to the principles of natural justice, even if the motives for so doing were apparently sincere.

- (iii) We condemn the decision to place Mr Arnold on sick leave without proper medical justification, and consider this to have been an abuse of the Museum's sick absence procedures.
- (iv) We disagree with Anna Southall's contention that Colin Ford had acted properly to preserve the neutrality of the situation. We consider that the correct procedure would have been to suspend Mr Arnold whilst a full investigation of the allegations was undertaken. Suspension is, and must be regarded as, a neutral act, implying neither guilt nor innocence.
- (v) We endorse and reiterate the view expressed by the Committee of Public Accounts in 1994 that: "*the case for dismissal or other disciplinary action needs to be fully considered in a fair and objective way, irrespective of the seniority of the individual concerned*"²⁸.
- (vi) We also have serious reservations regarding the adequacy of the Museum's standard disciplinary procedures themselves (these procedures are reproduced in Annex C to this report). These were drafted in 1996, and we were told that they are under review. We urge the reviewers to pay particular attention to the absence of any current procedures for the suspension of staff, and to tightening up the appeals process to protect the Museum's position at industrial tribunals. We consider that public sector bodies should lead by example on human resource management issues.

On the Compromise Agreement reached with Mr Arnold

- (vii) We consider that the use in this case of a 'Compromise Agreement' was inappropriate. Such agreements should not be used to resolve disciplinary cases, and we are concerned that settlements of this nature may send the wrong message to poor performers in an organisation. In any event, where the use of such contracts is unavoidable, they should not contain confidentiality clauses.
- (viii) We do not consider it acceptable for a public body to use taxpayers' money to terminate the employment of a member of staff as a substitute for dealing with poor

²⁸ 8th Report of the Committee of Public Accounts (HC 154 of 1993-94), Annex 1.

performance. The need for management to act in a proper manner is important, not least to avoid setting unwelcome precedents for the future.

On the failure to apply for approval of the payment

- (ix) Oral approval for this transaction (which was of a novel and contentious nature) was not sufficient, and we are concerned at the apparently unquestioning attitude adopted by the Museum to the advice provided by its legal advisors on this point. However, we agree with Mr Shortridge's view that an Accounting Officer is entitled to expect an external firm of lawyers to be fully cognisant of the compliance and regulatory framework within which its client operates.
- (x) We find it difficult to comprehend how Mr Ford did not see, or did not act on, the memo addressed to him from the Museum's Financial Controller that was attached to the cheque to Mr Arnold which drew attention to the need for Welsh Office approval for the payment.
- (xi) We are surprised that the responsible Welsh Office officials failed to establish a connection between the departure of Mr Arnold and the earlier information that the Museum had provided to them, and to make appropriate enquiries of Mr Ford.

On the application for retrospective approval and corrective actions

- (xii) We consider that Ms Southall acted properly in applying for retrospective approval for the payment, once the National Audit Office had brought the matter to her attention.
- (xiii) We endorse Mr Shortridge's decision not to grant approval retrospectively, and were reassured by his comment that approval would in any case have been withheld had the Museum sought this prior to making the payment.
- (xiv) We welcome the changes made by the Museum to its internal management structures, processes and control procedures in the light of this case, and the action of the Assembly's Principal Finance Officer in writing to the Accounting Officers of all Assembly Sponsored Public Bodies drawing out the lessons to be learnt from this case.
- (xv) We are concerned that, over nine months after the Assembly took responsibility for the sponsorship of its public bodies, revised Management Statements and Financial Memoranda are not yet in place to govern these relationships. This represents a significant control weakness. We consider it essential that these documents are kept up to date, and their requirements fully understood by officials within each sponsored body and the corresponding sponsor division within the National Assembly.

- (xvi) We consider that the level of induction and other training provided to the Accounting Officers of Assembly Sponsored Public Bodies is, in certain respects, deficient. Both the adequacy and timing of such training, including periodic refresher courses on the practical implications of their responsibilities, need to be reviewed by the responsible Assembly officials.

RECOMMENDATIONS

21. In the light of these findings and conclusions, we make the following recommendations:

To the National Assembly for Wales

- (i) The requirement that written approval be obtained for novel and contentious transactions should be made clear in the Financial Memoranda for all Assembly Sponsored Public Bodies.
- (ii) Assembly officials should complete the review of Management Statements and Financial Memoranda of all its sponsored public bodies as quickly as possible. Every effort should be made by sponsor departments within the Assembly to ensure that these documents are kept up to date, clear and unambiguous in future.
- (iii) The Assembly Compliance Officer should review the adequacy and timing of the induction and other training offered to Accounting Officers. In particular, consideration should be made of the benefits that might be derived from running regular update courses, perhaps of a practical nature and involving case studies.
- (iv) Assembly officials should issue a strong reminder to all Assembly Sponsored Public Bodies that they must operate sound employment practices, including watertight disciplinary procedures, and that these should be adhered to in all respects.

To the National Museums and Galleries of Wales

- (v) The Museum should consider carefully whether there are grounds for legal action against its solicitors, in respect of their apparent ignorance of the compliance and regulatory framework within which their client operates.
- (vi) The Museum should complete the review of its disciplinary procedures as a matter of urgency.

Of general application to the wider Welsh public sector

- (vii) Public monies should not be used to terminate the employment of a member of staff as a substitute for disciplinary action in cases where such action would be more appropriate.
- (viii) Public sector bodies should not resort to the use of sick leave in cases where suspension, as a prelude to a thorough investigation of allegations, would be the proper course of action.
- (ix) All bodies should consider how best to address the cultural stigma currently attached to the term ‘suspension’, so that it may be more properly viewed as a neutral act, implying neither guilt nor innocence.
- (x) Where formal departure agreements commit an organisation to providing a written reference for the individual concerned, the writer should give careful consideration to its wording to ensure that it cannot be misconstrued by future prospective employers or give rise to the risk of litigation. Such departure agreements should not contain confidentiality clauses.

SUMMARY

- 22. This case was the first opportunity afforded to the Audit Committee of the National Assembly for Wales to examine an issue of financial regularity and propriety. We hope that such hearings do not become a frequent occurrence.
- 23. We accept that this case had a number of unusual and exceptional features, including the imminent change of Director and the seniority and wide-ranging responsibilities of the individual concerned. We also recognise that both the current Director of the Museum and Assembly officials have taken a number of measures to help prevent a recurrence of this unfortunate situation. **However, we wish to make it quite clear from the outset that we expect all public bodies in Wales, including the Assembly itself, to operate to the highest possible standards in the management of their financial affairs and to act within their statutory powers and delegated authorities.** To do otherwise would bring the organisation concerned into disrepute and would also serve to undermine the credibility and reputation of the Welsh public sector. This cannot be allowed to happen.



Cynulliad Cenedlaethol Cymru

Pwyllgor Archwilio

The National Assembly for Wales

Audit Committee

Amgueddfeydd ac Oriolau Cenedlaethol Cymru

National Museums and Galleries of Wales

Cwestiynau 1-198

Questions 1-198

Dydd Iau 17 Chwefror 2000

Thursday 17 February 2000

Aelodau o'r Cynulliad yn bresennol: Janet Davies (Cadeirydd), Peter Black, Alun Cairns, Christine Chapman, Geraint Davies, Brian Gibbons, Alison Halford, Alun Pugh, Dafydd Wigley.

Swyddogion yn bresennol: Syr John Bourn, Archwilydd Cyffredinol Cymru; Phil Gray, Swyddog Cydymffurfio Cynulliad Cenedlaethol Cymru; Ian Summers, Swyddfa Archwilio Genedlaethol Cymru.

Tystion: Colin Ford, Cyfarwyddwr blaenorol Amgueddfeydd ac Oriolau Cenedlaethol Cymru; Laurie Pavelin, Prif Gyfrifydd Cynulliad Cenedlaethol Cymru; Jon Shortridge, Ysgrifennydd Parhaol Cynulliad Cenedlaethol Cymru; Anna Southall, Cyfarwyddwr Amgueddfeydd ac Oriolau Cenedlaethol Cymru; Nick Srdic, Rheolwr Cyllidol Amgueddfeydd ac Oriolau Cenedlaethol Cymru.

Assembly Members present: Janet Davies (Chair), Peter Black, Alun Cairns, Christine Chapman, Geraint Davies, Brian Gibbons, Alison Halford, Alun Pugh, Dafydd Wigley.

Officials present: Sir John Bourn, the Auditor General for Wales; Phil Gray, Compliance Officer of the National Assembly for Wales; Ian Summers, National Audit Office.

Witnesses: Colin Ford, previous Director of the National Museums and Galleries of Wales; Laurie Pavelin, Chief Accountant of the National Assembly for Wales; Jon Shortridge, Permanent Secretary of the National Assembly for Wales; Anna Southall, Director of the National Museums and Galleries of Wales; Nick Srdic, Financial Controller of the National Museums and Galleries of Wales.

Dechreuodd y cyfarfod am 9.32 a.m.

The meeting began at 9.32 a.m.

[1] Janet Davies: **Good morning. The purpose of this meeting is to take** [1] Janet Davies: **Bore da. Diben y cyfarfod hwn yw cymryd tystiolaeth**

evidence in connection with the National Audit Office's report on behalf of the Comptroller and Auditor General on the accounts of the National Museums and Galleries of Wales for 1998-99, which were published on 19 November 1999. I welcome the witnesses and ask them to introduce themselves.

Mr Shortridge: I am the Permanent Secretary of the National Assembly for Wales and on my right I have Laurie Pavelin, the Assembly's Chief Accountant. In the wings are Richard Davies and Russell Thomas from the Education Department. I can call on them if there are matters of fact that the Committee wants to probe, if that will be helpful.

Ms Southall: I am the present director of the National Museums and Galleries of Wales. I have also brought Nick Srdic who is the head of finance. If there are any technical questions on the accounts that I am unable to answer, I hope that he might be able to help.

Mr Ford: I was the director of the National Museums and Galleries of Wales from 1 November 1993 to 31 October 1998.

mewn perthynas ag adroddiad y Swyddfa Archwilio Genedlaethol ar ran y Rheolwr ac Archwilydd Cyffredinol ar gyfrifon Amgueddfeydd ac Oriolau Cenedlaethol Cymru ar gyfer 1998-1999, a gyhoeddwyd ar 19 Tachwedd 1999. Croesawaf y tystion gan ofyn iddynt gyflwyno eu hunain.

Mr Shortridge: Myfi yw Ysgrifennydd Parhaol Cynulliad Cenedlaethol Cymru ac ar fy llaw chwith mae Laurie Pavelin, Prif Gyfrifydd y Cynulliad. Ar yr ochrau mae Richard Davies a Russell Thomas o'r Adran Addysg. Gallaf alw arnynt os oes materion ffeithiol yn codi yr hoffai'r Pwyllgor holi yn eu cylch, os byddai hynny o gymorth.

Ms Southall: Myfi yw cyfarwyddwr presennol Amgueddfeydd ac Oriolau Cenedlaethol Cymru. Yr wyf hefyd wedi dod â Nick Srdic, sef y pennaeth cyllid, gyda mi. Os bydd unrhyw gwestiynau o natur dechnegol ynglyn â'r cyfrifon na allaf eu hateb, gobeithiaf y gall helpu.

Mr Ford: Myfi oedd cyfarwyddwr Amgueddfeydd ac Oriolau Cenedlaethol Cymru o 1 Tachwedd 1993 hyd 31 Hydref 1998.

[2] Janet Davies: I have received a request from Peter Black to make a statement before the hearing begins.

[2] Janet Davies: Yr wyf wedi derbyn cais gan Peter Black i wneud datganiad cyn i'r gwrandawriad ddechrau.

[3] Peter Black: I want to declare that I have an interest, as my partner works in the National Museums and Galleries of Wales. However, as that interest has no bearing on the case that we are considering today or the responsibilities of the officials giving evidence, I intend to take a full part in the proceedings. Are there any objections from any Members or witnesses to me doing so?

[3] Peter Black: Hoffwn ddatgan fod gennyf fuddiant, gan fod fy mhartner yn gweithio yn Amgueddfeydd ac Oriolau Cenedlaethol Cymru. Fodd bynnag, gan nad yw'r buddiant hwnnw yn effeithio ar yr achos sydd ger ein bron heddiw nac ar gyfrifoldebau'r swyddogion sydd yn rhoi tystiolaeth, bwriadaf gymryd rhan lawn yn y gweithrediadau. A oes gan unrhyw Aelod neu dyst unrhyw wrthwynebiad imi wneud hynny?

[4] Janet Davies: No one has any problems with that. I will address the first question to Anna Southall. Paragraph 8 of the report states that Tim Arnold was informed at an informal meeting that allegations of mismanagement had been made against him and that he was being suspended. The next paragraph mentions the second informal meeting where it was recognised that a full and thorough investigation was required. However, at neither of these meetings was the precise nature of the allegations discussed. Is that the museum's normal procedure for

[4] Janet Davies: Nid oes gan neb unrhyw broblemau parthed hynny. Gofynnaf y cwestiwn cyntaf i Anna Southall. Mae Paragraff 8 o'r adroddiad yn nodi y cafodd Tim Arnold wybod mewn cyfarfod anffurfiol bod honiadau o gamreoli wedi eu gwneud yn ei erbyn a'i fod yn cael ei wahardd o'i swydd. Mae'r paragraff nesaf yn crybwyll yr ail gyfarfod anffurfiol lle y cydnabuwyd bod angen ymchwiliad llawn a thrylwyr. Fodd bynnag, ni thrafodwyd union natur yr honiadau yn unrhyw un o'r cyfarfodydd hyn. Ai dyma weithdrefn arferol yr amgueddfa ar

handling such allegations?

Ms Southall: It is in a way, but I think that I should perhaps clarify the precise details. It is true that the precise details were not discussed, but as I understand it the three main areas of concern were made clear by Mr Ford to Mr Arnold. A file note exists of that first preliminary interview. In answer to the second part of your question, therefore, this is a fairly normal part of our very standard disciplinary procedures where an informal interview is held when the allegations or issues to be discussed might be of a serious or sensitive nature. I hesitate to say that it is not unusual, as that sounds as if we enter into disciplinary procedures all the time. However, it would be considered to be perfectly normal to act in the way that Mr Ford acted on this occasion.

[5] Janet Davies: I would like to go further than that. I notice that at no point did Tim Arnold have a representative, such as a trade union or legal representative, with him. There is no mention of it, anyway. Was he told that he could have somebody?

gyfer ymdrin â honiadau o'r fath?

Ms Southall: Ie, mewn ffordd, ond credaf y dylwn egluro'r union fanylion efallai. Mae'n wir na thrafodwyd yr union fanylion, ond fel yr wyf ar ddeall, eglurodd Mr Ford y tri phrif faes o bryder i Mr Arnold. Mae nodyn ar ffeil o'r cyfweiliad rhagarweiniol cyntaf hwnnw. Gan ateb ail ran eich cwestiwn, felly, mae hyn yn rhan eithaf cyffredin o'n gweithdrefnau disgyblu safonol iawn lle y cynhelir cyfweiliad anffurfiol pan fydd yr honiadau neu'r materion sydd i'w trafod o bosibl o natur ddifrifol neu sensitif. Petrusaf cyn dweud nad yw'n anarferol, gan fod hynny'n rhoi'r argraff ein bod yn cynnal gweithdrefnau disgyblu byth a hefyd. Fodd bynnag, byddai'r ffordd y bu i Mr Ford weithredu ar yr achlysur hwn yn cael ei hystyried yn hollol arferol.

[5] Janet Davies: Hoffwn fynd ymhellach na hynny. Sylwaf nad oedd gan Tim Arnold ar unrhyw adeg gynrychiolydd, megis cynrychiolydd undeb llafur neu gynrychiolydd cyfreithiol a ddaeth gydag ef. Ni chrybwyllir hyn yn unman, beth bynnag. A ddywedwyd wrtho y gallai gael cynrychiolydd?

Ms Southall: The preliminary interview was just an interview between Mr Ford and Mr Arnold. That was really to warn Mr Arnold that the disciplinary procedure would be invoked. By the time we came to the initial stage of the disciplinary procedure, Mr Arnold did have a legal representative with him.

Ms Southall: Cyfweiliad rhwng Mr Ford a Mr Arnold yn unig oedd y cyfweiliad rhagarweiniol. Diben hwnnw oedd rhybuddio Mr Arnold y byddai'r weithdrefn ddisgyblu'n cael ei harddel. Erbyn camau cychwynnol y weithdrefn ddisgyblu, yr oedd gan Mr Arnold gynrychiolydd a ddaeth gydag ef.

[6] Brian Gibbons: So, it was at the second meeting that Mr Arnold had a legal representative with him? The first meeting was very informal, just raising the issue, and then it was at the second, still informal meeting that he had a legal representative. Is that true?

[6] Brian Gibbons: Felly, yn yr ail gyfweiliad yr oedd gan Mr Arnold gynrychiolydd cyfreithiol a ddaeth gydag ef? Yr oedd y cyfarfod cyntaf yn anffurfiol iawn, gan godi'r mater yn unig, ac yna yn yr ail gyfarfod, a oedd hefyd yn anffurfiol, yr oedd ganddo gynrychiolydd cyfreithiol. A yw hynny'n wir?

Ms Southall: My understanding is that there were two preliminary meetings and at the second of these Mr Arnold still did not have a legal representative. However, at that meeting, clearly the issue of legal representation was discussed, because at the next meeting, which involved members of Council, Mr Arnold had legal representation.

Ms Southall: Yn ôl fy nealltwriaeth i cynhaliwyd dau gyfarfod rhagarweiniol ac yn yr ail yr oedd Mr Arnold yn parhau i fod heb gynrychiolydd cyfreithiol. Fodd bynnag, yn y cyfarfod hwnnw, mae'n amlwg i fater cynrychiolaeth gyfreithiol gael ei drafod, oherwydd yn y cyfarfod nesaf, a oedd yn cynnwys aelodau o'r Cyngor, yr oedd gan Mr Arnold gynrychiolaeth gyfreithiol.

[7] Brian Gibbons: **So it was the third meeting before he had the opportunity to have legal representation?**

[7] Brian Gibbons: **Felly ni chafodd y cyfle i gael cynrychiolaeth gyfreithiol tan y trydydd cyfarfod?**

Ms Southall: **It was at the third meeting that stage one of the formal disciplinary procedure was entered into. So when the disciplinary procedure was entered into, Mr Arnold had legal representation, as I understand it.**

Ms Southall: **Dechreuwyd ar gam cyntaf y weithdrefn ddisgyblu ffurfiol yn y trydydd cyfarfod. Felly pan gychwynnodd y weithdrefn ddisgyblu, yr oedd gan Mr Arnold gynrychiolaeth gyfreithiol, fel y deallaf.**

[8] Brian Gibbons: **You said that some notes were taken of what transpired at these initial two informal meetings?**

[8] Brian Gibbons: **Dywedasoch y cymerwyd rhai nodiadau o'r hyn a ddigwyddodd yn y ddau gyfarfod anffurfiol hyn?**

Ms Southall: **When I went through the files on this case, I found one note made by Mr Ford of what had been discussed at, I believe, the first meeting. I am not certain of that. You may want to check with Mr Ford.**

Ms Southall: **Pan edrychais drwy ffeiliau'r achos hwn, deuthum o hyd i un nodyn a wnaethpwyd gan Mr Ford o'r hyn a drafodwyd yn y cyfarfod cyntaf, mi gredaf. Nid wyf yn sicr o hynny. Efallai yr hoffech gadarnhau hynny gyda Mr Ford.**

[9] Brian Gibbons: **At that initial meeting, was there any information on the substance of the allegations being specifically made?**

[9] Brian Gibbons: **Yn y cyfarfod cychwynnol hwnnw, a oedd unrhyw wybodaeth ar swm a sylwedd yr honiadau penodol a oedd yn cael eu gwneud?**

Ms Southall: **I understand that Mr Ford made clear what the three areas of concern were and may even have**

Ms Southall: **Deallaf i Mr Ford ei gwneud yn amlwg beth oedd y tri maes o bryder a'i fod o bosibl wedi rhoi**

given examples in some cases. I think the National Audit Office's description of the precise details is perfectly accurate.

[10] Brian Gibbons: But at no stage, insofar as the report tells us anyway, did you proceed to a full and thorough investigation of the actual allegations and no report was presented, even to the initial formal meeting?

Ms Southall: That is my understanding, yes.

[11] Brian Gibbons: Can you explain why that was the case?

Ms Southall: The disciplinary procedure was invoked. I know that it was Mr Ford's intention to pursue the disciplinary procedure because, at one point, he felt that he needed to consult me—not on the details of it at all, but as director designate, he needed to know whether I would be prepared to lead what could be quite a protracted procedure. It was estimated that we would probably not see the procedure completed by the end of the three-month period. That would then take us into my directorship. Mr Ford, I think very properly, therefore asked me whether I would be prepared to

enghreiffitiau mewn rhai achosion. Credaf fod disgrifiad y Swyddfa Archwilio Genedlaethol o'r union fanylion yn hollol gywir.

[10] Brian Gibbons: Ond ni wnaethoch ar unrhyw adeg, yn ôl yr hyn a ddywed yr adroddiad wrthym beth bynnag, gynnal ymchwiliad llawn a thrylwyr i'r honiadau eu hunain ac ni chyflwynwyd unrhyw adroddiad, hyd yn oed i'r cyfarfod ffurfiol cychwynnol?

Ms Southall: Dyna fy nealltwriaeth, ie.

[11] Brian Gibbons: A allwch esbonio pam mai felly y bu?

Ms Southall: Cychwynnwyd ar y weithdrefn ddisgyblu. Gwn ei fod yn fwriad gan Mr Ford ddilyn y weithdrefn ddisgyblu oherwydd, ar un pwynt, teimlodd yr angen i ymgynghori â mi—nid ar fanylion y mater, ond fel darpar gyfarwyddwr, yr oedd yn awyddus i wybod a fyddwn i'n barod i arwain yr hyn a allai fod yn weithdrefn faith. Amcangyfrifwyd na fyddai'r weithdrefn yn cael ei chwblhau cyn diwedd y cyfnod o dri mis. Byddai hynny wedyn yn ein harwain i'm cyfnod fel cyfarwyddwr. Felly, gofynnodd Mr Ford i mi, a hynny'n briodol iawn yn fy marn i, a

continue with the procedure. I said that I was prepared to do so, subject to being better informed about the precise details of the allegations, of course.

[12] Brian Gibbons: So it would be fair to say, at this initial stage, that there was a clear intention to undertake a full and thorough investigation and that whatever happened subsequently that initial intention was short-circuited or not acted on?

Ms Southall: Yes, it transpires that an alternative route was taken.

[13] Brian Gibbons: All right. The report also suggests that these difficulties or allegations were going on for a protracted period before they were brought to the attention of Mr Ford. Can you explain why it took such a long time for the concerns to be raised officially?

Ms Southall: I think that there were probably a number of issues here. I think that two policies and procedures—one was put in place in April 1998 and one later than that—might have helped in this situation. The first is that we did not have, as it

fyddwn yn barod i barhau â'r weithdrefn. Dywedais fy mod yn barod i wneud hynny, yn amodol ar gael mwy o wybodaeth am union fanylion yr honiadau, wrth gwrs.

[12] Brian Gibbons: Felly byddai'n deg dweud, yn ystod y cam cychwynnol hwn, fod bwriad pendant i gynnal ymchwiliad llawn a thrylwyr a beth bynnag a ddigwyddodd wedi hynny, byrhäwyd y bwriad gwreiddiol hwnnw neu ni weithredwyd arno?

Ms Southall: Byddai. Cymerwyd llwybr gwahanol.

[13] Brian Gibbons: O'r gorau. Awgryma'r adroddiad hefyd fod yr anawsterau neu'r honiadau hyn wedi bod yn mynd ymlaen ers cyfnod maith cyn iddynt gael eu dwyn i sylw Mr Ford. A allwch esbonio pam y cymerodd gymaint o amser i'r pryderon hyn gael eu codi'n swyddogol?

Ms Southall: Credaf fod nifer o faterion yma yn fwy na thebyg. Credaf y gallai dau o'r polisiâu a'r gweithdrefnau—sefydlwyd un ym mis Ebrill 1988 ac un yn ddiweddarach—fod wedi helpu'r sefyllfa hon. Yn gyntaf nid oedd gennym, fel y digwyddodd, system

transpired, as robust an appraisal system as we might have had. Mr Ford instituted this improvement and indeed in April 1998 a new performance development review system, an appraisal system, was put in place. It is my belief that if that appraisal system had been in place before, issues of management style would have surfaced before. The other procedure that we have since put in place, I think since I took over as director, is a disclosure policy or a whistle-blowing policy. I think that that would have encouraged staff who clearly had concerns that there would have been an alternative route for them to bring their concerns to the attention of Mr Ford.

[14] Brian Gibbons: But is it not true—and it says it in the report—that the reason why this came to Mr Ford's attention was because somebody decided to act as a quasi whistle-blower? It was not actually the management changes as you have suggested, but that somebody did this and that at that stage there was no whistle-blower protection actually in place.

Ms Southall: I think that the reasons are complex. There were a number of

werthuso mor rymus ag y gallai fod gennym. Sefydlodd Mr Ford y gwelliant hwn, ac yn wir ym mis Ebrill 1998 yr oedd system arolygu datblygiad perfformiad newydd, system werthuso, yn ei lle. Yn fy marn i, pe bai'r system werthuso honno wedi bod yn ei lle yn gynharach, byddai materion yn ymwneud ga arddull rheoli wedi dod i'r amlwg cyn hyn. Y weithdrefn arall yr ydym wedi ei rhoi yn ei lle ers hynny, ers imi gymryd yr awennau fel cyfarwyddwr mi gredaf, yw polisi datgelu neu bolisi datgelu cyfrinachau. Credaf y byddai hynny wedi annog staff a oedd yn amlwg yn pryderu y byddai llwybr gwahanol ganddynt i ddwyn eu pryderon i sylw Mr Ford.

[14] Brian Gibbons: Ond onid yw'n wir—ac mae'n dweud hynny yn yr adroddiad—mai'r rheswm pam y daeth hyn i sylw Mr Ford oedd oherwydd i rywun benderfynu bod yn lled-ddatgelwr cyfrinachau? Nid y newidiadau rheoli a wnaeth hyn fel yr ydych chi wedi ei awgrymu, ond yn hytrach rhywun arall ac ar y pryd nid oedd unrhyw system ar gael i ddiogelu datgelwyr cyfrinachau.

Ms Southall: Credaf fod y rhesymau'n gymhleth. Yr oedd nifer o bethau a

things that happened at the same time. It is certainly true that the head of human resources, who was the person who made the report ultimately to Mr Ford, was a new appointment. She was the woman who was responsible for bringing in the new appraisal system. It may well be that the new appraisal system had already—as it certainly would have—brought these matters to Mr Ford’s attention, it may already have done so. So there are many issues there that, combined, meant that it came to Mr Ford’s attention, as I understand it, at this point.

[15] Brian Gibbons: So how long was she in the post then—the new head of resources?

Ms Southall: She was appointed in January 1997 and became full-time in March 1997, I believe, but forgive me, I would have to check to be absolutely certain, if I may. If that is an issue perhaps I could confirm that in writing to the Chair.

[16] Brian Gibbons: All right. But you were happy anyway initially that Mr Arnold was aware of the nature of the accusations being made against him,

ddigwyddodd ar yr un pryd. Mae’n sicr yn wir bod pennaeth yr adran adnoddau dynol, sef y person a wnaeth yr adroddiad i Mr Ford, yn benodiad newydd. Hi oedd y fenyw a oedd yn gyfrifol am gyflwyno’r system werthuso newydd. Efallai y byddai’r system werthuso newydd eisoes wedi dod â’r materion hyn i sylw Mr Ford—a byddai’n sicr o fod wedi gwneud hynny—ac efallai iddi wneud hynny eisoes. Felly mae llawer o faterion yno a olygodd, o’u cyfuno, ei fod wedi dod i sylw Mr Ford, fel y deallaf, bryd hynny.

[15] Brian Gibbons: Felly am ba hyd oedd hi yn y swydd—y pennaeth adnoddau newydd?

Ms Southall: Fe’i penodwyd ym mis Ionawr 1997 a daeth yn llawn amser ym mis Mawrth 1997, mi gredaf, ond maddeuwch i mi, byddai’n rhaid imi gadarnhau hynny er mwyn bod yn hollol sicr, os gallaf. Os yw hwnnw’n fater pwysig efallai y gallwn gadarnhau hynny yn ysgrifenedig i’r Cadeirydd.

[16] Brian Gibbons: O’r gorau. Ond yr oeddech yn fodlon serch hynny i ddechrau fod Mr Arnold yn ymwybodol o natur yr honiadau a oedd

from day one, even though this is not actually clear in the report?

Ms Southall: It is true that he was probably not at this stage aware of the precise details of the allegations, i.e. what they were precisely and who was making them, but he certainly knew what the general areas of concern were as I understand it, yes.

[17] Brian Gibbons: All right. The last area that I wish to cover is the decision as to why Mr Arnold was actually put on sick leave when clearly that was not the case, or at least the report suggests that that was not the case.

Ms Southall: That is certainly true that it was not the case. It was a decision taken by Mr Ford, in my view probably quite properly, because it was felt necessary to preserve the neutrality of the situation pending the investigation of the allegations. It was felt not to be helpful to Mr Arnold, or indeed to the museum, for speculation and discussion at that stage, and I think that the staff accepted the fact that Mr Arnold was on sick leave.

yn cael eu gwneud yn ei erbyn, o'r cychwyn cyntaf, er nad yw hyn mewn gwirionedd yn glir yn yr adroddiad?

Ms Southall: Mae'n wir nad oedd yn ôl pob tebyg, yn ymwybodol bryd hynny o union fanylion yr honiadau, h.y. beth oeddent yn union a phwy oedd yn eu gwneud, ond yr oedd yn gwybod yn bendant beth oedd y meysydd cyffredinol o bryder fel yr wyf ar ddeall, ie.

[17] Brian Gibbons: O'r gorau. Y maes olaf yr hoffwn ei gwmpasu yw'r penderfyniad ynglyn â pham y rhoddwyd Mr Arnold ar gyfnod salwch pan oedd yn amlwg nad felly y bu, neu mae'r adroddiad o leiaf yn awgrymu nad felly y bu.

Ms Southall: Mae hynny'n sicr yn wir nad felly y bu. Yr oedd yn benderfyniad a wnaethpwyd gan Mr Ford, yn briodol iawn yn fy marn i, oherwydd ei fod yn teimlo bod angen cadw'r sefyllfa yn amhleidiol tra'n aros am ymchwiliad i'r honiadau. Tybiwyd na fyddai dyfalu a thrafodaeth bryd hynny o gymorth i Mr Arnold, nac ychwaith i'r amgueddfa, a chredaf i'r staff dderbyn y ffaith fod Mr Arnold ar gyfnod salwch.

[18] Brian Gibbons: **But even with the benefit of hindsight, would you think that that actually is not a tenable position, that it really cannot be correct that the news is put out that somebody is on sick leave and clearly they are not?**

Ms Southall: **If the disciplinary procedure had continued, this situation would only have lasted for a few days, perhaps a working week. Because once the disciplinary procedure had been invoked, I think that staff would have been formally informed, many of them would have to have been involved in the process of taking evidence. My understanding, therefore, is that this was simply to preserve the neutrality for that immediate period while Mr Arnold was being asked to consider his position.**

[19] Brian Gibbons: **But would a suspension not be an alternative option?**

Ms Southall: **Yes, of course it would have been.**

[20] Brian Gibbons: **But a suspension is a neutral act, or at least it should be perceived as being a neutral act,**

[18] Brian Gibbons: **Ond hyd yn oed drwy edrych yn ôl, oni fyddech o'r farn nad yw honno'n sefyllfa gredadwy, na all fod yn gywir mewn gwirionedd i ddatgan bod rhywun ar gyfnod salwch pan ei fod yn amlwg nad ydyw?**

Ms Southall: **Petai'r weithdrefn ddisgyblu wedi parhau, dim ond am ychydig ddyddiau y byddai'r sefyllfa hon wedi parhau, wythnos waith efallai. Oherwydd unwaith bod y weithdrefn gwyno wedi cychwyn, credaf y byddai'r staff wedi cael eu hysbysu'n ffurfiol, byddai llawer ohonynt wedi gorfod cael eu cynnwys yn y broses o gymryd tystiolaeth. Fy nealltwriaeth, felly, yw bod hyn wedi digwydd er mwyn cadw'r sefyllfa'n amhleidiol dros y cyfnod hwnnw yn union wedi hynny tra y gofynnwyd : Mr Arnold ystyried ei sefyllfa.**

[19] Brian Gibbons: **Oni fyddai gwaharddiad yn opsiwn arall?**

Ms Southall: **Byddai, wrth gwrs.**

[20] Brian Gibbons: **Ond mae gwaharddiad yn gam amhleidiol, neu o leiaf dylid ei ystyried fel cam**

neither implying guilt nor innocence. Why was sick leave, which was obviously an untruth, decided upon rather than suspension?

Ms Southall: I am very sorry, I was not there at the time. I think that Mr Ford is going to have to answer the question in this specific case. All I was trying to say is that I think that on occasions there might be grounds for preserving the neutrality of the situation, as the NAO report describes it. But I absolutely accept your point that, of course, it was not true and that therefore there was a degree of deception of the staff. I think that it was well-intentioned.

[21] Brian Gibbons: Well, if I could ask Mr Ford then. If a clerk in the museum was going to be subject to disciplinary action, would they be given the option of going on sick leave, or if the allegation was serious enough, would they be suspended? I am wondering how you decide who merits sick leave as opposed to some other particular discipline, or action?

amhleidiol, gan nad yw'n awgrymu bod rhywun yn euog nac yn ddiuog. Pam y penderfynwyd ar gyfnod salwch, a oedd yn amlwg yn gelwydd, yn hytrach na gwaharddiad?

Ms Southall: Mae'n ddrwg iawn gennyf, nid oeddwn yno ar y pryd. Credaf y bydd yn rhaid i Mr Ford ateb y cwestiwn yn yr achos penodol hwn. Y cyfan yr oeddwn yn ceisio ei ddweud yw fy mod yn credu y gallai fod sail ar brydiau i gadw'r sefyllfa yn amhleidiol, fel y disgrifir yn adroddiad y Swyddfa Archwilio Genedlaethol. Ond yr wyf yn derbyn eich pwynt yn llwyr nad oedd, wrth gwrs, yn wir, ac felly bod y staff wedi cael eu twyllo i ryw raddau. Yr wyf yn credu mai bwriad da oedd y tu ôl iddo.

[21] Brian Gibbons: Wel, os caf ofyn i Mr Ford felly. Petai clercc yn yr amgueddfa yn mynd i fod yn destun camau disgyblu, a fyddai'n cael y dewis o fynd ar gyfnod salwch, neu petai'r honiad yn ddigon difrifol, a fyddai'n cael ei wahardd? Tybed sut yr ydych yn penderfynu pwy sydd yn haeddu cyfnod salwch yn hytrach na rhyw fath arall o ddisgyblaeth, neu gamau yn ei erbyn?

Mr Ford: It is not an issue that had arisen in my career before, and since my career happened to end a few weeks after this incident, it has certainly not happened since. It is all bound up with the fact that Mr Arnold had been an employee at the museum for 14 years, and that it transpired—though I did not know it until a matter of days before this incident—that the things that we decided to put to him had, in fact, been going on for a very long time. Coming back to your first point about an informal meeting, I made it very clear that this was the beginning of a disciplinary process, because this was something that had never happened to me before, because I was deeply sensitive of the seriousness of the issues, and because I had just, as Ms Southall says, led the museum to producing a disciplinary procedure that did not exist when I arrived at the museum. I was very conscious, a) of how it worked and, b) of the importance of following it.

It says right at the beginning of the disciplinary procedure that if you are going to have a disciplinary meeting you give the employee concerned a

Mr Ford: Nid yw'n fater a gododd yn ystod fy ngyrfa o'r blaen, a chan i'm gyrfa ddigwydd dod i ben ychydig wythnosau ar ôl y digwyddiad hwn, yn sicr nid yw wedi digwydd ers hynny. Mae'r holl fater ynghlwm wrth y ffaith fod Mr Arnold wedi bod yn gyflogedig yn yr amgueddfa ers 14 mlynedd, a'i bod wedi dod i'r amlwg—er na wyddwn hynny tan ychydig ddyddiau cyn y digwyddiad hwn—bod y pethau y penderfynasom eu rhoi ger ei fron, mewn gwirionedd wedi bod yn mynd ymlaen am gyfnod hir iawn. Gan ddychwelyd at eich pwynt cyntaf ynglyn â chyfarfod anffurfiol, gwneuthum yn hollol glir mai dechrau'r broses ddisgyblu oedd hyn, oherwydd nad oedd hyn yn rhywbeth a oedd wedi digwydd i mi erioed, oherwydd fy mod yn hynod sensitif ynghylch difrifoldeb y materion, ac oherwydd fy mod newydd arwain yr amgueddfa at gynhyrchu gweithdrefn ddisgyblu, fel y dywed Ms Southall, nad oedd yn bodoli pan gyrhaeddais yr amgueddfa. Yr oeddwn yn ymwybodol iawn o, a) y ffordd yr oedd yn gweithio a, b) pwysigrwydd ei dilyn.

Dywed ar ddechrau'r weithdrefn ddisgyblu os ydych am gynnal cyfarfod disgyblu y dylech roi datganiad ysgrifenedig o'r holl honiadau i'r

written statement of all the allegations a week before the meeting. That was absolutely impossible—the man was on holiday. I believed that the issues were so serious that they needed to be confronted on the day that he returned. I had, indeed, already been advised, both by the head of human resources and my solicitor, that one of the set of three allegations was so serious that I really had no choice but to suspend him straight away. This is what I did. But I did say that we would have to go through the disciplinary process as soon as we had got a paper written for him to study and to have the week to study.

I pointed out to him that that disciplinary process would involve, as Ms Southall has already said herself, past and present members of staff. It would involve Council, it would involve the personnel department—which was a particular problem with which I was confronted because, of course, the personnel department reported to Mr Arnold, and had done—and it would involve the Welsh Office.

As I say, this meeting was so sensitive and important to me that I had done something that I do not think that I have ever done before—I have the notes of what I was going to say and

gweithiwr dan sylw wythnos cyn y cyfarfod. Yr oedd hynny'n hollol amhosibl—yr oedd y dyn ar ei wyliau. Yr oeddwn yn credu bod y materion mor ddifrifol bod angen ymdrin â hwy ar y diwrnod y dychwelodd. Yr oeddwn, yn wir, wedi cael cyngor eisoes, gan y pennaeth adnoddau dynol a'm cyfreithiwr, bod un o blith y set o dri honiad mor ddifrifol fel nad oedd gennyf unrhyw ddewis ond ei wahardd ar unwaith. Gwneuthum hynny. Ond dywedais fod yn rhaid inni fynd drwy'r broses ddisgyblu cyn gynted ag yr oeddem wedi paratoi papur iddo ei astudio a chael wythnos i'w astudio.

Eglurais wrtho y byddai'r broses ddisgyblu yn cynnwys aelodau presennol a chyn-aelodau o'r staff, fel y dywedodd Ms Southall ei hun eisoes. Byddai'n cynnwys y Cyngor, byddai'n cynnwys yr adran bersonél—a oedd yn broblem benodol a wynebwn oherwydd bod yr adran bersonél wrth gwrs yn atebol i Mr Arnold, a'i bod wedi gwneud hynny—a byddai'r Swyddfa Gymreig yn rhan o hynny.

Fel y dywedais, yr oedd y cyfarfod hwn mor sensitif a phwysig imi nes imi wneud rhywbeth nad wyf yn credu imi erioed ei wneud o'r blaen—mae gennyf nodiadau o'r hyn yr oeddwn am ei

then notes of what I actually did say— so it is a very carefully documented meeting. In one of the three areas I gave him some very precise examples.

I think that there is very little that I can say to be absolutely specific about the sick leave point. First, I felt, actually, despite whatever the formal position was, that it was quite fair for an employee of 14 years' standing to be given informal notice of what was coming. Secondly, I felt that he had earned at least the right not to, as it were, have the fact that he was under suspicion bandied all around the museum and the public straight away. If it did go round the museum I assure you—I know from experience—that it would have been in the public print very quickly indeed.

It seemed to me that, if you like, I was being slightly dishonest. I think that it is a white lie. I do not know whether you believe in white lies or not. It seemed to me that he was entitled to have the benefit of the doubt until the disciplinary process actually began. I think that all rules and morality suggest that I should do that.

ddweud ac yna nodiadau o'r hyn a ddywedais—felly mae'n gyfarfod sydd wedi'i gofnodi'n ofalus. Mewn un o'r tri maes rhoddais rai enghreifftiau penodol iawn iddo.

Nid wyf yn credu y gallaf ddweud llawer i fod yn hollol benodol o ran y pwynt ynglyn â'r cyfnod salwch. Yn gyntaf, teimlwn, mewn gwirionedd, beth bynnag oedd y sefyllfa ffurfiol, ei fod yn eithaf teg i rywun a fu'n gyflogedig ers 14 mlynedd gael rhybudd anffurfiol o'r hyn a oedd i ddod. Yn ail, yr oeddwn o'r farn ei fod wedi ennill yr hawl, fel petai, i atal y ffaith ei fod o dan amheuaeth rhag cael ei lledaenu drwy'r amgueddfa ac i'r cyhoedd ar unwaith. Pe bai wedi cael ei lledaenu o amgylch yr amgueddfa gallaf eich sicrhau—a gwn o brofiad—y byddai yn y wasg yn fuan iawn.

Yn fy marn i, os mynnwch, yr oeddwn ychydig yn anonest. Credaf mai celwydd golau ydoedd. Ni wn a ydych yn credu mewn celwyddau golau ai peidio. Yn fy marn i yr oedd yn haeddu mantais yr amheuaeth nes i'r broses ddisgyblu ddechrau mewn gwirionedd. Credaf fod pob rheol a moes yn awgrymu y dylwn wneud hynny.

I had another couple of difficulties— one of them that Ms Southall has already mentioned. There was an aspect of timing. I was two months and one week from leaving the job and Ms Southall taking over. I was advised that there was not the slightest chance of getting the disciplinary process through in that time, given the seriousness of the allegations. I was therefore confronted with the possibility that my last two months were going to be dominated by a particular, very difficult and frankly, I thought, likely to be unpleasant, difficulty. Ms Southall's first three months, perhaps, were going to be dominated by the same thing. I was advised by my legal adviser that there was a very serious likelihood that, when I left and Ms Southall started, Mr Arnold could get the whole thing started all over again. That affected a lot of my thinking about what had to be done and how quickly I had to move.

The other difficulty, frankly, was, as you have said and as comes out in the report, that these difficulties were not new. I had not been aware of the seriousness of these allegations and how far they went back. I was not

Cefais ambell anhawster arall—mae Ms Southall wedi crybwyll un ohonynt yn barod, sef amseru. Yr oedd gennyf ddau fis ac wythnos cyn gadael fy swydd a Ms Southall yn cymryd yr awenau. Cefais fy nghynghori nad oedd unrhyw siawns o gwblhau'r broses ddisgyblu yn yr amser hwnnw, o gofio difrifoldeb yr honiadau. Yr oeddwn felly yn wynebu'r posibilrwydd y byddai fy nau fis olaf yn canolbwyntio ar anhawster penodol anodd iawn ac, a bod yn onest, anhawster a oedd yn debygol o fod yn annymunol. Byddai tri mis cyntaf Ms Southall, o bosibl, yn canolbwyntio ar yr un peth. Cefais fy nghynghori gan fy ymgynghorydd cyfreithiol bod tebygolrwydd difrifol y gallai Mr Arnold achosi i'r holl beth gychwyn eto wrth i mi adael a Ms Southall ddechrau. Effeithiodd hynny'n fawr ar y ffordd yr oeddwn yn meddwl ynglyn â'r hyn yr oedd yn rhaid ei wneud a pha mor gyflym yr oedd yn rhaid i mi weithredu.

Yr anhawster arall oedd, a bod yn onest, fel y dywedasoeh ac fel yr amlygir yn yr adroddiad, nad oedd yr anawsterau hyn yn newydd. Nid oeddwn yn ymwybodol o ddifrifoldeb yr honiadau hyn nac ers pryd y'u

aware until after I had started this whole process that my predecessor had gone to the Welsh Office with the very same problems about Mr Arnold. I was not aware until the head of human resources brought me the files in the personnel office that, actually, there was a series of detailed reports on the most serious cases, the ones that I thought demanded an instant suspension, in the personnel office which nobody had shown me for whatever reason. I was therefore in the difficulty that the national museum could still be said to have acted extraordinarily slowly not to have dealt with these things previously. I can only plead that they were out there, but I, as a director who was in post for four and a half years at this stage, did not know about them.

[22] Brian Gibbons: One final point on this. We have seen this this week in terms of the report on the child abuse accusations. It is important that, if we are encouraging probity and encouraging people to come forward with complaints, and people are subject to complaints that may be correct or incorrect, we must establish

gwnaethpwyd. Nid oeddwn yn ymwybodol nes ar ôl imi ddechrau'r holl broses hon fod fy rhagflaenydd wedi cysylltu â'r Swyddfa Gymreig gyda'r union yr un problemau ynglyn â Mr Arnold. Nid oeddwn yn ymwybodol nes i bennaeth yr adran adnoddau dynol ddod â'r ffeiliau imi yn y swyddfa bersonél bod yna, mewn gwirionedd, gyfres o adroddiadau manwl ar yr achosion mwyaf difrifol, sef y rhai a oedd yn haeddu gwaharddiad ar unwaith yn fy marn i, yn y swyddfa bersonél nad oedd unrhyw un wedi eu dangos imi am ba reswm bynnag. Felly yr oeddwn yn wynebu'r anhawster y gellid dweud o hyd bod yr amgueddfa genedlaethol wedi gweithredu'n hynod o araf wrth beidio ag ymdrin â'r pethau hyn yn flaenorol. Ni allaf ond haeru eu bod ar gael, ond, fel cyfarwyddwr a oedd yn y swydd ers pedair blynedd a hanner bryd hynny, ni wyddwn amdanynt.

[22] Brian Gibbons: Un pwynt olaf ar hyn. Yr ydym wedi gweld hyn yr wythnos hon gyda'r adroddiad ar honiadau o gam-drin plant. Mae'n bwysig, os ydym yn annog gonestrwydd ac yn annog pobl i gyflwyno cwynion, ac mae pobl yn destun cwynion a allai fod yn gywir neu'n anghywir, inni gadarnhau bod

that a suspension is a neutral act and does not imply guilt or innocence. I do not think that you have really answered the question. It worries me that, in some way, you feel that suspension implies guilt. In retrospect, do you still feel that offering sick leave was the correct option?

Mr Ford: In retrospect, I do not think that I would have changed anything that I did at the first two or three meetings. I hear what you say about wishing the word 'suspension' not to be coloured, but I am bound to say that I do not agree with you. I think that it currently is coloured. If the world hears that an employee has been suspended for enquiries, there is an implication, a suggestion and a jumping to conclusions. I felt, to be fair, that I did not want people jumping to conclusions about Mr Arnold at that point.

[23] Alun Pugh: I have one quick supplementary about culture. You say that there are perhaps long-standing problems. My question is very blunt. Do you not talk to each other? This building is obviously particularly

gwaharddiad yn weithred amhleidiol ac nad yw'n awgrymu bod person yn euog neu'n ddiuog. Nid wyf yn credu eich bod wedi ateb y cwestiwn mewn gwirionedd. Mae'n achos pryder imi eich bod, mewn rhyw ffordd, o'r farn fod gwaharddiad yn awgrymu bod rhywun yn euog. Wrth edrych yn ôl, a ydych yn parhau o'r farn mai cynnig cyfnod salwch oedd yr opsiwn cywir?

Mr Ford: Wrth edrych yn ôl, nid wyf yn credu y byddwn wedi newid unrhyw beth a wneuthum yn y ddau neu dri chyfarfod cyntaf. Yr wyf yn deall yr hyn a ddywedwch ynghylch dymuno peidio â chamliwio'r gair 'gwaharddiad', ond yr wyf yn rhwym o ddweud nad wyf yn cytuno â chi. Yr wyf yn credu ei fod wedi ei gamliwio ar hyn o bryd. Os yw'r byd yn clywed bod gweithiwr wedi'i wahardd oherwydd ymholiadau, mae ensyniad, awgrym a neidio i gasgliadau. Yr oeddwn o'r farn, i fod yn deg, nad oeddwn am i bobl neidio i gasgliadau ynglyn â Mr Arnold bryd hynny.

[23] Alun Pugh: Mae gennyf un cwestiwn ychwanegol cyflym ynglyn â diwylliant. Dywedwch fod problemau hirsefydlog o bosibl. Mae fy nghwestiwn yn un di-flewyn-ar-dafod. Onid ydych yn siarad â'ch gilydd?

leaky, but in every other organisation that I have worked for, managers make it their daily business to talk formally and informally with all levels of staff. If there were serious problems like this, I find it amazing that you were unaware of it.

Mr Ford: I was aware of some doubts and questions that I had in my mind and that my senior colleagues and others had discussed. I was not aware of precise evidence of things that had happened in surprisingly large numbers before I became director of the museum.

[24] Alison Halford: I am sorry to press you further Mr Ford. It is hopefully in an inquisitorial rather than an accusatorial way. What you have told us is at the heart of why we are here today. You kindly told us that you had been director since 1993, and yet it takes a woman who had only been appointed in January 1997 to tell you what was dramatically wrong with a senior member of your staff. Is that what you are telling the Committee?

Mae'r adeilad hwn yn amlwg yn arbennig o dafodrydd, ond ym mhob sefydliad arall yr wyf wedi gweithio iddo, mae rheolwyr yn sicrhau eu bod yn siarad yn ffurfiol ac yn anffurfiol gyda'r staff ar bob lefel yn ddyddiol. Os oedd problemau difrifol fel hyn, mae'n anhygoel yn fy marn i nad oeddech yn ymwybodol ohonynt.

Mr Ford: Yr oeddwn yn ymwybodol o rai amheuon a chwestiynau a oedd gennyf yn fy meddwl ac yr oedd fy uwch gydweithwyr ac eraill wedi eu trafod. Nid oeddwn yn ymwybodol o dystiolaeth fanwl ynghylch pethau a oedd wedi digwydd yn syfrdanol o aml cyn imi ddod yn gyfarwyddwr ar yr amgueddfa.

[24] Alison Halford: Mae'n ddrwg gennyf bwyso arnoch ymhellach, Mr Ford. Gobeithiaf fy mod yn gwneud hynny drwy holi yn hytrach na chyhuddo. Yr hyn yr ydych wedi ei ddweud wrthym sydd wrth wraidd y rheswm pam ein bod yma heddiw. Dywedasoeh wrthym yn garedig eich bod wedi bod yn gyfarwyddwr ers 1993, ac eto yr oedd angen menyw a oedd ond wedi'i phenodi ym mis Ionawr 1997 i ddweud wrthyh beth oedd o'i le yn ddifrifol gydag uwch aelod o'ch staff. Ai dyna yr ydych yn ei

ddweud wrth y Pwyllgor?

Mr Ford: I am telling you that I and some of my senior colleagues had questions about it, but remember that the personnel department reported to and was run by Mr Arnold. The evidence that was there did not come to me for whatever reason but it was all within Mr Arnold's area of activity.

[25] Alison Halford: So why do we pay directors to direct?

Mr Ford: I think that I am paid to direct. I had delegated to the most—Mr Arnold was the most senior member of staff that I had. He was an assistant director and had been there for much longer than anybody else. Having said I would not change anything in those early meetings, as I believe that I took the utmost care and very serious advice. I have thought about it very seriously, as you may well imagine, since the report came out. It worries me. I cannot think that I did anything that I would change now. What I do think that I would re-do if I got the job again is not to have one person responsible for finance, human resources and compliance. I think that this particular senior manager had too

Mr Ford: Yr wyf yn dweud wrthyb bod gennyf i a rhai o'm huwch gydweithwyr gwestiynau ynglyn â hyn, ond cofiwch fod yr adran bersonél yn atebol i Mr Arnold ac yn cael ei rhedeg ganddo. Ni chefais y dystiolaeth a oedd yno am ba reswm bynnag ond yr oedd hyn oll o fewn cylch gorchwyl Mr Arnold.

[25] Alison Halford: Felly pam yr ydym yn talu i gyfarwyddwyr gyfarwyddo?

Mr Ford: Credaf fy mod yn cael fy nhalu am gyfarwyddo. Yr oeddwn wedi dirprwyo i'r—Mr Arnold oedd yr aelod o staff uchaf o ran statws a oedd gennyf. Ef oedd cyfarwyddwr cynorthwyol ac yr oedd wedi bod yno yn llawer hwy nag unrhyw un arall. Wedi dweud na fyddwn yn newid unrhyw beth yn y cyfarfodydd cynnar hynny, gan fy mod yn credu imi gymryd y gofal mwyaf a chyngor o natur ddifrifol iawn. Bûm yn meddwl amdano'n ddwys iawn, fel y gallwch ddychmygu, ers i'r adroddiad gael ei gyhoeddi. Mae'n destun pryder imi. Ni allaf feddwl imi wneud unrhyw beth y byddwn yn ei newid yn awr. Yr hyn y credaf y byddwn yn ei ail-wneud pe bawn yn cael y swydd eto yw peidio â

many of those serious responsibilities delegated to him.

[26] Alison Halford: Was Arnold suspended officially?

Mr Ford: Yes.

[27] Alison Halford: And then, days later, in order to ensure that nobody found out that he was under suspicion, you allowed him to go on sick leave, although you were determined to continue the discipline proceedings against him.

Mr Ford: By the days later, Mr Arnold had made some proposals of other ways that he would want to deal with it.

[28] Alison Halford: Mr Arnold did?

Mr Ford: Yes. He had put to us the possibility that we should make him redundant or that we should let him retire on medical grounds.

chael un person a fyddai'n gyfrifol am gyllid, adnoddau dynol a chydymffurfiad. Credaf fod gormod o'r cyfrifoldebau difrifol hynny wedi'u dirprwyo i'r uwch reolwr arbennig hwn.

[26] Alison Halford: A gafodd Arnold ei wahardd yn swyddogol?

Mr Ford: Do.

[27] Alison Halford: Ac yna, wedi nifer o ddiwrnodau, er mwyn sicrhau nad oedd neb yn darganfod ei fod o dan amheuaeth, fe wnaethoch ganiatáu iddo fynd ar gyfnod salwch, er eich bod yn benderfynol o barhau â'r gweithdrefnau disgyblu yn ei erbyn.

Mr Ford: Wedi'r nifer o ddiwrnodau dan sylw, yr oedd Mr Arnold wedi gwneud rhai cynigion ynglyn â ffyrdd eraill y byddai am ddelio ag ef.

[28] Alison Halford: Mr Arnold a wnaeth hynny?

Mr Ford: Ie. Cyflwynodd inni'r posibilrwydd y dylem ei ddiswyddo neu y dylem adael iddo ymddeol ar sail feddygol.

[29] Alison Halford: And you, despite the seriousness of these long-standing allegations, were prepared to take that advice because your retirement was imminent. Is that right?

Mr Ford: I think that my imminent retirement was part of the issue. That makes it sound as if it was more important to me than to the director designate, whereas I believed that I was doing the best thing that I could for the director designate. I also believed that I was likely to save the taxpayer a great deal of money considering the length of the exercise that we were likely to have to go through in order to conduct this disciplinary process in a very difficult case.

[30] Alison Halford: You had never had any experience of the discipline process before, so how can you say that?

Mr Ford: I did not say that. I said that I had no experience of the museum's new disciplinary procedures that we had put in place. I have of course, having directed two museums and worked in senior positions in four national museums, been through a

[29] Alison Halford: Ac yr oeddech chi, er gwaethaf difrifoldeb yr honiadau hirsefydlog hyn, yn barod i gymryd y cyngor hwnnw gan fod eich ymddeoliad chi yn yr arfaeth. A yw hynny'n gywir?

Mr Ford: Credaf fod fy ymadawiad arfaethedig yn rhan o'r mater. Mae hynny'n gwneud iddo ymddangos fel ei fod yn bwysicach i mi nag i'r darpar gyfarwyddwr, ond mewn gwirionedd yr oeddwn yn credu fy mod yn gwneud y peth gorau y gallwn fod wedi'i wneud i'r darpar gyfarwyddwr. Yr oeddwn hefyd o'r farn fy mod yn debygol o arbed llawer o arian i'r trethdalwr o ystyried hyd yr ymarfer yr oeddem yn debygol o orfod ymgymryd ag ef er mwyn cynnal y broses ddisgyblu hon mewn achos anodd iawn.

[30] Alison Halford: Nid oeddech erioed wedi cael unrhyw brofiad o'r broses ddisgyblu o'r blaen, felly sut y gallwch ddweud hynny?

Mr Ford: Ni ddywedais hynny. Dywedais nad oedd gennyf unrhyw brofiad o weithdrefnau disgyblu newydd yr amgueddfa yr oeddem wedi eu rhoi yn eu lle. Gan fy mod wedi bod yn gyfarwyddwr ar ddwy amgueddfa ac wedi gweithio mewn uwch swyddi

number of disciplinary processes. I had never been through the new one and I had never been through it with a member of staff so senior.

[31] Janet Davies: Before we leave this part of the evidence, I think Alun would like to ask a question.

[32] Alun Cairns: I would like to pick up on one point that Mr Gibbons raised with you and that was pursued somewhat further by Alison Halford. You mentioned that Mr Arnold was allowed to go on sick leave. I would like to jump forward to paragraph 18 of the report, which highlights your letter of 7 October 1998 to the sponsor body. It quotes, 'during his recent absence on sick leave'. I am sure that paragraph 18 will be explored in detail later by other Committee members but I do not want to let this go without one further question. Why was the suspension not highlighted in that letter and why was the pretence of sick leave continued?

Mr Ford: I think that I have already answered that in that we—

[33] Alun Cairns: Forgive me for interrupting, but before you answer, I

mewn pedair amgueddfa genedlaethol, yr wyf wrth gwrs wedi bod drwy nifer o brosesau disgyblu. Nid oeddwn erioed wedi bod drwy'r un newydd ac nid oeddwn erioed wedi bod drwyddi gydag aelod o staff o statws mor uchel.

[31] Janet Davies: Cyn inni adael y rhan hon o'r dystiolaeth, credaf fod Alun am ofyn cwestiwn.

[32] Alun Cairns: Hoffwn ailafael yn un o'r pwyntiau a gododd Mr Gibbons gyda chi ac yr aeth Alison Halford ar ei drywydd ymhellach. Soniasoch y caniatawyd i Mr Arnold fynd ar gyfnod salwch. Hoffwn neidio ymlaen i baragraff 18 o'r adroddiad, sydd yn amlygu eich llythyr dyddiedig 7 Hydref 1998 i'r corff noddi. Mae'n dyfynnu, 'yn ystod ei absenoldeb diweddar ar gyfnod o salwch'. Yr wyf yn siwr yr ymchwilir yn fanwl i baragraff 18 yn ddiweddarach gan aelodau eraill o'r Pwyllgor ond nid wyf am adael y mater hwn heb un cwestiwn pellach. Pam na chafodd y gwaharddiad ei amlygu yn y llythyr hwnnw a pham y parhawyd ffugio'r cyfnod salwch?

Mr Ford: Yr wyf yn credu imi ateb y cwestiwn hwnnw eisoes gan inni—

[33] Alun Cairns: Maddeuwch i mi am dorri ar eich traws, ond cyn ichi ateb,

want to clarify my understanding that sick leave was a pretence to museum staff rather than to the senior management and, in particular, to the sponsor body.

Mr Ford: Yes. To go back on this question of suspension, my notes of the first meeting with Mr Arnold say that I suggested to him and he accepted that he should take the rest of the day off in order to think about the issues, what the allegations were and whether he thought they were true or not. He should then come back at a convenient time when we could discuss them more formally. The word ‘suspension’ was not used at that stage.

[34] Alun Cairns: The point I am trying to get across to Mr Ford is that surely, did you not have an obligation to the sponsor body to give it the full story rather than the story that was concocted for the sake of the convenience of the staff at the museum?

Mr Ford: The sponsor body knew, certainly, that I was talking about serious allegations with Mr Arnold: that he had come back from holiday and that I had a meeting with him about serious allegations. They were

yr wyf am sicrhau fy mod yn deall mai esgus i staff yr amgueddfa yn hytrach na’r uwch reolwyr ac, yn arbennig, y corff noddi, oedd y cyfnod salwch.

Mr Ford: Ie. I ailafael ym mater y gwaharddiad, mae fy nodiadau o’r cyfarfod cyntaf gyda Mr Arnold yn dweud fy mod wedi awgrymu iddo, ac iddo dderbyn, y dylai gymryd gweddill y diwrnod fel gwyliau er mwyn meddwl am y materion, beth oedd yr honiadau ac a oedd o’r farn eu bod yn wir ai peidio. Yna dylai ddychwelyd ar adeg gyfleus er mwyn inni eu trafod yn fwy ffurfiol. Ni ddefnyddiwyd y gair ‘gwaharddiad’ bryd hynny.

[34] Alun Cairns: Y pwynt yr wyf yn ceisio ei gyfleu i Mr Ford yw—does bosibl nad oedd gennych ymrwymiad i’r corff noddi i roi’r hanes yn llawn iddo yn hytrach na’r stori a grëwyd er hwylustod i staff yn yr amgueddfa?

Mr Ford: Yr oedd y corff noddi, yn sicr, yn gwybod fy mod yn trafod honiadau difrifol gyda Mr Arnold: ei fod wedi dychwelyd o’i wyliau a’m bod wedi cael cyfarfod gydag ef ynglyn â honiadau difrifol. Ni ddywedwyd

not told until they had a copy of the letter—the memorandum—which I sent around all the staff. I doubt very much—I cannot swear to this—if I used the words ‘sick leave’ in conversation with the Welsh Office at all.

wrthynt nes iddynt gael copi o'r llythyr—sef memorandwm—a anfonais at bob aelod o'r staff. Yr wyf yn amau'n fawr—ond ni allaf daeru i mi wneud hyn—imi ddefnyddio'r geiriau ‘cyfnod salwch’ mewn trafodaethau â'r Swyddfa Gymreig o gwbl.

[35] Alun Cairns: It is the letter that I am concerned about, the letter of 7 October, which contains the words:

[35] Alun Cairns: Y llythyr sydd yn fy mhryderu, sef y llythyr dyddiedig 7 Hydref, sydd yn cynnwys y geiriau:

‘During his recent absence on sick leave’.

‘Yn ystod ei absenoldeb diweddar ar gyfnod o salwch’.

Mr Ford: That is a copy of the note that was sent to the 500-odd staff of the National Museum of Wales and as it says on the bottom in my hand-written note to the Welsh Office ‘you have not had one of these’. It was a letter that was sent out to tell people what had happened.

Mr Ford: Copi yw hwnnw o'r nodyn a anfonwyd at y 500 aelod o staff yn Amgueddfa Genedlaethol Cymru ac fel y dywed ar waelod fy nodyn mewn llawysgrifen i'r Swyddfa Gymreig ‘nid ydych wedi cael un o'r rhain’. Llythyr a anfonwyd er mwyn dweud wrth bobl beth a oedd wedi digwydd ydoedd.

[36] Peter Black: Earlier on you were talking about the process by which you implemented the disciplinary procedure and you said that in an ideal situation you would have given Mr Arnold a written statement of the allegations against him a week before you conducted the interview.

[36] Peter Black: Yn gynharach yr oeddech yn sôn am y broses yr oeddech yn ei defnyddio i weithredu'r weithdrefn ddisgyblu a dywedasoch, mewn sefyllfa ddelfrydol, y byddech wedi rhoi datganiad ysgrifenedig o'r honiadau yn ei erbyn i Mr Arnold wythnos cyn ichi gynnal y cyfweiliad.

Mr Ford: That is what the procedure, which I had led us to write, required.

Mr Ford: Dyna beth oedd yn ofynnol yn ôl y weithdrefn yr oeddwn wedi ein harwain i'w hysgrifennu.

[37] Peter Black: Right. As he was on leave at the time, you decided that it was best to interview him on the first day that he came back from that leave. Paragraph 11 of the financial report states that Mr Arnold told the Auditor General:

[37] Peter Black: O'r gorau. Gan ei fod ar wyliau ar y pryd, penderfynasoch mai'r peth gorau i'w wneud oedd ei gyfweld ar y diwrnod cyntaf iddo ddychwelyd o'i wyliau. Noda paragraff 11 o'r adroddiad ariannol i Mr Arnold ddweud wrth yr Archwilydd Cyffredinol:

'that he had continued to press the Museum for an explanation of the allegations that had been made.'

'iddo ddal i bwysu ar yr Amgueddfa am eglurhad ar yr honiadau a wnaed.'

but that 'the Museum had refused to respond to his request'.

ond 'i'r Amgueddfa wrthod ymateb i'w gais'.

Would it not have been appropriate, at the earliest possible opportunity, to provide him with that written statement of the allegations against him?

Oni fyddai wedi bod yn briodol rhoi'r datganiad ysgrifenedig hwnnw o'r honiadau yn ei erbyn iddo ar y cyfle cyntaf posibl?

Mr Ford: I was indeed intending to do that and the document was being prepared. As I think I have already said, he then came back with suggestions that he would like to leave if at all possible, rather than go through that process. Then we did not proceed. I rightly or wrongly—and I

Mr Ford: Yr oeddwn mewn gwirionedd yn bwriadu gwneud hynny ac yr oedd y ddogfen yn cael ei pharatoi. Fel y dywedais eisoes, dychwelodd ataf gydag awgrymiadau yr hoffai adael os oedd yn bosibl, yn hytrach na mynd drwy'r broses honno. Yna nid aethom ymhellach. Yr wyf o'r farn, yn gam

believe rightly, as of course I would—we took the decision that that was the route to follow, that his early leaving of the museum was the best thing, for some of the reasons that I have tried to explain.

[38] Alison Halford: ‘We’?

Mr Ford: I, in consultation with members of Council—in other words, my employers—and with the museum solicitors.

[39] Peter Black: And yet, when you had the informal interviews with Mr Arnold, you only gave him the allegations in general terms, giving some specific examples in relation to one of those. Would it not have been appropriate at that stage to outline the allegations in detail to him, albeit verbally and then to have followed that up by a written record of that?

Mr Ford: I thought, and I told him, that the best thing for us to do was to prepare the detailed document and let him have it, which was what the process required, and I was going to do it. The man had just come back from holiday and I did not think that the

neu’n gymwys—yn gymwys yn fy marn i, fel y byddwn wrth gwrs—inni wneud y penderfyniad mai dyna oedd y llwybr i’w ddilyn, mai iddo adael yr amgueddfa’n gynnar oedd y peth gorau, am rai o’r rhesymau yr wyf wedi ceisio eu hesbonio.

[38] Alison Halford: ‘Ni’?

Mr Ford: Myfi, drwy ymgynghori ag aelodau o’r Cyngor—mewn geiriau eraill, fy nghyflogwyr—a chyda chyfreithwyr yr amgueddfa.

[39] Peter Black: Ac eto, pan gynaliasoch y cyfweiliadau anffurfiol gyda Mr Arnold, dim ond mewn termau cyffredinol y soniasoch wrtho am yr honiadau, gan roi rhai enghreifftiau penodol mewn perthynas ag un o’r rheini. Oni fyddai hi wedi bod yn briodol bryd hynny i roi amlinelliad manwl o’r honiadau iddo, er ar lafar, gan ychwanegu cofnod ysgrifenedig ohonynt wedyn?

Mr Ford: Yr oeddwn o’r farn, a dywedais wrtho, mai’r peth gorau inni ei wneud oedd paratoi’r ddogfen fanwl a’i rhoi iddo, sef yr hyn a oedd yn ofynnol yn ôl y broses, ac yr oeddwn yn bwriadu gwneud hynny. Yr oedd y dyn newydd ddychwelyd o’i wyliau ac nid

first thing to do early in the morning was to give him what would have been a very long list of what our allegations were, because they were only allegations. However, I believe that the seriousness of them, and the documents that had come from the personnel office, made me take them very seriously indeed. They were only allegations and I did not think that that was the right way to start the meeting. I told him that was what was going to happen. The completion of that and handing it over to him was overtaken by events.

[40] Peter Black: I think I can understand that clearly you were trying to do the decent thing and to take account of Mr Arnold's own sensibilities in the way you handled this. However, would you not accept that perhaps it might have been fairer to him if he had had the whole thing up-front from the very beginning so that he could have then considered his position in the light of that? That might then have produced a different outcome, which might not have led to the payment of this sum of money.

Mr Ford: I think that is a valid question and I cannot really answer it. Had it

oeddwn o'r farn mai'r peth cyntaf i'w wneud yn gynnar yn y bore fyddai rhoi rhestr iddo o'n honiadau, a hithau'n rhestr hirfaith, gan mai dim ond honiadau oeddent. Fodd bynnag, credaf i'w difrifoldeb, a'r dogfennau a ddaeth o'r swyddfa bersonél, wneud imi eu cymryd yn hynod o ddifrif. Dim ond honiadau oeddent ac nid oeddwn o'r farn mai dyna oedd y ffordd gywir o ddechrau'r cyfarfod. Dywedais wrtho mai dyna fyddai'n digwydd. Yn sgîl digwyddiadau ni chwblhawyd y ddogfen na'i throsglwyddo iddo.

[40] Peter Black: Credaf y gallaf ddeall eich bod yn amlwg yn ceisio gwneud yr hyn a oedd yn iawn ac ystyried teimladau Mr Arnold ei hun o ran y ffordd y gwnaethoch yn ymdrin â hyn. Fodd bynnag, oni fyddech yn derbyn efallai y byddai wedi bod yn decach iddo ef pe bai'r holl beth wedi bod yn agored o'r cychwyn cyntaf fel y gallai wedyn fod wedi ystyried ei sefyllfa yng ngoleuni hynny? Efallai y byddai hynny wedi arwain at ganlyniad gwahanol, sef un na fyddai wedi arwain at dalu'r swm hwn o arian o bosibl.

Mr Ford: Credaf fod hwnnw'n gwestiwn dilys ac ni allaf ei ateb mewn

helped to avoid any of the things, which it is now suggested that I did wrongly, then of course I should have gone about it in a different way. I do not think in fact that they were serious factors in getting to where we got. You are also questioning, too, whether I should have had a—I do not know—a more macho management style. I was trying to do what I thought was the proper thing.

[41] Peter Black: I think a more human management style can be achieved through being open at the very beginning, but I will leave it at that.

[42] Janet Davies: We now leave the section about the allegations against Mr Arnold. I would like to turn to the terms of the compromise agreement, which we have seen. It seems to me that in this area as well there were problems in that the museum did not at that point either follow its normal disciplinary procedures. Could Anna Southall give any explanation of this?

Ms Southall: Any explanation as to why we abandoned the disciplinary procedure?

gwirionedd. Pe bai wedi helpu i osgoi unrhyw un o'r pethau yr awgrymir bellach fy mod wedi eu gwneud yn anghywir, yna wrth gwrs dylwn fod wedi mynd ati mewn ffordd wahanol. Nid wyf mewn gwirionedd o'r farn eu bod yn ffactorau difrifol o ran cael yr hyn a gawsom. Yr ydych hefyd yn holi a ddylwn fod wedi mabwysiadu dull rheoli mwy *macho*—wn i ddim. Yr oeddwn yn ceisio gwneud yr hyn a oedd yn iawn yn fy marn i.

[41] Peter Black: Credaf y gellid sicrhau dull rheoli mwy dynol drwy fod yn agored ar y cychwyn cyntaf, ond fe adawaf y mater yn y fan honno.

[42] Janet Davies: Yr ydym yn awr yn gadael yr adran am yr honiadau yn erbyn Mr Arnold. Hoffwn droi at delerau'r cytundeb cyfaddawd, yr ydym eisoes wedi'i weld. Ymddengys i mi fod problemau yn y maes hwn hefyd gan na ddilynodd yr amgueddfa bryd hynny ychwaith ei gweithdrefnau disgyblu arferol. A allai Anna Southall roi unrhyw esboniad o hyn?

Ms Southall: Unrhyw esboniad ynglyn â pham y rhoddasom y gorau i'r weithdrefn ddisgyblu?

[43] Janet Davies: Why you did not follow the normal disciplinary procedures in the case of the compromise agreement?

Ms Southall: I think that there were—as I understand it, because I was obviously not a part of these discussions, but having talked to the staff involved and gone through the files—three key principles for pursuing the alternative solution. I think that it is important to emphasise that pursuing an alternative solution met with Mr Arnold's agreement. So that this was not a solution that was in any way forced upon him. I am told that the possibility of a clean outcome— i.e. that Mr Arnold would either be cleared or the allegations substantiated—within three months was deemed unlikely, and we have already heard this.

In investigating the allegations, evidence would need to be taken from quite a significant number of staff. Obviously this would be stressful but I do not think that that was an issue. I think that the important issue was that if dismissal was not the outcome then it was going to be very difficult for those staff to continue to work with Mr Arnold, because the museum is quite a small organisation, as has already been

[43] Janet Davies: Pam na ddilynasoch y gweithdrefnau disgyblu arferol yn achos y cytundeb cyfaddawd?

Ms Southall: Credaf—yn ôl fy nealltwriaeth i, oherwydd, yn amlwg, nid oeddwn yn rhan o'r trafodaethau hyn, ond ar ôl siarad â'r staff dan sylw ac edrych drwy'r ffeiliau—fod tair egwyddor allweddol ar gyfer chwilio am ateb arall. Credaf ei bod yn bwysig pwysleisio bod Mr Arnold wedi cytuno y dylid chwilio am ateb amgen. Felly nid oedd hyn yn ateb a orfodwyd arno mewn unrhyw ffordd. Dywedir wrthyf fod y posibilrwydd o ganlyniad clir— h.y. naill ai y byddai Mr Arnold yn cael ei ddyfarnu'n ddiuog neu y profid bod sail i'r honiadau—o fewn tri mis yn annhebygol, ac yr ydym eisoes wedi clywed hyn.

Wrth ymchwilio i'r honiadau, byddai angen cymryd tystiolaeth gan nifer sylweddol o'r staff. Yn amlwg byddai hyn yn straen ond nid oeddwn yn credu bod hyn yn fater pwysig. Credaf mai'r mater pwysig oedd, onid diswyddiad fyddai'r canlyniad, y byddai'n anodd iawn i'r staff hynny barhau i weithio gyda Mr Arnold, oherwydd mai sefydliad gweddol fach yw'r amgueddfa, fel y nodwyd eisoes,

noted, and the possibility of a sideways move obviously did not really exist. Perhaps the most important principle, as Mr Ford has already said, was value for money for the taxpayer.

The cost of a three-month disciplinary procedure, including legal costs, was estimated to be anything from £35,000 upwards to £54,000. A more likely outcome was a six-month process including an appeal, where costs to the museum were estimated at between £70,000 and £90,000. Then there was the option that Mr Arnold himself proposed which was voluntary redundancy, which I am told would have cost the museum £136,000. All I am trying to do is to present to you the facts at the time. Those appear to me to have been the key principles and the key reasons for going for a compromise agreement at that stage.

[44] Janet Davies: I will return to who actually raised the issue of a possible negotiated settlement originally. Did it come from Mr Arnold's solicitors or did it come from the museum's solicitors?

ac nid oedd y posibilrwydd o symud i'r ochr yn bod mewn gwirionedd. Efallai mai'r egwyddor bwysicaf, fel y dywedodd Mr Ford eisoes, oedd gwerth am arian i'r trethdalwr.

Amcangyfrifwyd y gallai gweithdrefn ddisgyblu tri mis, gan gynnwys costau cyfreithiol, gostio unrhyw beth rhwng £35,000 a £54,000. Canlyniad mwy tebygol oedd proses chwe mis gan gynnwys apêl, lle yr amcangyfrifwyd bod y costau i'r amgueddfa rhwng £70,000 a £90,000. Yna yr oedd y dewis a gynigiwyd gan Mr Arnold ei hun sef diswyddiad gwirfoddol, a dywedwyd wrthyf y byddai hynny wedi costio £136,000 i'r amgueddfa. Y cyfan yr wyf yn ceisio ei wneud ar hyn o bryd yw cyflwyno ichi'r ffeithiau ar y pryd. Ymddengys i mi mai'r rheini oedd yr egwyddorion allweddol a'r rhesymau allweddol dros fynd am gytundeb cyfaddawd bryd hynny.

[44] Janet Davies: Dychwelaf at bwy yn union a gododd y mater o setliad wedi'i negodi posibl yn wreiddiol. Ai cyfreithwyr Mr Arnold a wnaeth hynny ynteu cyfreithwyr yr amgueddfa?

Ms Southall: My understanding is that it emerged from a meeting between Mr Arnold, Mr Ford and senior Council members and both legal advisers were present. I think—as I was not there, you will have to ask Mr Ford if he can recollect where it came from.

[45] Janet Davies: The other thing that I wanted to ask at this point was the issue of raising the cheques. I will ask Mr Ford that.

Mr Ford: Would you like me to give a rider to Ms Southall's answer first?

[46] Janet Davies: Yes.

Mr Ford: I think that is correct. It did come out of that meeting. I cannot be certain of whether it came from our solicitors or Mr Arnold's solicitors. What I do know is that Council officers and myself, once we had discussed the issue, were quite clear that I had to take the advice of our lawyers. I had after all no senior member of staff to give me advice on this because the very person who would normally advise me every step of the way was the one who was being investigated. It was a unanimous view therefore of us internally that museum solicitors had

Ms Southall: Yn ôl fy nealltwriaeth i, deilliodd o gyfarfod rhwng Mr Arnold, Mr Ford ac uwch aelodau o'r Cyngor lle yr oedd y ddau ymgynghorydd cyfreithiol yn bresennol. Credaf—gan nad oeddwn yno, y bydd yn rhaid ichi ofyn i Mr Ford a all gofio o ble y daeth.

[45] Janet Davies: Y peth arall yr oeddwn am holi yn ei gylch yn awr oedd y mater o ysgrifennu'r sicciau. Gofynnaf hynny i Mr Ford.

Mr Ford: A ydych am imi atodi ateb Ms Southall yn gyntaf?

[46] Janet Davies: Ydw.

Mr Ford: Credaf fod hynny'n gywir. Deilliodd o'r cyfarfod hwnnw. Ni allaf fod yn sicr a ddaeth gan ein cyfreithwyr ni ynteu cyfreithwyr Mr Arnold. Gwn fod swyddogion y Cyngor a minnau, wedi inni drafod y mater, yn eithaf pendant fod yn rhaid imi gymryd cyngor ein cyfreithwyr. Wedi'r cyfan nid oedd gennyf unrhyw uwch aelod o staff i roi cyngor imi ar hyn oherwydd yr union berson a fyddai fel arfer yn rhoi cyngor imi bob cam o'r ffordd oedd yr un a oedd yn destun ymchwiliad. Ein barn unfrydol yn fewnol felly oedd bod yn rhaid dod

to be brought in. They made available their head of employment, pensions and licensing: a highly experienced, very knowledgeable adviser who frankly said to me that what I was confronting was in his world a pretty normal parting of the ways. That this sort of path was well-trodden in organisations and that he thought that Mr Arnold's solicitors and himself would be able to settle it pretty quickly, given that Mr Arnold had indicated that he would like to leave straightaway, if that were possible. Where in that conversation somebody said 'I think we can come to a compromise agreement pretty quickly' and whether that came from Mr Arnold's solicitors or ours, I do not remember, and the note of the meeting does not tell me.

[47] Janet Davies: Were the museums' solicitors, Eversheds, aware of the financial memorandum?

Mr Ford: I do not know the answer to that.

[48] Janet Davies: Well, do you not think that they should have been aware of the memorandum? It was absolutely crucial in this situation.

â chyfreithwyr yr amgueddfa i mewn. Gwnaethpwyd eu pennaeth cyflogaeth, pensiynau a thrwyddedu ar gael inni: ymgynghorydd tra phrofiadol a hyddysg iawn a ddywedodd wrthyf yn onest fod yr hyn yr oeddwn yn ei wynebu yn ei fyd ef yn ymwahaniad eithaf arferol. Bod y math hwn o lwybr yn un cyfarwydd iawn mewn sefydliadau a'i fod o'r farn y gallai cyfreithwyr Mr Arnold ac yntau ei setlo'n eithaf cyflym, o gofio fod Mr Arnold wedi nodi ei fod yn awyddus i adael ar unwaith, pe bai hynny'n bosibl. P'un a ddywedodd rhywun yn ystod y sgwrs honno 'Credaf y gallwn ddod i gytundeb cyfaddawd yn eithaf cyflym' ac a ddywedwyd hynny gan gyfreithwyr Mr Arnold neu gan ein rhai ni, ni allaf gofio, ac nid yw'r nodyn o'r cyfarfod yn dweud wrthyf.

[47] Janet Davies: A oedd cyfreithwyr yr amgueddfa, Eversheds, yn ymwybodol o'r memorandwm ariannol?

Mr Ford: Ni wn yr ateb i hynny.

[48] Janet Davies: Wel, onid ydych yn credu y dylent fod wedi bod yn ymwybodol o'r memorandwm? Yr oedd yn hollol hanfodol yn y sefyllfa hon.

Mr Ford: Well, I was not asking them to give me advice on the financial memorandum or indeed on my dealings with the Welsh Office. I was asking them to give me advice on a very difficult and sensitive and overdue employment issue.

Mr Ford: Wel, nid oeddwn yn gofyn iddynt roi cyngor imi ar y memorandwm ariannol nac ychwaith ar fy nhrafodaethau â'r Swyddfa Gymreig. Yr oeddwn yn gofyn iddynt roi cyngor i mi ar fater o gyflogaeth anodd a sensitif iawn yr oedd yn hen bryd mynd i'r afael ag ef.

[49] Dafydd Wigley: I fynd ar ôl y pwynt oedd Colin Ford yn ei wneud, sef bod yr ymaferiad yn un digon arferol efallai yn y sector breifat—dod i ddealltwriaeth ariannol a bod rhywun yn gadael yn dawel. A fyddech yn derbyn bod rhywbeth felly, sydd o bosibl yn dderbyniol yn y sector preifat, neu efallai ddim, yn sicr ddim yn dderbyniol yn y sector cyhoeddus, pan ydym yn sôn am ddelio ag arian cyhoeddus—rhoi allan £30,000 o arian cyhoeddus—ac os oedd Mr Arnold yn dymuno gadael o dan yr amgylchiadau, onid oedd yn ddewis iddo adael heb i unrhyw daliad gael ei wneud?

[49] Dafydd Wigley: To follow up the point that Colin Ford was making, namely that the practice is commonplace enough in the private sector—to come to a financial agreement and that someone leaves quietly. Would you accept that such a thing, which is possibly acceptable in the private sector, or perhaps not, is certainly not acceptable in the public sector, when we are talking about dealing with public money—giving out £30,000 of public money—and that if Mr Arnold wished to leave under the circumstances, was it not an option for him to leave without any payment being made?

Mr Ford: I do not think that that was a possibility. I do accept that there is a very big difference between the private sector and the public sector, and I think that I have to accept that even in talking to this highly professional employment adviser, there was an

Mr Ford: Nid wyf o'r farn fod hynny'n bosibilrwydd. Yr wyf yn derbyn bod gwahaniaeth mawr rhwng y sector preifat a'r sector cyhoeddus, a chredaf fod yn rhaid imi dderbyn hyd yn oed wrth siarad â'r ymgynghorydd cyflogaeth hynod broffesiynol hwn,

element of Welsh Office practice, of proper governmental practice, that I did not quite understand and did not therefore follow. I cannot deny that. However, when Mr Arnold suggested that he would like to take the course of early retirement, it was of course quite clear that that would be if some sort of money was on the table. Were he not to have some money offered to him, I have no doubt at all that he would have insisted on going through the whole disciplinary and appeal process, and as Ms Southall has already said, the very cheapest that anyone told us that would be would be £35,000. The most expensive was £136,000. I therefore thought that whether I was following proper government practice or not, and I can see and know the error of that now—it is too late to do anything about that—I did at least believe that I was acting with the best interests of the taxpayer at heart, given the money that would have to be spent.

[50] Geraint Davies: This is to Ms Southall. If Mr Ford would like to come in with additional information, please do so. This is to do with your solicitors. They should have known, or have been made aware, that

bod elfen o arfer y Swyddfa Gymreig, sef arfer priodol y llywodraeth, nad oeddwn yn ei ddeall yn llwyr ac felly nas dilynais. Ni allaf wadu hynny. Fodd bynnag, pan awgrymodd Mr Arnold yr hoffai ddilyn llwybr ymddeoliad cynnar, yr oedd wrth gwrs yn eithaf clir y byddai hynny yn digwydd ar y sail bod rhywfaint o arian ar y bwrdd. Pe na chynigid rhywfaint o arian iddo, nid oes unrhyw amheuaeth gennyf o gwbl y byddai wedi mynnu mynd trwy'r broses ddisgyblu ac apelio gyfan, ac fel y dywedodd Ms Southall eisoes, y rhataf y dywedodd unrhyw un wrthym y byddai hynny'n ei gostio oedd £35,000. Y drutaf oedd £136,000. Yr oeddwn felly o'r farn, boed a oeddwn yn dilyn arfer priodol y llywodraeth ai peidio, a gallaf ddeall fod hynny'n anghywir yn awr, a gwn hynny—mae'n rhy hwyr i wneud unrhyw beth yn ei gylch—fy mod yn credu o leiaf fy mod yn gweithredu gan ystyried buddiannau'r trethdalwr, o gofio'r arian y byddai'n rhaid ei wario.

[50] Geraint Davies: Mae'r cwestiwn hwn i Ms Southall. Os yw Mr Ford am ddod i mewn â gwybodaeth ychwanegol, mae croeso ichi wneud hynny. Mae'n ymwneud â'ch cyfreithwyr. Dylent fod wedi gwybod,

agreements of this nature go against best public sector practice. Do you therefore think that the museum was poorly advised?

Ms Southall: Do I think that the museum was poorly advised at that time? I think that it is incumbent upon us, as the museum working in the public sector, to ensure that our legal advisers are fully aware of government accounting rules and other rules concerning practice in the public sector. It is my understanding that in fact these solicitors do a lot of work in the public sector and, I suspect, actually are quite well informed. Nonetheless, the obligation is clearly with us to ensure that they understand what rules we are playing by.

[51] Geraint Davies: You pay the solicitors a lot of money. I would have thought that you expect the correct advice. That is what you are paying these solicitors for: up-to-date, correct advice. You therefore believe that it was your responsibility to make sure that they knew what was going on?

neu dylai rhywun fod wedi sicrhau eu bod yn ymwybodol, fod cytundebau o'r fath yn groes i arfer y sector cyhoeddus. A ydych felly o'r farn fod yr amgueddfa wedi cael cyngor gwael?

Ms Southall: A wyf yn credu i'r amgueddfa gael cyngor gwael ar y pryd? Credaf ei fod yn ddyletswydd arnom, fel amgueddfa sydd yn gweithio yn y sector cyhoeddus, i sicrhau bod ein hymgynghorwyr cyfreithiol yn llwyr ymwybodol o reolau cyfrifo'r llywodraeth a rheolau eraill sydd yn ymwneud ag arfer yn y sector cyhoeddus. Fy nealltwriaeth i mewn gwirionedd yw bod y cyfreithwyr hyn yn gwneud llawer o waith yn y sector cyhoeddus a thybiaf eu bod yn eithaf hyddysg a dweud y gwir. Serch hynny, mae'n amlwg bod rheidrwydd arnom i sicrhau eu bod yn deall pa reolau yr ydym yn eu dilyn.

[51] Geraint Davies: Yr ydych yn talu llawer o arian i'r cyfreithwyr. Byddwn wedi tybio y byddech yn disgwyl y cyngor cywir. Am hynny yr ydych yn talu i'r cyfreithwyr hyn: y cyngor cywir diweddaraf. Felly yr ydych yn credu mai eich cyfrifoldeb chi oedd gwneud yn siwr eu bod yn gwybod beth oedd yn digwydd?

Ms Southall: **No. Sorry, I probably was not quite clear. I feel that it is our responsibility to make sure that they fully understand the accounting and other rules that we, as government accounting officers, are abiding by. I find it quite difficult to accept that we should rely on their knowledge of our management statement and financial memorandum. I do feel that we do have an obligation to make sure that we understand it and that we make it clear therefore to our legal advisers. Forgive me if I am wrong, but that would be my understanding of what my responsibilities are.**

[52] Geraint Davies: **So you do not think there are any grounds to take any action against the solicitors for negligence?**

Ms Southall: **No, I do not. However, if I receive advice to the contrary then obviously we would need to look into it. As things stand, I feel that we should know what the rules are.**

[53] Geraint Davies: **Mr Ford, do you want to comment on that?**

Ms Southall: **Nac ydw. Mae'n ddrwg gennyf, mae'n debyg nad oeddwn yn ddigon clir. Teimlaf mai ein cyfrifoldeb ni yw gwneud yn siwr eu bod yn llwyr ddeall y rheolau cyfrifo a'r rheolau eraill yr ydym ni, fel swyddogion cyfrifo'r llywodraeth, yn glynu wrthynt. Mae'n eithaf anodd gennyf dderbyn y dylem ddibynnu ar eu gwybodaeth o'n datganiad rheoli a'n memorandwm ariannol. Teimlaf fod arnom reidrwydd i sicrhau ein bod yn ei ddeall a'n bod yn ei wneud yn glir felly i'n hymgynghorwyr cyfreithiol. Maddeuwch i mi os wyf yn anghywir, ond dyna fyddai fy nealltwriaeth i o'm cyfrifoldebau.**

[52] Geraint Davies: **Felly nid ydych o'r farn fod unrhyw sail i gymryd camau yn erbyn y cyfreithwyr am esgeulustod?**

Ms Southall: **Nac ydwyf. Fodd bynnag, os byddaf yn derbyn cyngor i'r gwrthwyneb yna byddai'n rhaid inni edrych i mewn i'r mater wrth reswm. Fel y saif pethau, teimlaf y dylem wybod beth yw'r rheolau.**

[53] Geraint Davies: **Mr Ford, a ydych am wneud sylw ar hynny?**

Mr Ford: In any situation like this I would normally have expected that I could turn to at least three places for advice. One would be my compliance officer. Well, he is the chap under investigation, so that it is not open to me. The second would be our solicitors. You are quite right, they are very highly paid; they are very professional, very experienced solicitors. I do not mean this to be an excuse, because ultimately the responsibility stops at my desk. There is nowhere else where that responsibility lies. However, I think that I have every right to rely on the advice, to believe that advice that I was given at that kind of level was dependable. The third source of advice is obviously my sponsor department. I did have discussions with the Welsh Office. It seems to me there may be some element of disagreement about how much I had got guidance from them and how much I thought I had got from them. However, those are my three sources of information.

[54] Geraint Davies: And do you think that the solicitors acted negligently in not giving you the absolutely correct advice?

Mr Ford: Mewn unrhyw sefyllfa fel hon byddwn fel arfer wedi disgwyl y gallwn droi at o leiaf dri lle i gael cyngor. Un fyddai fy swyddog cydymffurfio. Wel, ef yw'r dyn sydd yn destun ymchwiliad, felly nid yw hynny'n agored imi. Yr ail fyddai ein cyfreithwyr. Yr ydych yn llygaid eich lle, maent yn cael eu talu'n hael iawn; maent yn gyfreithwyr proffesiynol a phrofiadol iawn. Nid wyf yn defnyddio hynny fel esgus, oherwydd yn y pen draw y mae'r cyfrifoldeb arnaf fi. Nid yw'r cyfrifoldeb hwnnw mewn un man arall. Fodd bynnag, credaf fod gennyf bob hawl i ddibynnu ar y cyngor, i gredu bod y cyngor a roddwyd imi ar lefel o'r math hwnnw yn ddibynadwy. Y drydedd ffynhonnell o gyngor yn amlwg yw fy adran noddi. Cefais drafodaethau â'r Swyddfa Gymreig. Ymddengys i mi y gallai fod ryw elfen o anghytuno ynghylch i ba raddau y cefais arweiniad ganddynt a faint y tybiais imi ei gael ganddynt. Fodd bynnag, dyna fy nhair ffynhonnell gwybodaeth.

[54] Geraint Davies: Ac a ydych yn credu bod y cyfreithwyr wedi gweithredu'n esgeulus wrth beidio â rhoi'r union gyngor cywir ichi?

Mr Ford: Well, they certainly did not warn me that I was running into difficulties. Indeed, the reverse, as I have already said. They suggested to me—and Mr Wigley is quite right in pointing that there is a rather serious difference between the private and the public sector—that we were going down a route that they followed very frequently.

[55] Geraint Davies: So you do not think there is any action that you could take against them?

Mr Ford: Well, I also agree with my successor. In the end, as I have just said, the responsibility stops at the accounting officer's desk.

[56] Geraint Davies: On what grounds, Ms Southall, are you satisfied that the negotiated settlement was the best option, given that a settlement implies that there was fault in both Mr Arnold's and the museum's actions, that there was fault on both sides? Do you agree that there was fault on both sides?

Ms Southall: In terms of the fact that this was an issue that should have been dealt with many years before, and that if had been the outcome might have been different, yes.

Mr Ford: Wel, yn sicr ni wnaethant fy rhybuddio fy mod yn wynebu trafferthion. Yn wir, i'r gwrthwyneb, fel y dywedais eisoes. Awgrymwyd i mi—ac mae Mr Wigley yn hollol gywir wrth nodi bod gwahaniaeth mawr rhwng y sector preifat a'r sector cyhoeddus—ein bod yn dilyn trywydd yr oeddent yn ei ddilyn yn aml iawn.

[55] Geraint Davies: Felly nid ydych yn credu bod unrhyw gamau y gallech eu cymryd yn eu herbyn?

Mr Ford: Wel, yr wyf hefyd yn cytuno gyda'm holynydd. Yn y pen draw, fel yr wyf newydd ei ddweud, ar ddesg y swyddog cyfrifo y bydd y cyfrifoldeb yn aros.

[56] Geraint Davies: Ar ba sail, Ms Southall, yr ydych yn fodlon mai'r setliad a negodwyd oedd yr opsiwn gorau, o gofio fod setliad yn awgrymu bod bai ar y camau a gymerwyd gan Mr Arnold a'r amgueddfa, bod bai ar y ddwy ochr? A ydych yn cytuno bod bai ar y ddwy ochr?

Ms Southall: O ran y ffaith bod hwn yn fater y dylid fod wedi ymdrin ag ef flynyddoedd ynghynt, a phetai hynny wedi digwydd y gallai'r canlyniad fod wedi bod yn wahanol, ydwyf.

[57] Geraint Davies: **So there was fault on both sides?**

[57] Geraint Davies: **Felly yr oedd bai ar y ddwy ochr?**

Ms Southall: **There were allegations of fault on Mr Arnold's side.**

Ms Southall: **Yr oedd honiadau o fai ar ochr Mr Arnold.**

[58] Geraint Davies: **The museum was at fault in that Mr Arnold had not been picked up earlier on his bad management style or whatever misdemeanours he was accused of. Is it solely that?**

[58] Geraint Davies: **Yr oedd yr amgueddfa ar fai yn yr ystyr nad ymdriniwyd â dull rheoli gwael Mr Arnold neu pa gamweddau bynnag y cafodd ei gyhuddo ohonynt yn gynharach. Ai dyna'n unig ydyw?**

Ms Southall: **I think that is where the museum, inadvertently, made matters worse, yes—by the situation not being recognised and not being dealt with much more swiftly under whatever procedure would have been appropriate.**

Ms Southall: **Credaf mai dyna pryd y bu i'r amgueddfa, yn ddiarwybod, waethygu'r sefyllfa, ie—gan na chafodd y sefyllfa ei chydnabod a chan nad ymdriniwyd â hi'n llawer cynt o dan ba weithdrefn bynnag a fyddai wedi bod yn briodol.**

[59] Geraint Davies: **You think that he would have had a grievance, then, against the museum on that point?**

[59] Geraint Davies: **Yr ydych o'r farn y byddai ganddo gwyn, felly, yn erbyn yr amgueddfa ar y pwynt hwnnw?**

Ms Southall: **It is speculating, but yes, I would suspect that had the disciplinary procedure progressed, that that would have been an important part of his defence, as it were. However, that is speculation.**

Ms Southall: **Dyfalw yr wyf, ond ydwyf, yr wyf yn amau petai'r weithdrefn ddisgyblu wedi mynd rhagddi, y byddai hynny wedi bod yn rhan bwysig o'i amddiffyniad, fel petai. Fodd bynnag, dyfalw yr wyf.**

[60] Geraint Davies: In paragraph 10, it states that ‘a range of options’ was considered including early retirement and redundancy. What were these options, and what form did their costed appraisal take? Did you cost each one of them?

Ms Southall: Yes, we did. I understand that early retirement or redundancy would have cost of the order of £136,000 and that one of options that was suggested was early retirement on grounds of ill-health. That was not pursued, so that was never costed. The other options were the compromise agreement that you know about, or disciplinary procedure. As I said, that might have cost anything, I am told, between £35,000 and £90,000 depending on how long it went on.

[61] Geraint Davies: Returning to a previous point, if this agreement constituted a full and final settlement of any claims that Mr Arnold might have had against the museum, what possible claims could Mr Arnold have had? Was it just that, as you said before, it had gone on for a long time and nothing had been done about it? Was that all?

[60] Geraint Davies: Ym mharagraff 10, nodir bod ‘amryw o ddewisiadau’ wedi eu hystyried gan gynnwys ymddeoliad cynnar a diswyddiad. Beth oedd yr opsiynau hyn, a sut y gwnaethpwyd eu gwerthusiad cost? A wnaethoch brisio pob un ohonynt?

Ms Southall: Do, fe wnaethom hynny. Deallaf y byddai ymddeoliad cynnar neu ddiswyddiad wedi costio tua £136,000 ac mai un o’r opsiynau a awgrymwyd oedd ymddeoliad cynnar ar sail gwaeledd. Nid aethpwyd ar ôl hynny, felly ni chafodd ei brisio. Yr opsiynau eraill oedd y cytundeb cyfaddawd y gwyddoch amdano, neu’r weithdrefn ddisgyblu. Fel y dywedais, gallai hynny fod wedi costio unrhyw beth rhwng £35,000 a £90,000 yn dibynnu ar hyd y broses.

[61] Geraint Davies: Gan ailafael mewn pwynt blaenorol, petai’r cytundeb hwn yn gyfystyr â setliad llawn a therfynol o unrhyw honiadau y gallai fod gan Mr Arnold yn erbyn yr amgueddfa, pa honiadau posibl y gallai fod gan Mr Arnold? Fel y dywedasoeh o’r blaen, ai dim ond oherwydd bod hyn wedi parhau am cyhyd ac na wnaethpwyd unrhyw beth yn ei gylch? Ai dyna’r cyfan?

Ms Southall: I presume—I may be wrong—that that clause in an agreement of this nature in part prevents the employee who is leaving the employment of the organisation from taking the organisation to an industrial tribunal.

[62] Geraint Davies: On what issue? Were you afraid of anything in particular or was it a general clause?

Ms Southall: This was a mutually agreed compromise agreement. Mr Arnold agreed to it and it was signed by both parties. However, I suppose that that clause is there to say, if in five years' time you change your mind, it is too late. We must remember that this was a compromise agreement between the two parties, so both sides were comfortable with signing it with that clause in place. Forgive me, I am speculating again. Other than that, I am not sure to what that clause might refer.

Mr Ford: I am happy to add that the compromise agreement, as I understood it at the time, was something which—I was about to say our lawyer already had on his

Ms Southall: Tybiaf—hwyrach fy mod yn anghywir—bod y cymal hwnnw mewn cytundeb o'r math hwn yn rhannol atal y gweithiwr sydd yn gadael cyflogaeth y sefydliad rhag - dwyn y sefydliad gerbron tribiwnlys diwydiannol.

[62] Geraint Davies: Ar ba fater? A oeddech yn ofni unrhyw beth yn benodol neu a oedd yn gymal cyffredinol?

Ms Southall: Yr oedd hwn yn gytundeb cyfaddawd y cytunodd y ddwy ochr arno. Cytunodd Mr Arnold iddo ac fe'i llofnodwyd gan y ddau barti. Fodd bynnag, mae'n debyg bod y cymal yno i nodi, os byddwch yn newid eich meddwl ymhen pum mlynedd, ei bod yn rhy hwyr. Mae'n rhaid inni gofio mai cytundeb cyfaddawd oedd hwn rhwng y ddau barti, felly yr oedd y ddwy ochr yn fodlon ar ei lofnodi gyda'r cymal hwnnw ynddo. Maddeuwch i mi, yr wyf yn dyfalu eto. Ar wahân i hynny, nid wyf yn siwr at beth y gallai'r cymal hwnnw gyfeirio.

Mr Ford: Yr wyf yn fodlon ychwanegu bod y cytundeb cyfaddawd, yn ôl fy nealltwriaeth ohono ar y pryd, yn rhywbeth a oedd—yr oeddwn ar fin dweud ei fod eisoes ar gyfrifiadur ein

computer before we discussed the rest of the business. In fact, both lawyers probably had it on their computers. It was a pretty standard compromise agreement form. Most of the clauses in it, or at least most of the matters tackled in it, are laid down or covered by the Employment Rights Act 1996. As I have told you before, this is the only time that I have been involved in one of these things but, as I understand, what happens is that the form is peeled off the computer and the two lawyers go through it to see if anything needs to be changed. It is a standard clause that the man is going to be paid to settle any conceivable matters, without referring to any in particular. I was not aware of any in particular. The same applies to the confidentiality agreement. It is designed to remind the employee that he was an employee of the company and that, as part of that, the company expected confidentiality of him, it then goes on to list, in terms of computer programmes, files, documents, the company's commercial activities, and so on. These are standard clauses and I had little to do with drawing up the document, because it was a standing document.

cyfreithiwr cyn inni drafod gweddill y busnes. Mewn gwirionedd, mae'n debyg ei fod ar gyfrifiaduron y ddau gyfreithiwr. Ffurflen cytundeb cyfaddawd eithaf safonol ydoedd. Mae'r rhan fwyaf o'r cymalau sydd ynddo, neu o leiaf y rhan fwyaf o'r materion yr ymdrinnir â hwy ynddo, wedi eu nodi neu eu cwmpasu gan Ddeddf Hawliau Cyflogaeth 1996. Fel y dywedais wrthy ch eisoes, dyma'r unig adeg imi fod yn rhan o un o'r pethau hyn ond, fel y deallaf, yr hyn sydd yn digwydd yw bod y ffurflen yn cael ei hargraffu oddi ar y cyfrifiadur a bod y ddau gyfreithiwr yn mynd trwyddi i weld a oes angen newid unrhyw beth. Mae'n gymal safonol y caiff y dyn ei dalu er mwyn setlo unrhyw faterion posibl, heb gyfeirio at unrhyw un yn benodol. Nid oeddwn yn ymwybodol o unrhyw fater yn benodol. Mae'r un peth yn wir am y cytundeb cyfrinachedd. Ei bwrpas yw atgoffa'r gweithiwr y bu'n gweithio i'r cwmni ac, fel rhan o hynny, bod y cwmni'n disgwyl cyfrinachedd ganddo, yna mae'n mynd ymlaen i restru, o ran rhaglenni cyfrifiadurol, ffeiliau, dogfennau, gweithgareddau masnachol y cwmni, ac ati. Mae'r rhain yn gymalau safonol a phrin y bûm yn gysylltiedig â llunio'r ddogfen, gan ei bod yn ddogfen sefydlog.

[63] Alison Halford: Please tell me, Mr Ford, if I have got it wrong, but my note says that you took advice from lawyers who said it was a pretty normal parting of the ways. You then said that you did not ask lawyers for financial advice. When an employee is leaving against his or her will, there is always a financial bill to settle. Are you telling the Committee that you had no interest whatsoever in this vastly important matter of a legal cost, particularly when Ms Southall has come up with a wonderful shopping basket of costings for the various things that would or could have happened? There seems to be an anomaly with your refusal to ask your lawyers for financial advice—the crux of Arnold’s departure.

Mr Ford: Forgive me, I did not think that I said I was not interested in financial advice. I thought I said that I did not expect them to tell me what was in the museum’s financial memorandum. I venture to suggest that that is dramatically different. Of course I wanted their financial advice. I have already said that I believed that it was my responsibility to settle this matter at the best possible value for

[63] Alison Halford: Dywedwch wrthyf os gwelwch yn dda, Mr Ford, os wyf yn anghywir, ond mae fy nodyn yn dweud ichi gymryd cyngor gan gyfreithwyr a ddywedodd ei fod yn ymwahaniad eithaf arferol. Dywedasoeh wedyn na wnaethoch ofyn i’r cyfreithwyr am gyngor ariannol. Pan fydd gweithiwr yn gadael yn erbyn ei ewyllys neu ei hewyllys, mae bil ariannol i’w dalu bob tro. A ydych yn dweud wrth y Pwyllgor nad oedd gennych unrhyw ddiddordeb o gwbl yn y mater holl bwysig hwn o gost gyfreithiol, yn arbennig wedi i Ms Southall gyflwyno basged siopa wych yn llawn costau ar gyfer yr amrywiol bethau a fyddai neu a allai fod wedi digwydd? Ymddengys bod anghysondeb gan ichi wrthod gofyn i’ch cyfreithwyr am gyngor ariannol—sef craidd ymadawiad Arnold.

Mr Ford: Maddeuwch i mi, nid oeddwn yn credu imi ddweud nad oedd gennyf ddiddordeb mewn cyngor ariannol. Credaf imi ddweud nad oeddwn yn disgwyl iddynt ddweud wrthyf beth oedd cynnwys memorandwm ariannol yr amgueddfa. Mentraf awgrymu bod hynny gryn dipyn yn wahanol. Wrth gwrs fy mod am gael eu cyngor ariannol. Yr wyf eisoes wedi dweud fy mod yn credu mai fy nghyfrifoldeb i

money. This wonderful shopping list existed at the time. We were given estimates of what it would cost if we pursued all the alternative routes. The cheapest possible route, it was thought, even if we went through the whole disciplinary procedure, was likely to involve paying at least his salary for six months. His salary for six months was slightly more than £30,000, so the settlement that we made was, even on the cheapest of all options, the best value for money that we could attain. I certainly wanted their financial advice. I said that I thought it was not their responsibility—perhaps I am wrong—to tell me what the terms of our agreement with the Welsh Office were.

oedd setlo'r mater hwn gan sicrhau'r gwerth gorau posibl am arian. Yr oedd y rhestr siopa wych hon yn bodoli ar y pryd. Rhoddwyd amcangyfrifon inni o'r hyn y byddai'n ei gostio petaem yn dilyn yr holl lwybrau eraill. Yr oedd lle i gredu y byddai'r llwybr rhataf posibl, hyd yn oed petaem yn mynd drwy'r broses ddisgyblu gyfan, yn debygol o olygu o leiaf talu ei gyflog am chwe mis. Yr oedd ei gyflog am chwe mis ychydig yn fwy na £30,000, felly y setliad a wnaethpwyd gennym, hyd yn oed ar yr opsiwn rhataf un, oedd y gwerth gorau am arian o fewn ein cyrraedd. Yr oeddwn yn bendant eisiau eu cyngor ariannol. Dywedais fy mod yn credu nad eu cyfrifoldeb hwy—efallai fy mod yn anghywir—oedd dweud wrthyf beth oedd termau ein cytundeb â'r Swyddfa Gymreig.

[64] Alison Halford: I accept that my note was wrong—I am certainly not infallible. Your lawyers did tell you that it was going to cost you £30,000 plus his costs?

[64] Alison Halford: Yr wyf yn derbyn bod fy nodyn yn anghywir—yn sicr nid wyf yn ddiffael. A ddywedodd eich cyfreithwyr wrthyfch y byddai'n costio £30,000 ichi ynghyd â'i gostau?

Mr Ford: Yes. I had to agree that.

Mr Ford: Do. Yr oedd yn rhaid imi gytuno ar hynny.

[65] Alun Pugh: I want to take you down a well-trodden legal path of disagreements within organisations.

[65] Alun Pugh: Yr wyf am eich tywys ar hyd llwybr cyfreithiol cyfarwydd iawn o anghytundeb o fewn

You said that the lawyers simply peel these phrases off their computers. Apparently, we are asked to believe that big pay-offs, gagging clauses and dodgy references are standard parts of corporate ethics. I accept that some parts of the private sector do not have problems with ethics and probity, but are you telling me that, as an accounting officer, you did not understand that this practice was unacceptable in a public sector organisation?

Mr Ford: I did not believe at any stage of the process, and I do not believe it now, that we were doing anything unethical. Quite the reverse.

[66] Brian Gibbons: I want to return to Geraint's point. I am still not clear what right—as part of an agreement—Mr Arnold had to any money. He was lucky to escape with his reputation, since he was going to be given a pretty bland reference. Why did the museum feel that it was in such a weak negotiating position vis-à-vis Mr Arnold that it could not tell him he should be thankful that he was getting away with this? To claim that part of

sefydliadau. Dywedasoeh wrthyf mai'r cwbl a wna'r cyfreithwyr yw argraffu'r ymadroddion hyn oddi ar eu cyfrifiaduron. Yn ôl pob tebyg, gofynnir inni gredu bod taliadau mawr, cymalau tawelu a geirdaon amheus yn rhan safonol o foeseg gorfforaethol. Yr wyf yn derbyn nad oes gan rai rhannau o'r sector preifat broblemau gyda moeseg a gonestrwydd, ond a ydych yn dweud wrthyf nad oeddech chi, fel swyddog cyfrifo, yn deall bod yr arfer hwn yn annerbyniol mewn sefydliad sector cyhoeddus?

Mr Ford: Nid oeddwn yn credu, ac ni chredaf hynny yn awr, yn ystod unrhyw gam o'r broses, ein bod wedi gwneud unrhyw beth anfoesol. I'r gwrthwyneb.

[66] Brian Gibbons: Hoffwn ailafael ym mhwynt Geraint. Nid wyf yn glir o hyd pa hawl—fel rhan o gytundeb—a oedd gan Mr Arnold i unrhyw arian. Yr oedd yn ffodus i ffoi gyda'i enw da, gan mai geirda digon di-liw y byddai'n ei gael. Pam yr oedd yr amgueddfa o'r farn ei bod mewn sefyllfa negodi mor wan mewn perthynas â Mr Arnold fel na allai ddweud wrtho y dylai fod yn ddiolchgar ei fod yn osgoi cosb yn hyn o beth? Mae honni mai rhan o'r

the reason was that the museum would have to have paid a penalty for failing to pick up this problem earlier is like fining the police for not picking up a criminal at an earlier stage. That is no reason for justifying such a payment.

rheswm oedd y ffaith y byddai'n rhaid i'r amgueddfa fod wedi talu dirwy am fethu â sylwi ar y broblem hon yn gynharach yn gyfystyr â dirwyo'r heddlu am beidio a dal troseddwr yn gynharach. Nid yw hynny'n rheswm dros gyfiawnhau taliad o'r fath.

Mr Ford: I am not quite sure how you think we could have got a no-cost option. Are you suggesting that, without even investigating the allegations, I should have fired him on the spot without any pay?

Mr Ford: Nid wyf yn siwr iawn sut yr ydych yn credu y byddai gennym opsiwn di-gost. A ydych yn awgrymu y dylwn fod wedi ei ddiswyddo yn y fan a'r lle heb unrhyw dâl, heb hyd yn oed ymchwilio i'r honiadau?

[67] Brian Gibbons: No. There was a disciplinary procedure to be followed.

[67] Brian Gibbons: Nac ydw. Yr oedd gweithdrefn ddisgyblu i'w dilyn.

Mr Ford: I have already said that that would take around six months and would cost more than £30,000.

Mr Ford: Yr wyf eisoes wedi dweud y byddai hynny'n cymryd tua chwe mis ac y byddai'n costio mwy na £30,000.

[68] Brian Gibbons: Mr Arnold should have been lucky to get away with his reputation.

[68] Brian Gibbons: Dylai Mr Arnold fod wedi bod yn lwcus i ddianc gyda'i enw da.

Mr Ford: Well, that is as may be.

Mr Ford: Wel, digon posibl.

[69] Brian Gibbons: He should not have expected £30,000 to help him on his way.

[69] Brian Gibbons: Ni ddylai fod wedi disgwyl £30,000 i roi help llaw iddo wrth adael.

Mr Ford: I can only go back to the fact that all the advice I had—and nobody has suggested anything to me since—did not suggest that there would be any way one could have got away with less than £30,000.

Mr Ford: Gallaf ond dychwelyd at y ffaith nad oedd unrhyw gyngor a gefais—ac nid oes unrhyw un wedi awgrymu unrhyw beth imi ers hynny—yn awgrymu y byddai unrhyw ffordd y byddem wedi gallu osgoi talu llai na £30,000.

[70] Alison Halford: I wonder what the head of human resources who brought the matter to notice thought.

[70] Alison Halford: Tybed beth fyddai'r pennaeth adnoddau dynol a ddaeth â'r mater i'r amlwg yn ei feddwl.

[71] Janet Davies: I am not going to allow that question.

[71] Janet Davies: Nid wyf am ganiatáu'r cwestiwn hwnnw.

[72] Dafydd Wigley: Mae un pwynt yn codi o hyn. A oeddech yn meddwl, pe bai Mr Arnold yn gadael trwy setliad o'r math hwn, na fyddai staff ar unrhyw lefel wedi bod yn ymwybodol fod cyhuddiadau yn ei erbyn ac y gellid cadw hynny o sylw'r staff am gyfnod penagored?

[72] Dafydd Wigley: One point arises from this. Did you think that, if Mr Arnold left through a settlement of this kind, staff on any level would not have been aware that allegations had been made against him and that that could have been kept from staff for an open-ended period?

Mr Ford: That is an incredibly difficult question to answer and I do not know the answer. I would have to be part of the museum and its culture now to know what the view is of how and why Mr Arnold left.

Mr Ford: Mae hwnnw'n gwestiwn hynod o anodd i'w ateb ac ni wn yr ateb iddo. Byddai'n rhaid imi fod yn rhan o'r amgueddfa a'i diwylliant yn awr er mwyn gwybod beth yw'r farn ynghylch sut a pham y gadawodd Mr Arnold.

[73] Dafydd Wigley: Yr wyf yn pwysu'r pwynt hwn oherwydd os oedd hi'n bosibl—ac o'r ateb a gawsom, yr oedd yn bosibl os nad yn debygol—fod y cyhuddiadau yn wybyddus i bobl eraill a'i bod yn amlwg nad oedd gweithredu caled, trwy ddisgyblaeth, wedi bod yn erbyn y swyddog hwn, onid oedd hynny'n rhoi'r neges anghywir i staff eraill a allai gael eu temtio i weithredu mewn ffordd annerbyniol? Hynny yw, bod cyfrifoldeb i weithredu, nid yn unig i gosbi'r unigolyn, ond fel esiampl i bawb arall ac i ddangos bod gweithredu yn agored, yn glir ac yn gyfiawn.

Mr Ford: I certainly do not believe that one should always use this course of action with every employee. I have tried to explain why I thought that they were very particular cases of history, both of the employee and of the museum's behaviour, and of timing. The timing was very, very difficult and unfortunate.

[74] Janet Davies: We will turn now to the compensation payment for Tim Arnold. Alun Cairns, would you like to ask some questions?

[73] Dafydd Wigley: I am pressing this point because if it was possible—and from the answer we have received, it was possible if not probable—that the allegations were known to other people and that it was evident that firm action, through discipline, had not been taken against this official, did that not give the wrong message to other staff who might be tempted to act in an unacceptable manner? That is, there is a responsibility to act, not only to punish the individual, but as an example to other people and to show that the action is open, clear and just.

Mr Ford: Yn sicr nid wyf yn credu y dylid cymryd y camau hyn bob tro gyda phob gweithiwr. Yr wyf wedi ceisio esbonio pam y credwn eu bod yn achosion tra phenodol o ran ymddygiad y gweithiwr a'r amgueddfa, a'r amseriad. Yr oedd yr amseriad yn anodd iawn, iawn ac yn anffodus.

[74] Janet Davies: Trown yn awr at y taliad iawndal i Tim Arnold. Alun Cairns, a hoffech ofyn rhai cwestiynau?

[75] Alun Cairns: **Thank you, madam Chair. Ms Southall, I would like to ask you questions and then I will look to Mr Ford for him to respond to your answer. We have discussed the £30,000 figure that was negotiated upon on a number of occasions this morning, can you highlight to me how that figure was decided upon?**

Ms Southall: **I can give you my understanding of how it was decided upon. The first thing is that Mr Arnold would be entitled, under the compromise agreement, to three months' salary. That would have been some £15,000 to him, with on costs obviously to the museum. I believe that the remainder—the other £15,000 to him as it were—was decided on because it was a figure that was acceptable to him but was less than the costs of the disciplinary route.**

[76] Alun Cairns: **Would you like to respond, Mr Ford?**

Mr Ford: **I think that the only rider I would give to that very correct answer is that it was less than Mr Arnold and his solicitor originally asked for.**

[75] Alun Cairns: **Diolch, fadam Cadeirydd. Ms Southall, hoffwn ofyn cwestiynau ichi ac yna byddaf yn disgwyl i Mr Ford ymateb i'ch ateb. Yr ydym wedi trafod y ffigur a negodwyd sef £30,000 ar sawl achlysur y bore yma, a allwch chi esbonio imi sut y penderfynwyd ar y ffigur hwnnw?**

Ms Southall: **Gallaf esbonio i chi sut y penderfynwyd arno, yn ôl a ddeallaf. Y peth cyntaf yw y byddai gan Mr Arnold hawl, o dan y cytundeb cyfaddawd, i dri mis o gyflog. Byddai hynny tua £15,000 iddo ef, ynghyd â chostau ychwnaegol wrth reswm i'r amgueddfa. Credaf y penderfynwyd ar y gweddill—y £15,000 arall iddo fel petai—gan ei fod yn ffigur a oedd yn dderbyniol iddo ond a oedd yn llai na chostau'r llwybr disgyblu.**

[76] Alun Cairns: **A hoffech ymateb, Mr Ford?**

Mr Ford: **Credaf mai'r unig ategiad yr hoffwn ei wneud i'r ateb cywir iawn hwnnw yw ei fod yn llai na'r hyn y gofynnodd Mr Arnold a'i gyfreithiwr amdano'n wreiddiol.**

[77] Alun Cairns: **I want to come on to that. You have both mentioned the six-month period that the disciplinary action would be likely to take. On what basis did you estimate that it would take six months?**

Ms Southall: **My understanding is that this was an estimate given to Mr Ford by both the head of human resources and by the solicitors who were advising in this case.**

[78] Alun Cairns: **Mr Ford?**

Mr Ford: **Yes, indeed, and complicated as I said, very early on, by the fact that the director—the responsible person—was going to change in the middle of the process. That was likely to string it out and make it longer rather than shorter.**

[79] Alun Cairns: **If that is the case, is it fair to say that Mr Arnold found himself in a particularly strong negotiating position as a result of the disciplinary procedure and as a result of the lack of discipline that was introduced very early on? So he was in a very strong negotiating position and that he, effectively, could name his price?**

[77] Alun Cairns: **Hoffwn ddilyn trywydd hynny. Mae'r ddau ohonoch wedi crybwyll y cyfnod o chwe mis y byddai'r camau disgyblu yn debygol o'i gymryd. Ar ba sail y gwnaethoch amcangyfrif y byddai'n cymryd chwe mis?**

Ms Southall: **Fy nealltwriaeth i yw mai dyma'r amcangyfrif a roddwyd i Mr Ford gan y pennaeth adnoddau dynol a chan y cyfreithwyr a oedd yn rhoi cyngor yn yr achos hwn.**

[78] Alun Cairns: **Mr Ford?**

Mr Ford: **Ie, yn wir, a chymhlethwyd hyn fel y dywedais, yn llawer cynharach, gan y ffaith y byddai'r cyfarwyddwr—y person cyfrifol—yn newid ynghanol y broses. Yr oedd hyn yn debygol o'i hymestyn a'i gwneud yn hwy yn hytrach na'i byrhau.**

[79] Alun Cairns: **Os felly, a yw'n deg dweud bod Mr Arnold mewn sefyllfa negodi arbennig o gryf o ganlyniad i'r weithrefn ddisgyblu ac o ganlyniad i'r diffyg disgyblaeth a fu yn llawer cynharach? Felly yr oedd mewn sefyllfa negodi gref iawn a gallai, mewn gwirionedd, ddweud faint oedd ei bris?**

Mr Ford: He named a price, which he did not get. I can tell you that the internal view of those people who know in the museum and Council, and of our solicitor, is that we spent a lot less on settling this than anyone could have predicted at the beginning of it. There is an element in which our position is slightly weak because of the timing and the long history. I have admitted that. However, in the end, that did not influence the payment. We managed to settle at a rather lower cost than we had feared.

[80] Alun Cairns: Following on from that, Mr Ford, was Mr Arnold holding the museum to ransom?

Mr Ford: Certainly not, because if he had not accepted the figure, which after all comes out of his proposal originally, and not ours, that this was the way to go—it was not our idea that he should leave—he would have gone through the disciplinary process. I was myself convinced that the allegations were true and strong and that he would, in the end, have lost the case. However, we never got that far. He did not have us over a barrel, being held to ransom. The museum had one weakness in its case—two, perhaps,

Mr Ford: Dywedodd faint oedd ei bris, ond nis cafodd. Gallaf ddweud wrthy ch mai barn fewnol y bobl hynny sydd yn gwybod yn yr amgueddfa a'r Cyngor, a'n cyfreithiwr, yw ein bod wedi gwario llawer llai ar setlo hyn nag y gallai unrhyw un fod wedi'i ragweld ar y dechrau. Mae elfen lle mae ein sefyllfa ychydig yn wan oherwydd yr amseru a'r hanes hir. Yr wyf wedi cyfaddef hynny. Fodd bynnag, yn y pen draw, ni ddylanwadodd hynny ar y taliad. Llwyddasom i setlo ar bris ychydig yn is nag yr oeddem wedi'i ofni.

[80] Alun Cairns: Gan ddilyn ymlaen o hynny, Mr Ford, a oedd Mr Arnold yn dal yr amgueddfa yn wystl?

Mr Ford: Nac oedd, yn sicr, oherwydd oni fuasai wedi derbyn y ffigur, sydd wedi'r cyfan yn deillio o'i gynnig ef yn wreiddiol, ac nid ein cynnig ni, mai dyna oedd y ffordd i'w dilyn—nid ein syniad ni oedd y dylai adael—byddai wedi mynd drwy'r broses ddisgyblu. Yr oeddwn i fy hun yn argyhoeddedig fod yr honiadau'n wir ac yn gryf ac y byddai, yn y pen draw, wedi colli'r achos. Fodd bynnag, nid aethom mor bell â hynny erioed. Nid oeddem ar ei drugaredd, yn cael ein dal yn wystl. Un gwendid oedd yn achos yr

because of the fact that I was about to retire—but otherwise we, in fact, pretty well held all the cards.

amgueddfa—dau, efallai, oherwydd y ffaith fy mod ar fin ymddeol—ond fel arall, a dweud y gwir, ni oedd â'r llaw uchaf.

[81] Alun Cairns: If you were convinced that the allegations made would be upheld against him, how can you say that when, earlier on, you indicated that you were wholly unaware of the alleged misconduct throughout previous years?

[81] Alun Cairns: Os oeddech yn argyhoeddedig y byddai'r honiadau a wnaethpwyd yn cael eu cadarnhau yn ei erbyn, sut y gallwch ddweud hynny wedi ichi nodi'n gynharach nad oeddech yn ymwybodol o gwbl o'r camymddwyn honedig drwy gydol y blynyddoedd blaenorol?

Mr Ford: That is what I had been aware of, but I was aware by the time these meetings were being held, and there were, and I assume still are, very strong pieces of documentary evidence—depositions of staff who had left and so on.

Mr Ford: Dyna'r hyn yr oeddwn wedi bod yn ymwybodol ohono, ond yr oeddwn yn ymwybodol erbyn i'r cyfarfodydd hyn gael eu cynnal, ac yr oedd, ac y mae o hyd, ddarnau cryf iawn o dystiolaeth ddogfennol—tystiolaeth staff a oedd wedi gadael ac ati.

[82] Alun Cairns: You mentioned that it was not the figure that Mr Arnold asked for—that that was not his starting point—so did the museum establish an upper negotiating limit and, if so, what was it?

[82] Alun Cairns: Crybwyllasoch nad dyna'r ffigur y gofynnodd Mr Arnold amdano—nad hynny oedd ei fan cychwyn—felly a bennodd yr amgueddfa uchafswm negodi ac, os felly, beth ydoedd?

Mr Ford: I do not think that we ever got to that stage. I have in my head somewhere, but I have not gone back to the documents and I am not even

Mr Ford: Nid wyf yn credu inni erioed gyrraedd y cam hwnnw. Rhywle yn fy mhen, ond nid wyf wedi dychwelyd at y dogfennau ac nid wyf yn siwr hyd yn

sure if I should be quoting it, but I have in my head that we might somewhere have discussed that maybe it would cost us £50,000. However, it is purely recollection, so I probably ought not to even have said it. We certainly did not set any upper limit. There were no ground rules at that stage. It did not last long enough for there to need to be ground rules.

[83] Alun Cairns: Using the figure of £50,000—and you have previously given an answer that it was cheaper, in effect, to come to this compromise agreement with a payment of £30,000 because that was equivalent to six months' salary and it would take six months to run through the standard disciplinary procedure—it is fair to say that you were prepared to go to a figure of an additional £20,000 for the sake of convenience?

Mr Ford: I think that 'convenience' is rather a slight word to wrap up a lot of rather serious problems. It was not about convenience, it was about actually effective, efficient management of the museum at a time when it was already—as all institutions do—about to undergo quite serious change with the end of one directorship and the beginning of another.

oed a ddylwn ei ddyfynnu, ond yn fy mhen tybiaf hwyrach ein bod wedi trafod rhywbryd y gallai gostio £50,000 inni. Fodd bynnag, atgof yn unig yw hwnnw, felly yn ôl pob tebyg ni ddylwn fod wedi dweud hynny hyd yn oed. Yn sicr ni phennwyd uchafswm gennym. Nid oedd unrhyw reolau sefydlog bryd hynny. Ni pharhaodd yn ddigon hir fel bod angen rheolau sefydlog.

[83] Alun Cairns: Gan ddefnyddio'r ffigur o £50,000—ac yr ydych eisoes wedi rhoi ateb ei bod yn rhatach, mewn gwirionedd, dod i'r cytundeb cyfaddawd hwn gyda thaliad o £30,000 gan fod hynny'n cyfateb i chwe mis o gyflog a byddai'n cymryd chwe mis i fynd drwy'r weithdrefn ddisgyblu safonol—a yw'n deg dweud eich bod yn barod i gynnig ffigur oedd £20,000 yn ychwaneg er hwylustod?

Mr Ford: Credaf fod 'hwylustod' yn air eithaf diniwed i ddisgrifio llawer o broblemau eithaf difrifol. Nid oedd yn ymwneud â hwylustod, yr oedd yn ymwneud mewn gwirionedd â rheoli'r amgueddfa yn effeithiol ac yn effeithlon ar adeg pan oedd ar drothwy—fel yn achos pob sefydliad—cryn dipyn o newid gyda diwedd un gyfarwyddiaeth a dechrau un arall.

[84] Alun Cairns: So that additional £20,000 was seen to be—or could have been—effective and efficient management, as the £30,000—

[84] Alun Cairns: Felly ystyriwyd bod yr £20,000 ychwanegol hwnnw—neu y gallasai fod—yn rheolaeth effeithiol ac effeithlon, gan fod y £30,000—

Mr Ford: Forgive me, I think that the £20,000 is irrelevant. It never happened. I have said that I am not even quite sure whether it ever became a figure in discussion with anybody apart from what I had in my head, but I do not remember that.

Mr Ford: Maddeuwch i mi, credaf fod yr £20,000 yn amherthnasol. Ni ddigwyddodd hynny. Yr wyf wedi dweud nad wyf hyd yn oed yn siwr iawn a ddaeth yn ffigur a drafodwyd gydag unrhyw un erioed ac eithrio'r hyn a oedd gennyf yn fy mhen, ond nid wyf yn cofio hynny.

[85] Alun Cairns: The £30,000—is it purely coincidental that that sum of money is the maximum amount of money allowed before tax would have been chargeable?

[85] Alun Cairns: Y £30,000—a yw'n gyd-ddigwyddiad llwyr mai'r swm hwnnw o arian yw'r uchafswm a ganiateir cyn y byddai'n rhaid codi treth?

Mr Ford: I did not know that.

Mr Ford: Ni wyddwn hynny.

[86] Alun Cairns: Would that have not been raised by the legal advice and by the advice that you—

[86] Alun Cairns: Oni fyddai hynny wedi cael ei godi gan y cyngor cyfreithiol a'r cyngor a—

Mr Ford: It is possible. As I say, the two solicitors were the two people who drew up the document. I, of course, had to approve it, and it was sent to me for approval, but I do not believe that there is anything in that document about whether it is taxable or not, and

Mr Ford: Mae'n bosibl. Fel y dywedais, y ddau gyfreithiwr oedd y ddau berson a luniodd y ddogfen. Yr oedd yn rhaid imi, wrth gwrs, ei chymeradwyo, ac fe'i hanfonwyd ataf i'w chymeradwyo, ond nid wyf yn credu bod unrhyw beth yn y ddogfen honno ynglyn ag a yw'n

it is not something which I went into.

drethadwy ai peidio, ac nid yw'n rhywbeth yr ymchwiliais iddo.

[87] Alun Cairns: If I can say, I would find that quite strange because I would expect that that is a standard practice whereby people understand—anyone in a responsible employing position—that £30,000 is tax free in any sort of termination arrangement.

[87] Alun Cairns: Os gallaf ddweud, byddwn yn tybio bod hynny'n eithaf rhyfedd gan y byddwn yn disgwyl i hynny fod yn arfer safonol lle mae pobl yn deall—unrhyw un mewn sefyllfa gyflogi gyfrifol—bod £30,000 yn ddi-dreth mewn unrhyw fath o gytundeb terfynu.

Mr Ford: I have not been involved with termination arrangements and I am sorry that you find it strange to believe, but I did not know.

Mr Ford: Nid wyf wedi bod yn ymwneud â'r trefniadau terfynu ac mae'n ddrwg gennyf eich bod yn ei chael yn rhyfedd credu, ond nis gwyddwn.

[88] Alun Cairns: How close was Mr Arnold to retirement at that time?

[88] Alun Cairns: Pa mor agos oedd Mr Arnold i oed ymddeol bryd hynny?

Mr Ford: I am not sure. I would have to seek somebody's advice.

Mr Ford: Nid wyf yn siwr. Byddai'n rhaid imi ofyn cyngor rhywun.

Ms Southall: I think that he was under 50.

Ms Southall: Credaf ei fod o dan 50.

Mr Ford: I was about to say that he was in his early 50s, but he is under 50, so at least 10 years, possibly more.

Mr Ford: Yr oeddwn ar fin dweud ei fod yn ei 50au cynnar, ond mae o dan 50, felly o leiaf 10 mlynedd, mwy o bosibl.

[89] Alun Cairns: Thank you for that. Ms Southall, on what grounds did the museum decide to pay Mr Arnold's legal costs?

[89] Alun Cairns: Diolch am hynny. Ms Southall, ar ba sail y penderfynodd yr amgueddfa dalu costau cyfreithiol Mr Arnold?

Ms Southall: **I believe that that was an early part of the agreement with Mr Arnold.**

Ms Southall: **Credaf fod hynny yn rhan gynnar o'r cytundeb gyda Mr Arnold.**

[90] Alun Cairns: **Mr Ford, would you like to expand on that?**

[90] Alun Cairns: **Mr Ford, a hoffech ymhelaethu ar hynny?**

Mr Ford: **Yes, it was part of the agreement as it was put to me and I thought that it was a reasonable thing to do.**

Mr Ford: **Hoffwn, yr oedd yn rhan o'r cytundeb fel y'i cyflwynwyd imi ac yr oeddwn o'r farn mai dyna oedd y peth rhesymol i'w wneud.**

[91] Alun Cairns: **So, in addition to the £30,000 that was—**

[91] Alun Cairns: **Felly, yn ychwanegol at y £30,000 a oedd—**

Mr Ford: **It was actually £31,470.**

Mr Ford: **Yr oedd yn £31,470 a dweud y gwir.**

[92] Alun Cairns: **In addition to the £30,000, then, there were legal expenses on top, and that was again considered to be good value for money when there were serious allegations against Mr Arnold.**

[92] Alun Cairns: **Yn ogystal â'r £30,000, felly, yr oedd costau cyfreithiol yn ychwanegol, ac eto ystyriwyd bod hynny'n werth da am arian pan oedd honiadau difrifol yn erbyn Mr Arnold.**

Mr Ford: **It is still significantly cheaper than any other option that was offered to us.**

Mr Ford: **Mae'n parhau i fod yn sylweddol rhatach nag unrhyw opsiwn arall a gynigwyd inni.**

[93] Alun Pugh: **Just one quick supplementary on that. Given the nature of the serious allegations and given the fact that this is all well documented and people were entirely**

[93] Alun Pugh: **Dim ond un cwestiwn cyflym arall am hynny. O gofio natur yr honiadau difrifol ac o gofio'r ffaith bod hyn oll wedi'i ddogfennu'n dda a bod pobl yn hollol fodlon ar gofnodi**

happy to be on the record about this, was it ever discussed that you could say: ‘given these allegations, you are dismissed instantly for gross misconduct. We have here a file, we will see you in court, or see you in an industrial tribunal’?

Mr Ford: That is what I asked your colleague earlier, whether that was a serious proposal, and we then abandoned the disciplinary process altogether. I think that we would have had some difficulties. The advice that I was given was that it was not the right thing to do.

[94] Alun Pugh: Whose advice was it that it was not the right thing to do?

Mr Ford: Our employment lawyer.

[95] Alun Cairns: I have one other supplementary question. What sort of message would you say that this negotiated agreement between the museum and Mr Arnold sends to existing employees of the museum?

Mr Ford: I would like Ms Southall to try to answer that because Ms Southall runs the museum now and knows what—

hyn yn swyddogol, a drafodwyd o gwbl y posibilrwydd y gallech ddweud: ‘o goffio’r honiadau hyn, fe’ch diswyddir ar unwaith am gamymddygiad difrifol. Mae gennym yma ffeil, fe’ch gwelwn yn y llys, neu fe’ch gwelwn mewn tribiwnlys diwydiannol’?

Mr Ford: Dyna’r hyn a ofynnais i’ch cydweithiwr yn gynharach, p’un a oedd hynny’n gynnig difrifol, ac yna rhoddwyd y gorau i’r broses ddisgyblu yn gyfan gwbl. Credaf y byddem wedi cael rhai anawsterau. Y cyngor a gefais oedd nad dyna oedd y peth cywir i’w wneud.

[94] Alun Pugh: Cyngor pwy oedd nad dyna’r peth cywir i’w wneud?

Mr Ford: Ein cyfreithiwr cyflogaeth.

[95] Alun Cairns: Mae gennyf un cwestiwn arall i’w ychwanegu. Pa neges y mae’r cytundeb hwn a negodwyd rhwng yr amgueddfa a Mr Arnold yn ei gyfleu i weithwyr presennol yr amgueddfa, yn eich barn chi?

Mr Ford: Hoffwn i Ms Southall geisio ateb hynny gan mai Ms Southall sydd yn rhedeg yr amgueddfa yn awr a hi sydd yn gwybod beth—

[96] Alun Cairns: Yes, I would like her to respond first.

[96] Alun Cairns: Ie, hoffwn iddi hi ymateb yn gyntaf.

Ms Southall: I think that I would accept that it potentially does not send a very good message. Potentially, it sends the message that you can get away with bad behaviour. However, there were circumstances in this case, which, when I read the reports, I believe that the people involved acted in good faith. However, I would accept that, yes, it is not an appropriate message for staff to be given

Ms Southall: Credaf y byddwn yn derbyn nad yw o bosibl yn cyfleu neges dda iawn. Gallai gyfleu'r neges y gallwch osgoi cosb ar ôl ymddwyn yn wael. Fodd bynnag, yr oedd amgylchiadau yn yr achos hwn, lle, pan ddarlennaf yr adroddiadau, y credaf fod y bobl dan sylw wedi gweithredu mewn ewyllys da. Fodd bynnag, byddwn yn derbyn nad yw'n neges briodol i'w rhoi i'r staff.

[97] Alun Cairns: Mr Ford, was that taken into consideration at the time?

[97] Alun Cairns: Mr Ford, a ystyriwyd hynny ar y pryd?

Mr Ford: No, because we told the staff that Mr Arnold had considered his career and decided to resign. We did not tell them that we had agreed on any contract or that we had made any arrangement with him. That has only emerged as a result of this investigation.

Mr Ford: Naddo, oherwydd inni ddweud wrth y staff bod Mr Arnold wedi ystyried ei yrfa a'i fod wedi penderfynu ymddiswyddo. Ni ddywedasom wrthynt ein bod wedi cytuno ar unrhyw gontract nac ein bod wedi gwneud unrhyw drefniant gydag ef. Dim ond o ganlyniad i'r ymchwiliad hwn y daeth hynny i'r amlwg.

[98] Alun Cairns: In previous discussions, you have highlighted rumours and the circumstances that existed in the museum at the time and I wonder whether the museum's staff

[98] Alun Cairns: Mewn trafodaethau blaenorol, yr ydych wedi sôn am sibrydion a'r amgylchiadau a oedd yn bodoli yn yr amgueddfa ar y pryd a thybiaf a oedd staff yr amgueddfa yn

genuinely believed that was the reason for his departure. Bearing that in mind, would you like to reconsider your answer?

Mr Ford: Somebody has already referred to it being a leaky ship. If information were given to all staff—as I said at the time—then I thought it would get outside the museum. The number of staff who were party to what was going on could be counted on the fingers of one hand and I do not believe for an instant that any of those people would have leaked what we were doing.

[99] Alun Cairns: In retrospect and with the benefit of hindsight, what message do you think that public sector employees in similar positions have now received as a result of this investigation?

Mr Ford: I do not know that message they have received a message other than that Mr Arnold had left the museum with some questions about his career at the museum.

[100] Alun Cairns: And nothing in relation to the possible payments that any of them could receive for any alleged misconduct in the future?

credu'n wir mai dyna oedd y rheswm dros ei ymadawiad. O gadw hynny mewn cof, a hoffech ailystyried eich ateb?

Mr Ford: Mae rhywun eisoes wedi cyfeirio at yr amgueddfa fel sefydliad tafodrydd. Pe rhoddwyd y wybodaeth i'r holl staff—fel y dywedais ar y pryd—yna yr oeddwn o'r farn y byddai'n mynd y tu allan i'r amgueddfa. Gellid cyfrif ar fysedd un llaw faint o staff a oedd yn gwybod am yr hyn a oedd yn digwydd ac nid wyf yn credu am eiliad y byddai unrhyw un o'r bobl hynny wedi datgelu'r hyn yr oeddem yn ei wneud.

[99] Alun Cairns: O edrych yn ôl ac wedi'r holl ddigwyddiadau, pa neges a gyflewyd i weithwyr yn y sector cyhoeddus sydd mewn sefyllfa debyg o ganlyniad i'r ymchwiliad hwn, yn eich barn chi?

Mr Ford: Ni wn iddynt gael neges oni bai am y ffaith i Mr Arnold adael yr amgueddfa a bod rhai cwestiynau ynglyn â'i yrfa yn yr amgueddfa.

[100] Alun Cairns: A dim mewn perthynas â'r taliadau posibl y gallai unrhyw un ohonynt eu derbyn am gamyddwyn honedig yn y dyfodol?

Mr Ford: I do not think that we paid anyone for their misconduct. We paid them less than they might have received through any other route.

Mr Ford: Nid wyf yn credu inni dalu unrhyw un am eu camymddygiad. Talasom lai iddynt nag y gallent fod wedi'i dderbyn drwy unrhyw lwybr arall.

[101] Christine Chapman: You mentioned your staff. Given that the case is finished, have you been in a position to discuss this with the rest of the staff to see if there could be any possible future repercussions?

[101] Christine Chapman: Soniasoch am eich staff. O gofio fod yr achos ar ben, a ydych wedi bod mewn sefyllfa i drafod hyn gyda gweddill y staff er mwyn canfod a allai fod unrhyw sgîl-ffeithiau yn y dyfodol?

Ms Southall: I assume that that question is for me and not for Mr Ford?

Ms Southall: Tybiaf i'r cwestiwn hwnnw gael ei gyfeirio ataf i ac nid at Mr Ford?

[102] Christine Chapman: Yes.

[102] Christine Chapman: Ie.

Ms Southall: One of the things that is quite striking is how little interest the staff have expressed in the mechanics of the business, but we have discussed it at a senior management level and I have made clear to them the lessons that I personally have learnt from this case. There are lessons to be learnt from this specific case but there are also much broader lessons and those are the lessons that I think that we are all pleased to learn. That is one benefit or good outcome of a very unfortunate incident.

Ms Southall: Un o'r pethau sydd yn eithaf trawiadol yw cyn lleied o ddiddordeb y mae'r staff wedi'i fynegi ym mecanwaith y busnes, ond yr ydym wedi'i drafod ar lefel yr uwch reolwyr ac yr wyf wedi'i gwneud yn amlwg iddynt y gwersi yr wyf yn bersonol wedi'u dysgu yn sgîl yr achos hwn. Mae gwersi i'w dysgu o'r achos penodol hwn ond mae gwersi llawer ehangach hefyd a'r rheini yw'r gwersi yr ydym oll yn awddus i'w dysgu, yn fy marn i. Dyna un fantais neu ganlyniad da sydd wedi deillio o ddigwyddiad

anffodus iawn.

[103] Janet Davies: We will now move to the confidentiality clause and the employer's reference. Peter Black will ask some questions on that.

[103] Janet Davies: Symudwn yn awr at y cymal cyfrinachedd a geirda'r cyflogwr. Bydd Peter Black yn gofyn rhai cwestiynau am hynny.

[104] Peter Black: This question is to Ms Southall. Bullet point 4 of paragraph 12 of the report states that the agreement included a confidentiality clause binding on Mr Arnold. Why was such a confidentiality clause deemed necessary?

[104] Peter Black: Cyfeiriaf y cwestiwn hwn at Ms Southall. Noda pwynt bwled 4 paragraff 12 o'r adroddiad fod y cytundeb wedi cynnwys cymal cyfrinachedd yn rhwymo Mr Arnold. Pam y tybiwyd bod cymal cyfrinachedd o'r fath yn angenrheidiol?

Ms Southall: My understanding is that, at the time, this was a standard clause in compromise agreements of this sort in the private sector. My understanding also is that Mr Ford was not aware at that time—he is now, because we have discussed it—but he was not aware at that time of the view that confidentiality clauses are inappropriate in the public sector. So my understanding is that he saw no reason to suggest that this clause—which was standard, this agreement predates the Public Interest Disclosure Act 1998—should be deleted.

Ms Southall: Yn ôl fy nealltwriaeth i, ar y pryd, yr oedd hwn yn gymal safonol mewn cytundebau cyfaddawd o'r math hwn yn y sector preifat. Yr wyf hefyd ar ddeall nad oedd Mr Ford yn ymwybodol ar y pryd—mae bellach yn ymwybodol o hyn, gan ein bod wedi'i drafod—ond nid oedd yn ymwybodol ar y pryd bod cymalau cyfrinachedd yn amhriodol yn y sector cyhoeddus. Felly, fy nealltwriaeth i yw na welodd unrhyw reswm dros awgrymu y dylai'r cymal hwn—a oedd yn safonol, mae hyn yn rhagddyddio Deddf Datgelu Er Budd y Cyhoedd 1998—gael ei ddileu.

[105] Peter Black: You stated earlier that when you took legal advice from your solicitors, it was incumbent on the museum to brief the solicitors on the normal practice in the public sector. As a result of that briefing, would not the solicitors be aware that such a confidentiality clause was not standard in the public sector, and should not they, therefore, have advised the museum that that was the case?

Ms Southall: The problem was that Mr Ford was not aware that this form of confidentiality clause was—in the wake of a very high profile case—considered to be inappropriate in the public sector and therefore, he was not in a position to advise the solicitors on that.

[106] Peter Black: Do you not think that it would have been incumbent on the solicitors to familiarise themselves fully with all the normal procedures of a public sector organisation and maybe look at the documents and the terms of agreement outside of Mr Ford's briefing?

Ms Southall: I think this point was raised by one of your colleagues. I gave a personal reaction. Obviously, one of the very first things I am going to do

[105] Peter Black: Nodasoch yn gynharach pan gymerasoch gyngor cyfreithiol gan eich cyfreithwyr, ei bod yn ddyletswydd ar yr amgueddfa i roi briff i'r cyfreithwyr ar yr arfer cyffredin yn y sector cyhoeddus. O ganlyniad i'r briff hwnnw, oni fyddai'r cyfreithwyr yn ymwybodol nad oedd cymal cyfrinachedd o'r fath yn safonol yn y sector cyhoeddus, ac oni ddylent, felly, fod wedi cynghori'r amgueddfa i'r perwyl hwnnw?

Ms Southall: Y broblem oedd nad oedd Mr Ford yn ymwybodol yr ystyriwyd y math hwn o gymal cyfrinachedd—yng ngoleuni achos ag iddo broffil uchel iawn—yn amhriodol yn y sector cyhoeddus ac felly, nad oedd mewn sefyllfa i roi cyngor i'r cyfreithwyr ar hynny.

[106] Peter Black: Onid ydych yn credu y byddai'n ddyletswydd ar y cyfreithwyr i ymgyswrtu'n llawn â holl weithdrefnau arferol sefydliad yn y sector cyhoeddus ac o bosibl edrych ar y dogfennau a themau'r cytundeb y tu allan i gylch gorchwyl Mr Ford?

Ms Southall: Credaf i'r pwynt hwn gael ei godi gan un o'ch cydweithwyr. Rhoddais ymateb personol. Yn amlwg, un o'r pethau cyntaf y byddaf yn ei

when I leave this hearing is consult my colleagues in the Assembly office as to whether or not my understanding of what my responsibilities might be in such a case is correct. I will have to say, at this stage, before I seek their advice, that I do not know the answer to that question.

[107] Peter Black: Perhaps Mr Shortridge would like to comment on that particular aspect?

Mr Shortridge: I would expect an external firm of lawyers to be addressing the compliance issues within which its client was operating.

[108] Peter Black: Bullet point 5 of paragraph 12 states that the wording of the employer's reference for Mr Arnold, makes no reference to the reason for his departure. According to paragraph 15, you have been made aware of the issues raised in relation to Mr Arnold's management style. On what basis did you, therefore, agree to the wording used?

Ms Southall: The reference was drafted and was a reference that Mr Arnold sought that the museum would give. I changed it. There were definitely

wneud pan fyddaf yn gadael y gwrandawriad hwn fydd ymgynghori â'm cydweithwyr yn swyddfa'r Cynulliad ynglyn ag a yw fy nealltwriaeth o'm cyfrifoldebau mewn sefyllfa o'r fath yn gywir. Rhaid imi ddweud, ar hyn o bryd, cyn imi geisio eu cyngor, na wn yr ateb i'r cwestiwn hwnnw.

[107] Peter Black: Efallai y byddai Mr Shortridge yn hoffi gwneud sylw ar yr agwedd benodol honno?

Mr Shortridge: Byddwn yn disgwyl i gwmni o gyfreithwyr allanol ymdrin â'r materion cydymffurfio yr oedd ei glient yn gweithredu o'u mewn.

[108] Peter Black: Noda pwynt bwled 5 paragraff 12 nad yw geiriad geirda'r cyflogwr ar gyfer Mr Arnold yn cyfeirio o gwbl at y rheswm dros ei ymadawiad. Yn ôl paragraff 15, rhoddwyd gwybod i chi am y materion a godwyd mewn perthynas â dull rheoli Mr Arnold. Ar ba sail, felly, y cytunasoch ar y geiriad a ddefnyddiwyd?

Ms Southall: Drafftwyd y geirda ac yr oedd yn eirida yr oedd Mr Arnold wedi gofyn i'r amgueddfa ei roi. Fe'i newidiais. Yn sicr yr oedd pethau

things in it that I did not feel, in all honesty, that I could say. With the wisdom of hindsight, I wish that I had sought guidance from the Assembly on this issue but at the time what I was trying to do was to establish a totally neutral reference. The reference therefore documented in three paragraphs what Mr Arnold had done over 14 years for the museum. In the final paragraph, I think that the nearest I got to any warmth was to express the view that he had the capability to make a contribution to the running of an organisation. I tried to keep a very, very neutral tone. As I said, I think that I probably should have sought advice at that stage and I certainly would in future.

[109] Peter Black: You are an employer yourself. If you were presented with a reference like that for a potential employee, obviously you would try to read between the lines. In the light of what has come out, would you feel that you would have been misled by that reference?

Ms Southall: Personally, no, because I wrote it with someone like myself in mind. My instinct, whenever I get a reference where the person appears to be extremely good but the reference

ynndo nad oeddwn yn teimlo, a bod yn gwbl onest, y gallwn eu dweud. Ag ôl-ddoethineb, hoffwn pe bawn wedi gofyn am arweiniad gan y Cynulliad ar y mater hwn ond ar y pryd yr oeddwn yn ceisio ysgrifennu geirda hollol amhleidiol. Felly yr oedd y geirda yn nodi mewn tri pharagraff yr hyn yr oedd Mr Arnold wedi'i wneud dros 14 mlynedd ar ran yr amgueddfa. Y paragraff olaf, yn fy marn i, oedd y darn a oedd yn cyfleu unrhyw fath o gynhesrwydd, sef mynegi'r farn bod ganddo'r gallu i wneud cyfraniad tuag at redeg sefydliad. Ceisiais gadw naws amhleidiol tu hwnt. Fel y dywedais, credaf y dylwn fod wedi ceisio cyngor bryd hynny a byddwn yn sicr yn gwneud hynny yn y dyfodol.

[109] Peter Black: Yr ydych yn gyflogwraig eich hun. Pe cyflwynid geirda tebyg i chi ar gyfer darpar weithiwr, yn amlwg byddech yn ceisio darllen rhwng y llinellau. Yng ngoleuni'r hyn a ddaeth i'r amlwg, a fyddech o'r farn y byddech wedi eich camarwain gan y geirda hwnnw?

Ms Southall: Yn bersonol, na fyddwn, oherwydd fe'i hysgrifennais gyda rhywun fel fi fy hun mewn golwg. Fy ngreddf, pryd bynnag y caf eirda lle yr ymddengys bod y person yn dda iawn

does not appear to have any warmth, is to pick up the phone because, very often, over the phone and off the record one gets to the truth. I would certainly have been prepared to talk off the record about what I knew. However, I would have been very careful, because we must not forget that these were allegations, so I could only reflect, I felt, from my own personal experience of having worked with Mr Arnold for a couple of years. I have said that I do regret not seeking advice. My aim, I think, was fine, but I think probably that I would have been much wiser to have sought advice and I may have been advised not to agree to any such reference.

[110] Peter Black: I accept that. Obviously, as you say, these were allegations that were unproven because there was no disciplinary procedure. I think that is the main problem that we have in this instance. However, they were well-documented allegations and Mr Ford has said already that he felt that the museum had a very strong case. The payment of £30,000 was made to Mr Arnold and he came away with a neutral reference which, granted, may not have possessed

ond nad oes unrhyw gynhesrwydd yn y geirda, yw codi'r ffôn oherwydd, yn aml iawn, dros y ffôn ac yn answyddogol gall rhywun ddod yn agosach at y gwir. Byddwn yn sicr wedi bod yn barod i siarad yn answyddogol am yr hyn a wyddwn. Fodd bynnag, byddwn wedi bod yn ofalus iawn, oherwydd na ddylem anghofio mai honiadau oedd y rhain, felly teimlais mai dim ond fy mhrofiad personol o weithio gyda Mr Arnold am flwyddyn neu ddwy y gallwn ei adlewyrchu. Yr wyf wedi dweud ei bod yn edifar gennyf beidio â cheisio cyngor. Yr oedd fy nod, mi gredaf, yn iawn, ond credaf y byddai wedi bod yn llawer doethach ceisio cyngor ac efallai y byddwn wedi cael fy nghynghori i beidio â chytuno ar unrhyw eirida o'r fath.

[110] Peter Black: Yr wyf yn derbyn hynny. Yn amlwg, fel y dywedaso, ni phrofwyd yr honiadau hyn gan nad oedd unrhyw weithdrefn ddisgyblu. Credaf mai dyna'r brif broblem sydd gennym yn yr achos hwn. Fodd bynnag, yr oeddent yn honiadau a ddogfennwyd yn dda ac mae Mr Ford eisoes wedi dweud ei fod o'r farn fod gan yr amgueddfa achos cryf iawn. Gwnaethpwyd y taliad o £30,000 i Mr Arnold a gadawodd gyda geirda amhleidiol nad oedd iddo, yn sicr,

warmth and may well have hinted to a future employer that something was amiss. However, is not the problem that so much of this is not on the record and not in the open and that is why there is so much disquiet about the whole arrangement?

unrhyw gynhesrwydd a gallai fod wedi awgrymu i gyflogwr yn y dyfodol bod rhywbeth ar goll. Fodd bynnag, onid y broblem yw bod cymaint o hyn heb ei gofnodi'n swyddogol a heb fod yn agored a dyna'r rheswm pam bod cymaint o anffodlonrwydd ynghylch yr holl drefniant?

Ms Southall: Yes. An additional factor is that if I had sought advice about the reference before the compromise agreement was signed, we might not be sitting here today. Again, that is with the wisdom of hindsight.

Ms Southall: Ie. Ffactor ychwnaegol yw pe bawn wedi ceisio cyngor ynglyn â'r geirda cyn i'r cytundeb cyfaddawd gael ei lofnodi, ni fyddem yn eistedd yma heddiw o bosibl. Eto, gallaf ddweud hynny wrth edrych yn ôl.

[111] Alun Pugh: On that reference, Ms Southall, did you write it?

[111] Alun Pugh: O ran y geirda hwnnw, Ms Southall, ai chi a'i ysgrifennodd?

Ms Southall: I amended and agreed it. I did not write it.

Ms Southall: Myfi a'i diwygiodd a chytuno arno. Nid myfi a'i hysgrifennodd.

[112] Alun Pugh: So, who bears ultimate responsibility for the particular form of words used?

[112] Alun Pugh: Felly, pwy sydd yn ysgwyddo'r cyfrifoldeb yn y pen draw am y ffurf benodol o eiriau a ddefnyddiwyd?

Ms Southall: I do, because I agreed it.

Ms Southall: Myfi, gan imi gytuno arni.

[113] Alun Pugh: With whom?

[113] Alun Pugh: Gyda phwy?

Ms Southall: **I presume with Mr Ford. It was sent to me and I was asked whether or not I would allow the reference to be attached to the compromise agreement. I am sorry, I am trying to remember. I did not like the reference that had been written—**

Ms Southall: **Gyda Mr Ford, debygaf. Fe'i hanfonwyd ataf a gofynnwyd i mi a fyddwn yn fodlon caniatáu i'r geirda gael ei atodi i'r cytundeb cyfaddawd. Mae'n ddrwg gennyf, yr wyf yn ceisio cofio. Nid oeddwn yn hoffi'r geirda a ysgrifennwyd—**

[114] Alun Pugh: **Who wrote that one?**

[114] Alun Pugh: **Pwy ysgrifennodd hwnnw?**

Ms Southall: **I imagine that the solicitors wrote it between them but you will have to check those facts with Mr Ford. I amended it and sent it back to the head of human resources because they had sent it to me. Remember that the National Museums and Galleries of Wales operates on a number of different sites and at that time my office was not in Cardiff, so, these things tended to come through the internal mail.**

Ms Southall: **Tybiaf mai'r cyfreithwyr a'i hysgrifennodd ar y cyd ond bydd yn rhaid i chi gadarnhau'r ffeithiau hynny gyda Mr Ford. Fe'i ddiwygiais a'i ddychwelyd at y pennaeth adnoddau dynol gan mai'r adran honno a'i anfonodd ataf. Cofiwch fod Amgueddfeydd ac Orielau Cenedlaethol Cymru yn gweithredu ar sawl safle gwahanol ac ar y pryd nid oedd fy swyddfa yng Nghaerdydd, felly, yr oedd y pethau hyn yn tueddu i ddod drwy'r post mewnol.**

[115] Alun Pugh: **Did Mr Arnold or his solicitors see the text before it was agreed?**

[115] Alun Pugh: **A welodd Mr Arnold neu ei gyfreithwyr y testun cyn cytuno arno?**

Ms Southall: **His solicitors may have seen it, but I do not know.**

Ms Southall: **Efallai bod ei gyfreithwyr wedi ei weld, ond nis gwn.**

[116] Alun Pugh: If you were being charitable, I think that you would probably call the reference bland. If you were perhaps being less charitable, misleading might be a more appropriate description. Looking at it, I agree entirely that the first two paragraphs are extremely bland, but in the third, the reference states that he was commended for aspects of his work. You would really have to look between the lines to see that perhaps he was awful at other aspects. It states that Mr Arnold set high standards for himself and for those who worked for him. Again, I think that is a misleading statement. Reading between the lines, I do not think that you would see that he set impossible targets and took it out on staff who failed to achieve those targets. I put it to you that this reference, rather than being bland, is actually misleading and that there is a potential of liability if another employer relied on that reference in order to give somebody a job.

Ms Southall: I would certainly accept that and I think that you would be relieved to know that I have never been asked to use the reference and of course I will not, subject to legal advice, use it now. However, I accept that it could be deemed to be

[116] Alun Pugh: Pe baech yn garedig, credaf y byddech fwy na thebyg yn galw'r geirda'n un di-liw. Petaech yn llai caredig efallai, hwyrach y byddai camarweiniol yn ddisgrifiad mwy priodol. O edrych arno, cytunaf yn llwyr fod y ddau baragraff cyntaf yn hynod o ddi-liw, ond yn y trydydd, nodar geirda ei fod wedi'i ganmol am agweddau ar ei waith. Byddai'n rhaid i chi edrych rhwng y llinellau o ddifrif i weld bod agweddau eraill ar ei waith o bosibl yn ofnadwy. Noda i Mr Arnold osod safonau uchel iddo'i hun ac i'r sawl a weithiai iddo. Eto, credaf fod hwn yn ddatganiad camarweiniol. Gan ddarllen rhwng y llinellau, nid wyf yn credu y gallech weld iddo osod targedau amhosibl gan gosbi staff a fethodd â chyflawni'r targedau hynny. Dywedaf wrthy ch fod yr geirda hwn, yn hytrach na bod yn ddi-liw, yn gamarweiniol a bod posibilrwydd o atebolrwydd pe bai cyflogwr arall yn dibynnu ar y geirda hwnnw er mwyn rhoi swydd i rywun.

Ms Southall: Byddwn yn sicr yn derbyn hynny a chredaf y byddwch yn falch o gael gwybod nad oes unrhyw un erioed wedi gofyn imi ddefnyddio'r geirda ac wrth gwrs ni fyddaf, yn dibynnu ar gyngor cyfreithiol, yn ei ddefnyddio bellach. Fodd bynnag, yr wyf yn

misleading but that was not my intention at that time.

derbyn y gellid ei ystyried yn gamarweiniol ond nid dyna oedd fy mwriad ar y pryd.

[Cafwyd egwyl goffi rhwng 10.55 a.m. ac 11.10 a.m.]

[A coffee break was held between 10.55 and 11.10 a.m.]

[117] Janet Davies: Welcome back to the meeting. Leaving the compromise agreement to one side, we want to discuss the failure to apply for approval of the payment. I have a question for Jon Shortridge. The nature of the £30,000 payment is such that your approval was required. The NAO report confirms that no written approval was sought or given at the time. However, it identifies a difference of view as to whether or not your officials were consulted and informed of the proposed payment verbally. Could you tell this Committee the extent to which the Welsh Office knew about the intention to make this payment to Tim Arnold, and whether you authorised it at the time or did your predecessor?

[117] Janet Davies: Croeso yn ôl i'r cyfarfod. Gan roi'r cytundeb cyfaddawd i'r naill ochr, yr ydym am drafod y methiant i wneud cais i gymeradwyo'r taliad. Mae gennyf un cwestiwn i Jon Shortridge. Yr oedd natur y taliad o £30,000 yn golygu bod angen eich cymeradwyaeth. Mae adroddiad y Swyddfa Archwilio Genedlaethol yn cadarnhau na cheisiwyd unrhyw gymeradwyaeth ysgrifenedig ac na chafodd ei rhoi ar y pryd. Fodd bynnag, mae'n nodi gwahaniaeth barn o ran a ymgynghorwyd â'ch swyddogion ac a gawsant eu hysbysu o'r taliad arfaethedig ar lafar. A allech ddweud wrth y Pwyllgor i ba raddau y gwyddai'r Swyddfa Gymreig am y bwriad i wneud y taliad hwn i Tim Arnold, ac a wnaethoch ei awdurdodi ar y pryd neu a wnaeth eich rhagflaenydd?

Mr Shortridge: As the report makes clear, there had clearly been informal discussions between the director and

Mr Shortridge: Fel sydd yn glir yn yr adroddiad, yn amlwg cafwyd trafodaethau anffurfiol rhwng y

officials in the former Welsh Office. We understood that there was a problem that was being looked into. We searched our collective memories and we certainly have no recollection of a particular sum being mentioned. We were not of the view that our approval was being sought for anything. I personally—having looked back at the papers—am disappointed that that happened. As Mr Ford said earlier, if the alarm bells had rung, then we could have helped him through the difficult situation that he was in, where the person in the Museum who he would naturally rely on most, was the one person not available to him. However, we had the impression that this matter was being dealt with in the normal way and did not raise any unusual circumstances.

[118] Janet Davies: So there are no notes of any verbal conversations?

Mr Shortridge: There are no—I think the lawyers call them—‘contemporaneous notes’, but there have been subsequent notes, where people have searched their memories, going back a long way, to try to record their recollections as accurately as they can.

cyfarwyddwr a'r swyddogion yn y Swyddfa Gymreig gynt. Yr oeddem ar ddeall bod problem a oedd yn destun ymchwiliad. Ceisiodd pob un ohonom gofio ac yn sicr, nid oes gennym unrhyw gof o swm penodol yn cael ei grybwyll. Nid oeddem o'r farn fod rhywun yn gofyn am ein cymeradwyaeth ar gyfer unrhyw beth. Yn bersonol—o edrych yn ôl ar y papurau—yr wyf yn siomedig i hynny ddigwydd. Fel y dywedodd Mr Ford yn gynharach, pe baem wedi cael rhybudd, gallem fod wedi ei helpu drwy'r sefyllfa anodd yr oedd ynddi, sef nad oedd y person yn yr Amgueddfa y byddai wrth reswm yn dibynnu arno fwyaf ar gael iddo. Fodd bynnag, cawsom yr argraff fod y mater hwn yn cael ei drin yn y ffordd arferol ac nad oedd unrhyw amgylchiadau anarferol yn codi.

[118] Janet Davies: Felly nid oes unrhyw nodiadau o unrhyw sgrysiâu llafar?

Mr Shortridge: Nid oes unrhyw ‘nodiadau ar y pryd’—fel y'u gelwir gan gyfreithwyr, mi gredaf—ond cafwyd nodiadau dilynol, lle mae pobl wedi chwilio eu cof, gan fynd ymhell yn ôl, i geisio cofnodi yr hyn y maent yn ei gofio mor gywir ag y gallant.

[119] Janet Davies: You mentioned, Jon, that you feel that perhaps you should have been more alert to possible dangers arising, because there was some conversation about the issue. You received a note on 7 October, which was referred to earlier. It is in paragraph 18. On receiving that note should not someone have been alerted, at least to the fact that there was a problem arising? Do you have anything to say on that point?

Mr Shortridge: My recollection from talking to people was that this was seen as a piece of routine business. Mr Arnold was one of our main contacts with the Museum, so we would need to know that he was no longer in employment. However, I do not think that it raised any particular or new alarm bells. There had been a telephone conversation with Mr Ford—our recollection is that it was around 5 October—and, we think, one other conversation took place, probably in the margins of a meeting back in August. Therefore, when the note came, I think we were expecting it.

[120] Janet Davies: Yes, because the following day things happened quickly. A cheque was requested on 8 October,

[119] Janet Davies: Soniasoch, Jon, ichi deimlo y dylech fod wedi bod yn fwy effro i'r peryglon posibl fyddai'n codi, oherwydd y cafwyd sgwrs am y mater. Cawsoch nodyn ar 7 Hydref, y cyfeiriwyd ato'n gynharach. Mae ym mharagraff 18. Pan gafwyd y nodyn hwnnw oni ddylai rhywun fod wedi cael ei rybuddio, o leiaf o'r ffaith fod problem yn codi? A oes gennych unrhyw beth i'w ddweud ar y pwynt hwnnw?

Mr Shortridge: Yr hyn a gofiai o siarad â phobl yw yr ystyriwyd hyn fel mater o drefn arferol. Mr Arnold oedd un o'n prif gysylltiadau gyda'r Amgueddfa, felly byddai angen i ni wybod nad oedd yn cael ei gyflogi bellach. Fodd bynnag, nid wyf yn credu iddo godi unrhyw amheumon penodol nac amheumon newydd. Bu sgwrs dros y ffôn gyda Mr Ford—yn ôl yr hyn a gofiwn, oddeutu 5 Hydref—ac, yr ydym yn credu i un sgwrs arall ddigwydd, fwy na thebyg ar ymylon cyfarfod yn ôl ym mis Awst. Felly, pan ddaeth y nodyn, yr wyf yn credu ein bod yn ei ddisgwyl.

[120] Janet Davies: Ie, oherwydd y diwrnod canlynol digwyddodd pethau'n gyflym. Gofynnwyd am siec

two memos were sent back and fore, and Tim Arnold actually received the cheque on 9 October. It seems to have happened very quickly. Is it normal practice, when a request for a cheque is made for a payment of this sort, that it is processed and delivered so very quickly?

Mr Shortridge: I will ask my chief accountant that.

Mr Pavelin: Normally, we take about three days to provide payment to an individual, but if there is absolute dire urgency, then we can make a same day payment. However, it is not our normal practice to make immediate payments like this. The museum operates a different system to the Assembly and it could be well within their capabilities to make an immediate payment. Given the nature of the payment that was being made to conclude arrangements, it does not surprise me that once the deal had been struck, a cheque was handed over to Mr Arnold very quickly.

[121] Janet Davies: But it was not a dire emergency.

Mr Pavelin: I think in the context of striking a deal and coming to an agreement, normally lawyers would

ar 8 Hydref, anfonwyd dau femo yn ôl ac ymlaen, a derbyniodd Tim Arnold y siec ar 9 Hydref. Ymddengys iddo ddigwydd yn gyflym iawn. A yw'n arfer cyffredin, pan wneir cais am siec ar gyfer taliad o'r math hwn, ei fod yn cael ei brosesu a'i gyflwyno mor gyflym?

Mr Shortridge: Gofynnaf hynny i'm prif gyfrifydd.

Mr Pavelin: Fel arfer, yr ydym yn cymryd tua thri diwrnod i ddarparu taliad i unigolyn, ond os oes brys mawr iawn, gallwn wneud y taliad ar yr un diwrnod. Fodd bynnag, nid yw'n arfer cyffredin gwneud taliadau ar unwaith fel hyn. Mae'r amgueddfa yn gweithredu system whanol i'r Cynulliad a gallai fod o fewn eu gallu i wneud taliad ar unwaith. O gofio natur y taliad a oedd yn cael ei wneud er mwyn terfynu trefniadau, nid yw'n syndod i mi, wedi i'r fargen gael ei tharo, i siec gael ei rhoi i Mr Arnold yn gyflym iawn.

[121] Janet Davies: Ond nid oedd yn argyfwng difrifol.

Mr Pavelin: Credaf, yng ngyd-destun taro bargaen a dod i gytundeb, fel arfer byddai cyfreithwyr yn disgwyl i

expect there to be payment—with an agreement of this sort—very quickly.

daliad—gyda chytundeb o'r math hwn—gael ei wneud yn gyflym iawn.

[122] Alison Halford: I have been accused by my colleagues of being a Rottweiler. I am sure that is not true, but if it is I apologise and I will try harder.

[122] Alison Halford: Cefais fy nghyhuddo gan fy nghydweithwyr o fod yn Rottweiler. Yr wyf yn siwr nad yw hynny yn wir, ond os ydyw ymddiheuraf a byddaf yn gwneud mwy o ymdrech.

I have some questions to ask Mr Ford. We are told that as museum director you consulted the museum's personnel committee about the proposed agreement with Tim Arnold. It also states in the NAO's report that you assured the committee, and I quote,

Mae gennyf rai cwestiynau i'w gofyn i Mr Ford. Dywedir wrthym i chi, fel cyfarwyddwr yr amgueddfa, ymgynghori â phwyllgor personél yr amgueddfa ynglyn â'r cytundeb arfaethedig gyda Tim Arnold. Nodir hefyd yn adroddiad y Swyddfa Archwilio Genedlaethol i chi roi sicrwydd i'r pwyllgor, a dyfynnaf,

'that all proper authorisations had been obtained'.

'y derbyniwyd pob awdurdod priodol'.

On what basis did you give this assurance?

Ar ba sail y rhoesoch y sicrwydd hwn?

Mr Ford: It did not go before the personnel committee as such, it went before the chairman of the personnel committee, who had been consulted on the very first day, 24 August, when it all began. I think that is the right date.

Mr Ford: Nid aeth gerbron y pwyllgor personél fel y cyfryw, aeth gerbron cadeirydd y pwyllgor personél, yr ymgynghorwyd ag ef ar y diwrnod cyntaf un, sef 24 Awst, pan ddechreuodd y cyfan. Credaf mai dyna'r dyddiad cywir.

[123] Alison Halford: **From where, then, does this misunderstanding in the documents before us arise—**

Mr Ford: **It does actually say the chairman of the museum's personnel committee, and the president, vice-president and treasurer. Otherwise it talks about officers of the Council and, indeed, they were consulted. I told them that I thought I was doing all the proper things.**

[124] Alison Halford: **What did you tell them?**

Mr Ford: **I told them of the nature of the allegations. They had been part of the whole exercise. I discussed it with them at every conceivable stage. I told them of the difficulties that I described earlier in this meeting about the history. It was at that stage that one of them told me that this was something that had happened a long time ago and that even my predecessor had worried about it. That had not been reported to me. I told them what the two solicitors had agreed in terms of the compromise agreement. I told them of the terms, which included the £30,000. I do not remember this phrase about proper authorisations. I think—if there is one thing in this whole exercise I have said**

[123] Alison Halford: **O ble, felly, y mae'r camddealltwriaeth hwn yn y dogfennau sydd ger ein bron yn codi—**

Mr Ford: **Mewn gwirionedd, mae'n dweud cadeirydd pwyllgor personél yr amgueddfa, a'r llywydd, y dirprwy lywydd a'r trysorydd. Fel arall mae'n sôn am swyddogion y Cyngor ac, yn wir, ymgynghorwyd â hwy. Dywedais wrthynt fy mod yn credu fy mod yn gwneud yr holl bethau cywir.**

[124] Alison Halford: **Beth a ddywedasoch wrthynt?**

Mr Ford: **Dywedais wrthynt am natur yr honiadau. Yr oeddent wedi bod yn rhan o'r ymarfer cyfan. Trafodais ef gyda hwy yn ystod pob cam posibl. Dywedais wrthynt am yr anawsterau a ddisgrifiais yn gynharach yn y cyfarfod hwn ynglyn â'r hanes. Bryd hynny y dywedodd un ohonynt wrthyf fod hyn yn rhywbeth a ddigwyddodd amser maith yn ôl a bod hyd yn oed fy rhagflaenydd wedi pryderu amdano. Nid adroddwyd hynny wrthyf. Dywedais wrthynt am yr hyn y cytunodd y ddau gyfreithiwr arno o ran y cytundeb cyfaddawd. Dywedais wrthynt am y termau, a oedd yn cynnwys y £30,000. Ni chofiaf yr ymadrodd hwn am awdurdodiadau**

so far—that even after this morning’s discussion I am not clear I would change anything that I did at the time. The one thing I would certainly change without any hesitation at all, is make sure that I had not reached a conclusion before I had proper written authority from the Welsh Office. I failed to do that. I failed for various reasons to understand that that was required of me. Therefore, I do not believe for one second that I would have said to any of those people, ‘I have received the proper authorisation’. I was not aware, for good or ill, properly or improperly, I had not taken on board that authorisation was required.

priodol. Credaf—os oes un peth yn yr ymarfer hwn yr wyf wedi’i ddweud hyd yma—hyd yn oed ar ôl trafodaeth y bore yma nad wyf yn glir y byddwn yn newid unrhyw beth a wneuthum ar y pryd. Yr unig beth y byddwn yn sicr yn ei newid heb unrhyw amheuaeth o gwbl, yw sicrhau nad oeddwn wedi dod i gasgliad cyn imi gael awdurdod ysgrifenedig priodol gan y Swyddfa Gymreig. Methais â gwneud hynny. Methais am amryw o resymau â deall yr hyn a ddisgwyliwyd gennyf. Felly, ni chredaf am eiliad y byddwn wedi dweud wrth unrhyw un o’r bobl hynny, ‘Yr wyf wedi fy awdurdodi’n briodol’. Nid oeddwn yn ymwybodol, yn gam neu’n gymwys, er drwg neu er da, nid oeddwn wedi deall bod angen awdurdodiad.

[125] Alison Halford: So, the fact that it says in this financial report before us that you allegedly informed the Welsh Office of this payment is completely inaccurate?

[125] Alison Halford: Felly, mae’r ffaith ei bod yn dweud yn yr adroddiad ariannol ger ein bron yr honnir i chi roi gwybod i’r Swyddfa Gymreig am y taliad hwn yn hollol anghywir?

Mr Ford: No, I certainly informed the Welsh Office. I did not ask for their permission.

Mr Ford: Na, yn sicr fe roddais wybod i’r Swyddfa Gymreig. Ni ofynnais am eu caniatâd.

[126] Alison Halford: Whom did you inform in the Welsh Office?

[126] Alison Halford: Pwy roesoch wybod iddo yn y Swyddfa Gymreig?

Mr Ford: **My opposite number, who is the official in the Welsh Office.**

Mr Ford: **Y swyddog sydd yn cyfateb imi yn y Swyddfa Gymreig.**

[127] Alison Halford: **Are we allowed to give a name?**

[127] Alison Halford: **A ganiateir i ni roi enw?**

Mr Ford: **The gentleman is nodding his head in the corner, Mr Richard Davies.**

Mr Ford: **Mae'r gwr bonheddig yn nodio ei ben yn y gornel, Mr Richard Davies.**

[128] Alison Halford: **And this individual did not tell you that this was a transaction that was bordering on difficulty?**

[128] Alison Halford: **Ac ni ddywedodd yr unigolyn hwn wrthy ch fod hwn yn un o'r trafodion hynny a oedd yn ymylu ar fod yn anodd?**

Mr Ford: **No, he knew of the difficulties. I am slightly surprised to hear Mr Shortridge say that there were only two conversations—at this distance in time I will not argue with that—but there were certainly at least two conversations about the whole difficulty or the prolonged difficulties.**

Mr Ford: **Naddo, fe wyddai am yr anawsterau. Yr wyf yn synnu ychydig i glywed Mr Shortridge yn dweud mai dim ond dwy sgwrs a gafwyd—gan fod cymaint o amser wedi mynd heibio ni wnaif ddadlau ar y pwynt hwnnw—ond yn sicr cafwyd o leiaf ddwy sgwrs am yr anhawster cyfan neu'r anawsterau estynedig.**

[129] Alison Halford: **So you shared the fact that £30,000 of taxpayers' money had been cleared with three members of your committee, and not the whole committee?**

[129] Alison Halford: **Felly rhanasoch y ffaith fod £30,000 y trethdalwyr o arian trethdalwyr wedi ei glirio gan dri aelod o'ch pwyllgor, ac nid y pwyllgr cyfan?**

Mr Ford: **With three officers of Council, in fact four, the president, vice-president, treasurer and chairman of the personnel committee.**

Mr Ford: **Gan dri o swyddogion y Cyngor, pedwar mewn gwirionedd, sef y llywydd, is-lywydd, trysorydd a chadeirydd y pwyllgor personél.**

[130] Alison Halford: **Why then do you need a personnel committee?**

[130] Alison Halford: **Felly pam bod angen pwyllgor personél arnoch?**

Mr Ford: **My employers and the people who make the decisions were the Council of the museum.**

Mr Ford: **Fy nghyflogwyr a'r bobl sydd yn gwneud y penderfyniadau oedd Cyngor yr amgueddfa.**

[131] Alison Halford: **So why do you need a personnel committee?**

[131] Alison Halford: **Felly pam bod angen pwyllgor personél arnoch?**

Mr Ford: **To deal with personnel issues. This had gone higher than the personnel committee, but the chairman was involved from day one.**

Mr Ford: **Er mwyn delio â materion personél. Yr oedd hyn wedi mynd yn uwch na'r pwyllgor personél, ond yr oedd y cadeirydd yn gysylltiedig â'r mater o'r diwrnod cyntaf.**

[132] Alison Halford: **Is this all documented? If we asked for a file on this, could we see one?**

[132] Alison Halford: **A yw hyn oll wedi ei ddogfennu? Pe baem yn gofyn am ffeil ar hyn, a gaem weld un?**

Mr Ford: **Yes.**

Mr Ford: **Caech.**

[133] Alison Halford: **So it is all documented?**

[133] Alison Halford: **Felly mae'r cyfan wedi ei ddogfennu?**

Mr Ford: **Yes.**

Mr Ford: **Do.**

[134] Alison Halford: Ms Southall, as the director, would you like to comment on the conversation that I have just had with the former director?

Ms Southall: Only to say that my understanding is that that is a description of what took place. I believe Mr Ford felt that he was seeking help. I have learnt from this that one needs to ensure that what one says is fully understood and that communication is effective, if you see what I mean. In situations like this, where one is perhaps not clear about the full range of one's delegated authority, seeking clarification in writing is a very useful safeguard.

[135] Alison Halford: At the start of the evidence-taking, it was clearly suggested to the Committee that the outgoing director shared quite a lot of information with the director designate. We never quite know how much, do we?

Ms Southall: I knew, in general terms, what the allegations were, but not in detail. Of course, I know now. I have read the files to which you refer. I knew that the disciplinary route was being pursued. At some point in all of

[134] Alison Halford: Ms Southall, fel y cyfarwyddwr, a hoffech wneud sylw ar y sgwrs yr wyf newydd ei chael gyda'r cyn-gyfarwyddwr?

Ms Southall: Dim ond i ddweud mai fy nealltwriaeth i yw bod hynny'n ddisgrifiad o'r hyn a ddiwyddodd. Credaf i Mr Ford deimlo ei fod yn ceisio cymorth. Yr wyf wedi dysgu o hyn bod angen i rywun sicrhau bod yr hyn a ddywed rhywun yn cael ei ddeall yn llwyr a bod cyfathrebu'n effeithiol, os deallwch. Mewn sefyllfaoedd fel hyn, pan na fyddwch hwyrach yn glir ynghylch yr ystod lawn o awdurdod dirprwyedig sydd gennych, mae ceisio eglurhad ysgrifenedig yn gam diogelu defnyddiol iawn.

[135] Alison Halford: Ar ddechrau'r sesiwn cymryd tystiolaeth, awgrymwyd yn glir i'r Pwyllgor i'r cyfarwyddwr a oedd ar fin gadael rannu cryn dipyn o wybodaeth gyda'r darpar gyfarwyddwyr. Ni wyddom yn iawn fyth faint yn union, na wyddom?

Ms Southall: Gwyddwn, yn gyffredinol, beth oedd yr honiadau, ond nid yn fanwl. Wrth gwrs, fe wn bellach. Yr wyf wedi darllen y ffeiliau y cyfeiriwch atynt. Gwyddwn fod y broses ddisgyblu yn cael ei dilyn. Ar ryw adeg

this I went on holiday, and, although I normally holiday in Wales, rather unusually this time I went abroad. When I came back, I was told that an alternative route was being followed. I knew that there was a compromise agreement but I did not see it. I obviously knew about the reference that we discussed earlier. Although I was aware that there was a payment, it was not until later that I discovered the amount of that payment. On becoming director, I discovered what the amount of the payment was and had discussions with the head of finance on how we should best disclose that in the accounts. Neither of us believed at the time that there was anything improper about the payment.

[136] Alison Halford: So, in your role of director designate, you had no difficulty in accepting that three senior people were nodding through what is now seen as an irregular payment, rather than put it through the whole personnel committee?

Ms Southall: I do not think that the four members of Council nodded it through. I was aware, partly because I was away on holiday, of quite difficult discussions involving those four members of Council, Mr Ford and Mr

yn ystod hyn oll euthum ar wyliau, ac, er fy mod fel arfer yn treulio fy ngwyliau yng Nghymru, y tro hwn euthum dramor, sydd yn eithaf anarferol i mi. Pan ddychwelais, dywedwyd wrthyf fod llwybr arall yn cael ei ddilyn. Gwyddwn fod cytundeb cyfaddawd ond nis gwelais. Yn amlwg, gwyddwn am y geirda a drafodasom yn gynharach. Er fy mod yn ymwybodol bod taliad, ni ddarganfûm faint oedd y taliad tan yn ddiweddarach. Pan ddeuthum yn gyfarwyddwr, darganfûm faint oedd y taliad a chefais drafodaethau gyda'r pennaeth cyllid ar sut y dylem ddatgelu hynny orau yn y cyfrifon. Nid oedd yr un ohonom yn credu ar y pryd bod unrhyw beth amhriodol ynghylch y taliad.

[136] Alison Halford: Felly, yn eich rôl fel darpar gyfarwyddwr, ni chawsoch anhawster derbyn bod tri o bobl mewn swyddi uwch yn derbyn yr hyn a welir erbyn hyn yn daliad afreolaidd heb ei drafod, yn hytrach na'i roi drwy'r pwyllgor personél cyfan?

Ms Southall: Nid wyf yn credu i'r pedwar aelod o'r Cyngor ei dderbyn heb ei drafod. Yr oeddwn yn ymwybodol, yn rhannol oherwydd fy mod ar wyliau, o drafodaethau eithaf anodd rhwng y pedwar aelod hwnnw

Arnold. I hesitate to correct you but I think 'nodding through' is probably not an accurate description of what happened.

[137] Alison Halford: Will you describe what happened?

Ms Southall: I believe, from their account to me, that they discussed the options at length, including the disciplinary route.

[138] Alison Halford: One quick question for you, Mr Shortridge. It is written in front of me that accounting officers rely on their principal finance officers for advice. Tim Arnold was akin to a principal officer. Do you think that the Assembly can learn from the advice and evidence that we have heard thus far?

Mr Shortridge: There are certainly a number of lessons. One is, I think, that when an accounting officer in a public body is without access to his or her main financial adviser, they ought to look to alternatives. I would always make my financial advice in the Assembly available to them in those circumstances. I have told Anna that

o'r cyngor, Mr Ford a Mr Arnold. Petrusaf cyn eich cywiro ond nid wyf yn credu bod 'derbyn heb ei drafod' yn ddisgrifiad cywir o'r hyn a ddigwyddodd.

[137] Alison Halford: A wnewch chi ddisgrifio'r hyn a ddigwyddodd?

Ms Southall: Credaf, o'u hadroddiad i mi, iddynt drafod yr opsiynau yn helaeth, gan gynnwys y llwybr disgyblu.

[138] Alison Halford: Un cwestiwn cyflym i chi, Mr Shortridge. Mae wedi'i ysgrifennu o'm blaen fod y swyddogion cyfrifo yn dibynnu ar eu prif swyddogion cyllid am gyngor. Yr oedd Tim Arnold yn debyg i brif swyddog. A gredwch chi y gall y Cynulliad ddysgu o'r cyngor a'r dystiolaeth yr ydym wedi'i chlywed hyd yma?

Mr Shortridge: Yn sicr, mae nifer o wersi i'w dysgu. Un ohonynt, yn fy marn i, yw pan na fydd swyddog cyfrifo mewn corff cyhoeddus yn gallu mynd at ei brif neu ei phrif ymgynghorydd cyllid, dylai edrych am ddewisiadau eraill. Byddwn bob amser yn trefnu bod fy nghyngor ariannol yn y Cynulliad ar gael iddynt o dan yr

during our discussions prior to this hearing. There are other lessons that I can go into now, if you would like. We have actually written to all Assembly sponsored public bodies to draw those lessons to their attention, in the light of this experience.

[139] Alison Halford: Are you content with the fact that a £30,000 cheque, which has already been discussed by the Chair, was dispatched with what others might consider as fairly indecent haste, even to the extent, we understand, that it was delivered in person to the recipient?

Mr Shortridge: That is clearly very unusual. I had not appreciated that.

[140] Alison Halford: There was no counter-signature on it. Is that normal?

Mr Pavelin: It tends to vary from body to body, depending upon the amount of expenditure involved. It is not so much, necessarily, the fact that there is just one signature on the cheque, but the procedures that are in place leading up to the actual drawing of the cheque. I

amgylchiadau hynny. Dywedais hynny wrth Anna yn ystod ein trafodaethau cyn y gwrandawriad hwn. Mae gwersi eraill y gallaf fanylu arnynt yn awr, os hoffech. Yr ydym mewn gwirionedd wedi ysgrifennu at bob corff cyhoeddus a noddir gan y Cynulliad i dynnu eu sylw at y gwersi hynny, yng ngoleuni'r profiad hwn.

[139] Alison Halford: A ydych yn fodlon ar y ffaith i sic o £30,000, y mae'r Cadeirydd eisoes wedi'i drafod, gael ei rhyddhau ar yr hyn y gallai eraill ei ystyried yn dipyn o frys gwyllt, hyd yn oed i'r graddau, fel y deallwn, iddi gael ei hanfon yn bersonol at y derbynnnydd?

Mr Shortridge: Mae hynny wrth reswm yn anarferol iawn. Nid oeddwn wedi deall hynny.

[140] Alison Halford: Nid oedd unrhyw wrth-lofnod arni. A yw hynny'n arferol?

Mr Pavelin: Mae'n tueddu i amrywio o gorff i gorff, yn dibynnu ar swm y gwariant dan sylw. Nid yn gymaint, o anghenraid, yw'r ffaith mai dim ond un llofnod sydd ar y sic, ond y gweithdrefnau sydd yn eu lle cyn ysgrifennu'r sic. Yn anffodus, ni wn

am afraid that I do not know the absolute detail of the procedures leading up to the drawing of the cheque. Within the Assembly, for example, we use a facsimile single signature on a cheque, but there are very detailed procedures requiring two or more signatures of relevant officers prior to a cheque being drawn.

[141] Alison Halford: This was a legal transaction, was it not? A buying-off of a member of staff to some extent, to put a very gross slant on it. There are obviously lessons to be learnt.

Mr Pavelin: Most certainly. But it is clear from the evidence that has been given by the director and the previous director that there was much consideration of the whole of this process and that lawyers were involved in reaching agreement on the sum that was to be paid.

[142] Alison Halford: My final question is to you, Mr Ford. You saved taxpayers money, but the press that has followed has done very little to the integrity of the museum. Would you agree?

Mr Ford: I have not seen the press that has followed.

union fanylion y gweithdrefnau a arweiniodd at ysgrifennu'r siec. Yn y Cynulliad, er enghraifft, yr ydym yn defnyddio llofnod sengl adlun ar siec, ond mae gweithdrefnau manwl iawn sydd yn gofyn am ddau lofnod neu fwy gan swyddogion priodol cyn i siec gael ei hysgrifennu.

[141] Alison Halford: Yr oedd hon yn weithdrefn gyfreithiol onid oedd? Prynu llonydd gan aelod o'r staff i ryw raddau, o'i eirio'n gwrs iawn. Yn amlwg mae gwersi i'w dysgu.

Mr Pavelin: Yn sicr. Ond mae'n amlwg o'r dystiolaeth a roddwyd gan y cyfarwyddwr a'r cyn-gyfarwyddwr i'r broses gyfan gael ei hystyried gryn dipyn a bod cyfreithwyr ynghlwm wrth ddod i gytundeb ar y swm a oedd i'w dalu.

[142] Alison Halford: Cyfeiriaf fy nghwestiwn olaf atoch chi, Mr Ford. Yr ydych wedi arbed arian y trethdalwyr, ond ni wnaeth y sylw yn y wasg a ddilynodd lawer i integredd yr amgueddfa. A fyddech yn cytuno?

Mr Ford: Nid wyf wedi gweld y sylw yn wasg a ddilynodd.

[143] Alison Halford: **You do not read the press?**

Mr Ford: **I do not live in Wales any more. I certainly have not seen anything in the papers that I read and nobody has sent any to me.**

[144] Alison Halford: **I am surprised.**

[145] Peter Black: **I want to return to Mr Ford. From the line of questions that Alison has just followed and the previous line of questioning, there were clearly difficulties for you as your accounting officer was the one being disciplined. Therefore, you felt that the advice that you would normally have was not available to you. I get the impression that you felt rather isolated because of that. Do you feel that, in retrospect, you should have sought advice from other sources on the exact procedures to be followed in terms of both the disciplinary procedure and the pay-off?**

Mr Ford: **I certainly thought at the time that, in the absence of my own compliance officer, I had taken as much advice as possible by seeking the**

[143] Alison Halford: **Onid ydych yn darllen y papurau newydd?**

Mr Ford: **Nid wyf yn byw yng Nghymru bellach. Yn sicr ni welais unrhyw beth yn y papurau yr wyf i yn eu darllen ac nid oes unrhyw un wedi anfon rhai ataf.**

[144] Alison Halford: **Yr wyf wedi fy synnu.**

[145] Peter Black: **Hoffwn ddychwelyd at Mr Ford. O'r gyfres o gwestiynau y mae Alison wedi'i dilyn a'r gyfres flaenorol o gwestiynau, yn amlwg yr oedd gennych anawsterau gan mai eich swyddog cyfrifo oedd yr un a oedd yn cael ei ddisgyblu. Felly, yr oeddech yn teimlo nad oedd y cyngor y byddech yn ei gael fel arfer ar gael i chi. Caf yr argraff i chi deimlo i chi gael eich ynysu braidd oherwydd hynny. A ydych yn teimlo, wrth edrych yn ôl, y dylech fod wedi ceisio cyngor o ffynonellau eraill ar yr union weithdrefnau i'w dilyn o ran y weithdrefn ddisgyblu a'r taliad?**

Mr Ford: **Credais yn sicr ar y pryd, yn absenoldeb fy swyddog cydymffurfio fy hun, fy mod wedi cymryd cymaint o gyngor â phosibl drwy geisio'r cyngor**

best possible legal advice that I could find, seeking the advice of and sharing my problems with Welsh Office officials and having highly experienced people at the head of my Council, all of them with more experience of this kind of thing than I had. Nonetheless, I did have some sleepless nights over this. You are quite right about that. But that is the way that it was. I took all the advice that I thought that I could get hold of. I did not know where else I should go, behind which of those different organisations I should go. I thought that I had a lot of very senior, experienced and professional people telling me what to do.

[146] Brian Gibbons: Mr Shortridge and Mr Ford, we all agree that at least two informal discussions took place. That is not disputed. Mr Ford said that at least one of them was a long discussion.

Mr Ford: I remember coming out saying 'My golly, I have been on the phone for an hour and a quarter'.

[147] Brian Gibbons: Would you agree that at least one of them was a long discussion?

cyfreithiol gorau y gallwn ddod o hyd iddo, ceisio cyngor a rhannu fy mhroblemau â swyddogion y Swyddfa Gymreig, a chael pobl brofiadol iawn i arwain fy nghyngor, ac yr oedd gan bob un ohonynt fwy o brofiad o'r math yma o beth na minnau. Serch hynny, cefais rai nosweithiau di-gwsg oherwydd hyn. Yr ydych yn berffaith iawn ynglyn â hynny. Ond dyna sut yr oedd pethau. Cymerais yr holl gyngor y credais y gallwn gael gafaél arno. Ni wyddwn i ble arall y dylwn droi, y tu ôl i ba un o'r gwahanol sefydliadau hynny y dylwn fynd. Credais fod gennyf lawer o bobl brofiadol a phroffesiynol iawn mewn swyddi uwch yn dweud wrthyf beth i'w wneud.

[146] Brian Gibbons: Mr Shortridge a Mr Ford, yr ydym oll yn gytûn i o leiaf ddwy drafodaeth anffurfiol gael eu cynnal. Nid oes amheuaeth am hynny. Dywedodd Mr Ford fod o leiaf un ohonynt yn drafodaeth hir.

Mr Ford: Cofiaf ddod allan gan ddweud 'Bobol bach, yr wyf wedi bod ar y ffôn am awr a chwarter'.

[147] Brian Gibbons: A fydddech yn cytuno fod o leiaf un ohonynt yn drafodaeth hir?

Mr Ford: **Yes.**

Mr Ford: **Byddwn.**

[148] Brian Gibbons: **Would Mr Shortridge agree with that?**

[148] Brian Gibbons: **A fyddai Mr Shortridge yn cytuno gyda hynny?**

Mr Shortridge: **I am very happy to agree with that.**

Mr Shortridge: **Yr wyf yn fodlon iawn cytuno gyda hynny.**

[149] Brian Gibbons: **Can Mr Ford let us know what was the substance of these discussions that you were having with, I think, Mr Davies?**

[149] Brian Gibbons: **A all Mr Ford roi gwybod i ni beth oedd sylwedd y trafodaethau hyn yr oeddech yn eu cael gyda Mr Davies, mi gredaf?**

Mr Ford: **Their main thrust was to tell them what the problem was.**

Mr Ford: **Eu byrdwn yn y bôn oedd dweud wrthynt beth oedd y broblem.**

[150] Brian Gibbons: **Can you remember how you described the problem?**

[150] Brian Gibbons: **A allwch gofio sut y disgrifiasoch y broblem?**

Mr Ford: **I am sure that I would have taken them through the history of what I had discovered about Mr Arnold, what I felt needed to be done about him and what the options were. The first of those discussions, I think—I have notes of one of them but not of the other, I am sorry, and I do not remember—would have probably happened on the very same day as the first informal meeting with Mr Arnold. Therefore they would have known that I was proposing to start a disciplinary process and that I had had an informal meeting to warn him that this was**

Mr Ford: **Yr wyf yn siwr y byddwn wedi eu tywys drwy hanes yr hyn a ddarganfûm am Mr Arnold, yr hyn y teimlwn yr oedd angen ei wneud amdano a beth oedd yr opsiynau. Byddai'r gyntaf o'r trafodaethau hynny, mi gredaf—mae gennyf nodiadau am un ohonynt ond nid y llall, mae'n ddrwg gennyf, ac ni chofiaf—wedi digwydd fwy na thebyg ar union yr un diwrnod â'r cyfarfod cyntaf anffurfiol gyda Mr Arnold. Felly byddent yn gwybod fy mod yn bwriadu dechrau proses ddisgyblu ac fy mod wedi cael cyfarfod anffurfiol**

happening and to raise some of the slight worries and difficulties that I saw that I had, which included the fact that I could not rely on his advice as a compliance officer and the issues that I have already suggested to you about some of the difficulties of the museum not having confronted these problems a long time ago, and the extraordinarily unfortunate timing of it being so close to the end of my tenure as director and the beginning of the next director's tenure.

i'w rybuddio bod hyn yn digwydd ac i godi rhai o'r mân bryderon ac anawsterau y gwelwn fod gennyf, gan gynnwys y ffaith na allwn ddibynnu ar ei gyngor fel swyddog cydymffurfio a'r materion yr wyf eisoes wedi eu hawgrymu i chi ynghylch rhai o'r anawsterau yn deillio o'r ffaith nad oedd yr amgueddfa wedi wynebu'r problemau hyn amser maith yn ôl, ynghyd â'r amseriad anffodus iawn a oedd mor agos at ddiwedd fy nghyfnod fel cyfarwyddwr a dechrau cyfnod y cyfarwyddwr nesaf.

[151] Brian Gibbons: On the basis of what you have just said, then it would have been clear to the Welsh Office that Mr Arnold was coming up to a disciplinary procedure and that there were problems of his not doing his job as well as he should, to put it mildly. Do you agree?

[151] Brian Gibbons: Ar sail yr hyn yr ydych newydd ei ddweud, byddai'n amlwg felly i'r Swyddfa Gymreig y byddai Mr Arnold yn wynebu gweithdrefn ddisgyblu a bod problemau gan nad oedd yn gwneud ei swydd gystal ag y dylai, a dweud y lleiaf. A ydych yn cytuno?

Mr Ford: Yes, because I can remember, without going back to my notes, some surprise being expressed because they had not been aware. They felt that in terms of his relationship with them, he had performed very well.

Mr Ford: Ydw, oherwydd gallaf gofio, heb edrych ar fy nodiadau, i rywfaint o syndod gael ei fynegi gan nad oeddent wedi bod yn ymwybodol. Teimlent ei fod wedi perfformio'n dda iawn, ar sail ei berthynas gyda hwy.

[152] Brian Gibbons: Would Mr Shortridge agree that that was how it was understood at the Welsh Office?

[152] Brian Gibbons: A fyddai Mr Shortridge yn cytuno mai dyna sut yr oedd y Swyddfa Gymreig yn deall y

sefyllfa?

Mr Shortridge: I am just checking my notes because I am not sure whether we knew at that stage that there was a prospect of formal disciplinary proceedings. All I can give you is my understanding. We knew that there was a question about Mr Arnold and that the director was dealing with it. We did not know precisely what arrangements were going to be put in place. The impression that we had was that this was a normal parting of the ways. I have asked specifically whether we were told at any point of a particular sum, and I have been told that we were not. As I said, there were no contemporaneous accounts, so this is drawing on recollections of discussions a long time afterwards. I personally cannot help you further but, as an accounting officer, what I needed to address was whether there had been any formal authorisation. As Mr Ford indicated, there was not and it was on that that I rested. However, I repeat the point that I like to feel that as accounting officer and as the Assembly, we work in partnership with the sponsored bodies and help them when a problem arises. I am very sorry that, for whatever reason, the nature, scale and extent of this problem was

Mr Shortridge: Yr wyf yn edrych ar fy nodiadau oherwydd nad wyf yn siwr a oeddem yn gwybod bryd hynny bod posibilrwydd o weithdrefnau disgyblu ffurfiol. Y cyfan y gallaf ei roi i chi yw fy nealltwriaeth i. Gwyddem fod amheuaeth ynghylch Mr Arnold a bod y cyfarwyddwr yn delio ag ef. Ni wyddem pa drefniadau'n union a fyddai'n cael eu rhoi yn eu lle. Yr argraff a gawsom oedd bod hyn yn wahaniad arferol. Yr wyf wedi gofyn yn benodol a ddywedwyd wrthym ar unrhyw adeg am swm penodol, a dywedwyd wrthyf na wnaethpwyd hynny. Fel y dywedais, nid oedd unrhyw gofnod o'r cyfnod hwnnw, felly mae hyn yn tynnu ar atgofion o drafodaethau amser maith wedyn. Yn bersonol ni allaf eich helpu ymhellach, ond fel swyddog cyfrifo, y mater yr oedd yn rhaid imi fynd i'r afael ag ef oedd a gafwyd unrhyw awdurdodiad ffurfiol. Fel y nododd Mr Ford, nis cafwyd a gadewais y mater yn y fan honno. Fodd bynnag, ailadroddaf y pwynt fy mod yn hoffi teimlo ein bod, fel swyddog cyfrifo a'r Cynulliad, yn gweithio mewn partneriaeth â chyrrff nodedig a'u helpu pan fydd problem yn codi. Mae'n ddrwg iawn gennyf na chafodd natur, maint a graddau'r

not appreciated at the time because I would certainly have liked to have been able to give Mr Ford more help.

[153] Brian Gibbons: First you say that you understood that there was a question about Mr Arnold, and then you say that there was a normal parting of the ways. There seems to be a break in the logic because if there was a question and somebody did decide to leave, it was hardly a 'normal parting of the ways', to use your own words, in those circumstances. Was there no link or did nobody make any link between the question and the parting?

Mr Shortridge: I understand that the impression was that there was an issue to be addressed with Mr Arnold. This was in August, but it was not clear that any disciplinary procedures would be needed to deal with it. We subsequently heard in October that he was going to leave the museum.

[154] Brian Gibbons: I have to say that it seems extraordinary that you had a long conversation in which questions were raised and then, two months later, Mr Arnold decides to leave the

problem hon, am ba reswm bynnag eu gwerthfawrogi ar y pryd oherwydd byddwn yn sicr wedi hoffi gallu rhoi mwy o help i Mr Ford.

[153] Brian Gibbons: I ddechrau yr ydych yn dweud i chi deall bod amheuaeth ynghylch Mr Arnold, ac yna dywedwch fod gwahaniad naturiol. Ymddengys bod bwlch yn y rhesymeg oherwydd os oedd amheuaeth a bod rhywun yn penderfynu gadael, nid oedd yn 'wahaniad arferol' o bell ffordd, i ddefnyddio eich geiriau chi, o dan yr amgylchiadau hynny. Onid oedd unrhyw gysylltad neu oni wnaeth unrhyw un gysylltiad o gwbl rhwng yr amheuaeth a'r gwahanu?

Mr Shortridge: Deallaf mai'r argraff oedd bod mater y dylid ymdrin ag ef o ran Mr Arnold. Yr oedd hyn ym mis Awst, ond nid oedd yn glir y byddai angen unrhyw weithdrefnau disgyblu er mwyn ymdrin ag ef. Clywsom wedyn ym mis Hydref y byddai'n gadael yr amgueddfa.

[154] Brian Gibbons: Mae'n rhaid imi ddweud ei bod yn ymddangos yn rhyfeddol i chi gael sgwrs hir lle y codwyd cwestiynau ac yna, ddau fis yn ddiweddarach, bod Mr Arnold yn

museum and the opinion was that this was just a normal happening. It is conceivable that people may not have made the link. If that is the defence for what has happened—that no link was made between two conversations, one of which we agree was long, and that no link was made between questionable behaviour and a normal parting—that really does seem extraordinary. It may be that that is what happened, but it does merit an explanation.

Mr Shortridge: It is difficult. We here all have the benefit of hindsight. All I can repeat, because I have asked questions, is what I said earlier, that alarm bells were not ringing and I regret that that did not happen. If you want more information to assist you on this, I would have to ask Richard to give that evidence because all I can give you is my understanding of the position.

[155] Brian Gibbons: So you are saying that you were never brought into this particular conversation or that you were not part of the substance of what

penderfynu gadael yr amgueddfa ac mai'r farn oedd bod hynny'n ddigwyddiad arferol. Gellir dychmygu na fyddai pobl o bosibl wedi gwneud y cysylltiad. Os mai dyna'r amddiffyniad dros yr hyn a ddigwyddodd—na wnaethpwyd unrhyw gysylltiad rhwng y ddwy sgwrs, un ohonynt y cytunwn ei bod yn hir, ac na wnaethpwyd unrhyw gysylltiad rhwng ymddygiad amheus a gwahaniad arferol—mae hynny yn ymddangos yn rhyfeddol iawn. Efallai mai dyna a ddigwyddodd, ond mae'n haeddu esboniad.

Mr Shortridge: Mae'n anodd. Mae gan bob un ohonom yma y fantais o allu edrych yn ôl. Y cyfan y gallaf ei ailadrodd, gan fy mod wedi gofyn cwestiynau, yw'r hyn a ddywedais yn gynharach, sef nad oedd unrhyw rybuddion a oedd yn haeddu sylw ac mae'n ddrwg gennyf na ddigwyddodd hynny. Os hoffech fwy o wybodaeth i'ch cynorthwyo ar hyn, byddai'n rhaid imi ofyn i Richard roi'r dystiolaeth honno oherwydd yr unig beth y gallaf i ei roi yw fy nealltwriaeth o'r sefyllfa.

[155] Brian Gibbons: Felly yr ydych yn dweud nad oeddech erioed yn rhan o'r sgwrs benodol hon neu nad oeddech yn rhan o swm a sylwedd yr hyn a oedd

was going on?

yn digwydd?

Mr Shortridge: I was not personally part of this. I was not accounting officer at the time and I only became aware of this when I was asked whether I would give it retrospective approval.

Mr Shortridge: Nid oeddwn yn bersonol yn rhan o hyn. Nid oedden yn swyddog cyfrifo ar y pryd a dim ond pan ofynnwyd imi a fyddwn yn fodlon i'w gymeradwyo yn adolygol y deuthum yn ymwybodol ohono.

[156] Brian Gibbons: I do not know whether Mr Davies can help you, but was your predecessor brought into these conversations as far as you know?

[156] Brian Gibbons: Ni wn a all Mr Davies eich helpu, ond a gynhwyswyd eich rhagflaenydd yn y sgysiau hyn hyd y gwyddoch?

Mr Shortridge: I would be very surprised if she would have been, because the files indicate no documentation at all. This was, as I understand it, a piece of business which was being transacted orally and had not reached the position where it would be a matter put formally to the department.

Mr Shortridge: Byddwn yn synnu'n fawr pe bai wedi ei chynnwys, gan nad yw'r ffeiliau yn awgrymu unrhyw ddogfennaeth o gwbl. Yr oedd hyn, fel y deallaf, yn fusnes a drafodwyd yn llafar ac nad oedd wedi cyrraedd y sefyllfa lle byddai'n fater a fyddai'n cael ei gyflwyno'n ffurfiol i'r adran.

[157] Brian Gibbons: When you got the letter, did any alarm bells ring? I do not mean for you personally, but did alarm bells still not ring when the letter arrived?

[157] Brian Gibbons: Pan gawsoch y llythyr, a oedd hynny'n rhybudd i chi? Nid wyf yn golygu i chi yn bersonol, ond onid oedd yn rhybudd pan gyrhaeddodd y llythyr?

Mr Shortridge: I think that there had been a telephone call.

Mr Shortridge: Credaf y bu galwad ffôn.

[158] Brian Gibbons: Obviously the letter is at conflict with the information that you had been given earlier.

Mr Shortridge: There had been a telephone call shortly before that letter so I think that people were expecting the letter. I think that telephone call was, as I understand it, between Colin Ford and Richard Davies, explaining that the matter had been settled—not in a legal sense—but the matter had been dealt with and the person concerned was leaving.

[159] Brian Gibbons: Obviously the letter, the circumstances and phrasing of the letter was completely at variance with the two previous conversations that you had had. Nobody seemed to take any note of that.

Mr Shortridge: We did not know of any agreement that had been made between the parties—

[160] Brian Gibbons: Did nobody think ‘oh, this is strange, we have heard about some difficulties with Mr Arnold and he is suddenly leaving’? Nobody seemed motivated to ask any questions about any relationship between the two events?

[158] Brian Gibbons: Yn amlwg mae'r llythyr yn groes i'r wybodaeth a roddwyd i chi'n gynharach.

Mr Shortridge: Bu galwad ffôn yn fuan cyn y llythyr hwnnw felly yr wyf yn credu fod pobl yn disgwyl y llythyr. Credaf i'r alwad ffôn ddigwydd, fel y deallaf, rhwng Colin Ford a Richard Davies, yn egluro bod y mater wedi ei setlo—nid yn yr ystyr gyfreithiol—ond bod y mater wedi'i ddatrys a bod y person dan sylw'n gadael.

[159] Brian Gibbons: Yn amlwg yr oedd y llythyr, yr amgylchiadau a geiriad y llythyr yn hollol wahanol i'r ddwy sgwrs flaenorol a gawsoch. Ymddengys na chymerodd unrhyw un sylw o hynny.

Mr Shortridge: Ni wyddem am unrhyw gytundeb a wnaethpwyd rhwng y partion—

[160] Brian Gibbons: Oni feddyliodd neb ‘o, mae hyn yn rhyfedd, yr ydym wedi clywed am rai anawsterau gyda Mr Arnold ac yn sydyn mae'n gadael’? Ymddengys na chafodd unrhyw un ei gymell i ofyn unrhyw gwestiynau am unrhyw berthynas rhwng y ddau ddigwyddiad?

Mr Shortridge: I think that I would have to agree with you that nobody seemed motivated to ask further questions.

Mr Shortridge: Credaf y byddai'n rhaid imi gytuno â chi nad oedd unrhyw un yn ymddangos fel petai ganddo'r cymhelliant i ofyn cwestiynau pellach.

[161] Dafydd Wigley: Colin, to follow up what has been said, is it conceivable that if you had a long conversation about what was going on, that no reference at all would have been made to the potential disciplinary angle?

[161] Dafydd Wigley: Colin, i ddilyn yr hyn a ddywedwyd, a yw'n bosibl pe baech wedi cael sgwrs hir ynghylch yr hyn oedd yn mynd ymlaen, na fyddai unrhyw gyfeiriad o gwbl wedi ei wneud at yr achos disgyblu posibl?

Mr Ford: I do not think it is, no.

Mr Ford: Nid wyf yn credu hynny, nac ydwyf.

[162] Dafydd Wigley: Well, if that is the case, and I would have found it very surprising indeed if it had not been, if it was a long conversation, can I ask Jon Shortridge whether he would like to reconsider what he said a moment ago that people in his department had been told in these conversations that there was a disciplinary angle and that, for one reason or another—and I would like to have some speculation as to what those reasons might have been—that was forgotten about in the process?

[162] Dafydd Wigley: Wel, os felly, a byddwn yn synnu'n fawr pe na bai, os oedd yn sgwrs hir, a allaf ofyn i Jon Shortridge a hoffai ailystyried yr hyn a ddywedodd funud yn ôl fod pobl yn ei adran wedi cael gwybod yn ystod y sgysiau hyn bod achos disgyblu ac, am ryw reswm neu'i gilydd—a hoffwn gael rhai awgrymiadau ynghylch beth allai'r rhesymau hynny fod—yr anghofwyd amdanynt yn y broses?

Mr Shortridge: All I personally can do to help the Committee is to tell you that the brief that I have before me says that the indication that we had from

Mr Shortridge: Yr unig beth y gallaf ei wneud yn bersonol i helpu'r Pwyllgor yw dweud wrthy ch fod y briff sydd ger fy mron yn dweud mai'r awgrym a

the director in August was that it was not clear that disciplinary procedures would be necessary. If you want to get behind that, I think you should invite Richard Davies to give you some notes.

gawsom gan y cyfarwyddwr ym mis Awst oedd nad oedd yn glir y byddai angen gweithdrefnau disgyblu. Os ydych am ddilyn hynny, credaf y dylech wahodd Richard Davies i roi rhai nodiadau i chi.

[163] Dafydd Wigley: Could I ask Colin Ford whether that is in line with his understanding?

[163] Dafydd Wigley: A allaf ofyn i Colin Ford a yw hynny yn gyson â'i ddealltwriaeth?

Mr Ford: I think that could be interpreted another way. I am not seeking to rewrite the conversation a year and a half onwards, but that briefing note could be read to say that there may be another way out of this rather than the disciplinary process, which is, after all, what did happen very quickly. I do not want to put words into my or Richard Davies's mouth.

Mr Ford: Credaf y gellid dehongli hynny mewn ffordd arall. Nid wyf yn ceisio ailysgrifennu'r sgwrs flwyddyn a hanner yn ddiweddarach, ond gellid darllen y nodyn briffio hwnnw i awgrymu y gall fod ffordd arall allan o hyn yn hytrach na'r broses ddisgyblu, sef, wedi'r cyfan, yr hyn a ddigwyddodd yn gyflym iawn. Nid wyf am roi geiriau yn fy ngheg nac yng ngheg Richard Davies.

[164] Dafydd Wigley: Are we as a Committee to understand that the disciplinary aspect almost certainly would have arisen informally in the conversation?

[164] Dafydd Wigley: A ydym fel Pwyllgor i fod i ddeall y byddai'r agwedd ddisgyblu bron yn sicr wedi codi yn anffurfiol yn ystod y sgwrs?

Mr Ford: Yes.

Mr Ford: Ydych.

[165] Dafydd Wigley: That at a later stage, it was seen that there might be another way out of this, without going through a disciplinary channel, but

[165] Dafydd Wigley: Ac yn ddiweddarach, gwelwyd y gallai fod ffordd arall allan o hyn, heb fynd drwy'r sianel ddisgyblu, ond nid oedd

there was no doubt that the possibility that there might have been discipline was there. Is that a fair summing up?

unrhyw amheuaeth bod y posibilrwydd y gallai disgyblu fod wedi digwydd. A yw hynny'n grynodeb teg?

Mr Ford: I cannot imagine telling a Welsh Office official about the size of the problem that I foresaw with Mr Arnold without the word disciplinary or the description of it coming into the conversation somewhere.

Mr Ford: Ni allaf ddychmygu dweud wrth un o swyddogion y Swyddfa Gymreig am faint y broblem a ragwelais yn achos Mr Arnold heb i'r gair disgyblu neu'r disgrifiad ohonodod i mewn i'r sgwrs yn rhywle.

Mr Shortridge: I am carrying through my brief. In October, the director told us that Tim Arnold had decided to resign and that it was a relief because otherwise costly disciplinary procedures would have been necessary. We knew about that relationship.

Mr Shortridge: Yr wyf yn gweithredu ar fy mriff. Ym mis Hydref, dywedodd y cyfarwyddwr wrthym fod Tim Arnold wedi penderfynu ymddiswyddo a'i fod yn rhyddhad oherwydd fel arall byddai gweithdrefnau disgyblu costus wedi bod yn angenrheidiol. Gwyddom am y berthynas honno.

[166] Dafydd Wigley: In October and possibly before?

[166] Dafydd Wigley: Ym mis Hydref ac o bosibl cyn hynny?

Mr Shortridge: Possibly before.

Mr Shortridge: Cyn hynny o bosibl.

[167] Alun Cairns: Mr Ford, you mentioned in your answer to Mr Gibbons the contents of your telephone conversation with Mr Richard Davies. You had highlighted the informal discussions and explained the 'worries and difficulties' that you had over Mr Arnold's activities. Was one of these

[167] Alun Cairns: Mr Ford, soniasoch yn eich ateb i Mr Gibbons am gynnwys eich sgwrs ffôn â Mr Richard Davies. Yr oeddech wedi pwysleisio'r trafodaethau anffurfiol gan egluro'r 'pryderon a'r anawsterau' yr oedd gennych ynglyn â gweithgareddau Mr Arnold. Ai un o'r pryderon a'r

worries and difficulties that those informal discussions had affected the impartiality or the objectivity of the costly disciplinary procedures that would have had to be pursued?

Mr Ford: No. My worries and difficulties were about the nature of Mr Arnold's activities in the museum over a number of years and about the particular timing. I never thought and I cannot begin to see now that the informal meeting would in any way prejudice or change the nature of the disciplinary process. It was a clear prelude to going through the proper process.

[168] Geraint Davies: Going back to the approval of payment, how common is it to receive requests for authorisation for novel and irregular payments? Is it a common occurrence or is it something that you would expect somebody in an Assembly or a Welsh Office sponsored body would know about?

Mr Shortridge: It is. Novel or contentious payments that have approval cease to be irregular or would not become irregular. It is quite a common occurrence for sponsored bodies to come into the department for

anawterau hyn oedd bod y trafodaethau anffurfiol hynny wedi effeithio ar natur ddi-duedd neu wrthrychedd y gweithdrefnau disgyblu costus y byddai'n rhaid eu dilyn?

Mr Ford: Nage. Yr oedd fy mhryderon a'm anawsterau yn ymwneud â natur gweithgareddau Mr Arnold yn yr amgueddfa dros nifer o flynyddoedd a'r amseriad penodol. Ni feddyliais erioed ac ni allaf ddechrau gweld yn awr y byddai'r cyfarfod anffurfiol mewn unrhyw ffordd yn peryglu neu'n newid natur y broses ddisgyblu. Yr oedd yn rhagarweiniad amlwg cyn mynd drwy'r broses go iawn.

[168] Geraint Davies: Gan ddychwelyd at gymeradwyo'r taliad, pa mor gyffredin yw derbyn ceisiadau am awdurdodiad ar gyfer taliadau anghyffredin ac afreolaidd? A yw'n digwydd yn aml neu a yw'n rhywbeth y byddech yn disgwyl i rywun mewn corff a noddir gan y Cynulliad neu'r Swyddfa Gymreig wybod amdano?

Mr Shortridge: Ydy. Mae taliadau anghyffredin neu ddadleuol sydd wedi cael eu cymeradwyo'n peidio â bod yn afreolaidd neu ni fyddent yn dod yn afreolaidd. Mae'n eithaf cyffredin i gyrff a noddir ddod i'r adran i gael

approval for expenditure that is above their delegated limits. Novel or contentious expenditure, by definition, is not necessarily above a delegated limit. It is expenditure that raises issues of such public interest that the body concerned feels that they need further authorisation. These things do not come across my desk any more unless they have gone seriously wrong like this one. I ask Laurie Pavelin to give you guidance.

cymeradwyaeth ar gyfer gwariant sydd yn fwy na'u terfynau dirprwyedig. Mae gwariant anghyffredin neu ddadleuol, yn ôl ei ddiffiniad, yn wariant nad yw o anghenraid yn fwy na therfyn dirprwyedig. Mae'n wariant sydd yn codi materion sydd o gymaint o ddiddordeb i'r cyhoedd fel bod y corff dan sylw o'r farn fod angen awdurdodiad pellach arno. Nid yw'r pethau hyn yn glanio ar fy nesg bellach oni fyddant wedi mynd o chwith yn ddifrifol fel y mater hwn. Gofynnaf i Laurie Pavelin roi arweiniad i chi.

Mr Pavelin: From time to time we receive requests for advice or are asked to approve difficult cases. We often use the generic term of novel and contentious. However, they are not an everyday occurrence. I would guess that the number of those that are of serious concern and do not turn out to be routine—because we have had regular experience of them—could be numbered on the fingers of one hand in any particular year.

Mr Pavelin: O bryd i'w gilydd yr ydym yn derbyn ceisiadau am gyngor neu gofynnir i ni gymeradwyo achosion anodd. Yr ydym yn aml yn defnyddio'r term generig sef anghyffredin a dadleuol. Fodd bynnag, nid ydynt yn rhywbeth sydd yn digwydd yn ddyddiol. Byddwn yn dyfalu y gellid cyfrif y nifer sydd o bryder difrifol ac nad ydynt yn troi allan yn arferol—gan inni gael profiad rheolaidd ohonynt—ar un llaw mewn unrhyw flwyddyn benodol.

[169] Geraint Davies: And you would expect a sponsored body to know about the procedure that applies for those types of payments?

[169] Geraint Davies: A byddech yn disgwyl i gorff nodedig wybod am y weithdrefn sydd yn berthnasol i'r mathau hynny o daliadau?

Mr Pavelin: We would expect a sponsored body to know that if there is a novel and contentious issue, they should approach their sponsor division within the Assembly. However, we would not necessarily expect them to have all of the detailed knowledge and experience that we would have in the Assembly. The reason that they are required to come in on novel and contentious issues is because they need the Assembly's approval and also the wider experience and background that we can bring to bear from a much wider caseload.

Mr Pavelin: Byddem yn disgwyl i gorff nodedig wybod os oes mater anghyffredin a dadleuol, y dylent gysylltu â'r adran sydd yn eu noddi o fewn y Cynulliad. Fodd bynnag, ni fyddem o reidrwydd yn disgwyl iddynt feddu ar yr holl wybodaeth fanwl a'r profiad a fyddai gennym ni yn y Cynulliad. Y rheswm y gofynnir iddynt ddod i mewn yn achos materion anghyffredin a dadleuol yw oherwydd bod angen cymeradwyaeth y Cynulliad arnynt a hefyd y profiad a'r cefndir ehangach y gallwn ei ddefnyddio o faich achosion llawer ehangach.

[170] Janet Davies: I pick up on a point that has been mentioned several times this morning. This incident occurred during a difficult period in the museum's history when Mr Ford was about to leave. Was it pure coincidence that it arose at a time of change of directors?

[170] Janet Davies: Hoffwn ailafael mewn pwynt a grybwyllwyd sawl gwaith y bore yma. Digwyddodd hyn yn ystod cyfnod anodd yn hanes yr amgueddfa pan oedd Mr Ford ar fin gadael. Ai cyd-ddigwyddiad llwyr oedd iddo ddigwydd ar adeg newid y cyfarwyddwyr?

Ms Southall: Yes, as far as I am aware. I have tried to suggest some of the reasons why it came to light at that time. Mr Ford has never made me aware of any direct connection between my succeeding him and these allegations coming to light.

Ms Southall: Ie, hyd y gwn. Ceisiais awgrymu rhai o'r rhesymau pam y daeth i'r amlwg bryd hynny. Nid yw Mr Ford erioed wedi dweud wrthyf am unrhyw gysylltiad uniongyrchol rhwng fy olyniaeth i ohono a'r honiadau hyn yn dod i'r amlwg.

[171] Janet Davies: We now turn to the issue of the application and subsequent refusal for a retrospective approval. I see from paragraph 23 of the report that one of your main arguments for seeking retrospective approval for this payment was concern over the potential damage to the museum from adverse publicity. Do you not think that is a weak justification for the actions of a public body?

Ms Southall: Not only do I think it is weak, I no longer think that it is grounds for seeking that the usual rules should be set aside in this case. I regret to say that, at the time, I did not understand the phrase 'concealment' to mean the same thing as confidentiality clauses. You will not be surprised to hear that I hope I do not make that mistake again. I have learnt more broadly from that, and sometimes there is language that is fully understood by civil servants and other public servants who have been dealing with issues such as these for a long time. It should be a case of, if in doubt, ask. I should have asked what the phrase 'concealment' covered.

[171] Janet Davies: Yr ydym yn awr yn troi at fater y cais am gymeradwyaeth adolygol a'r ffaith iddo gael ei wrthod. Gwelaf o baragraff 23 yr adroddiad mai un o'ch prif ddadleuon dros ofyn am gymeradwyaeth adolygol am y taliad hwn oedd pryder ynghylch y niwed posibl i'r amgeuddfa o ganlyniad i gyhoeddusrwydd anffafriol. Onid ydych yn credu bod hyn yn gyfiawnhad gwan dros weithredoedd corff cyhoeddus?

Ms Southall: Nid yn unig yr wyf yn credu ei fod yn wan, nid wyf bellach yn credu ei fod yn sail dros ofyn i'r rheolau arferol gael eu rhoi o'r neilltu yn yr achos hwn. Mae'n edifar gennyf ddweud, ar y pryd, nad oeddwn yn deall bod yr ymadrodd 'celu' yn gyfystyr â chymalau cyfrinachedd. Ni fyddwch yn synnu clywed fy mod yn gobeithio na wnaf y camgymeriad hwnnw eto. Yr wyf wedi dysgu yn ehangach oherwydd hynny, ac weithiau mae iaith a ddeallir yn llwyr gan weision sifil a gweision cyhoeddus eraill sydd wedi bod yn delio â materion fel y rhain am amser maith. Dylai fod yn achos o ofyn os oes unrhyw amheuaeth. Dylwn fod wedi gofyn beth oedd yr ymadrodd 'celu' yn ei olygu.

[172] Janet Davies: In that case, perhaps accounting officers need more training for their role. Do you think that there was adequate training at that time?

Ms Southall: Yes. However, there is always room for improvement. I took up the post on 2 November, and on 5 November I attended a half-day training course for new accounting officers in Cathays Park in the then Welsh Office. My colleagues in the Assembly were prompt in ensuring that I had the proper training. Since then, other members of my staff and myself have been on further training courses and we are in discussion at the moment as to how we can keep not only me but also other members of senior staff fully trained. I must take full responsibility for this. I had read the booklet. I had simply not made the connection.

[173] Dafydd Wigley: Can I ask Jon Shortridge, if the museum had applied formally for approval before making the payment, can we assume that you would have refused it for the reasons set out in the subsequent correspondence?

[172] Janet Davies: Os hynny, efallai bod angen mwy o hyfforddiant ar swyddogion cyfrifo ar gyfer eu rôl. A ydych yn credu bod digon o hyfforddiant ar y pryd.

Ms Southall: Ydw. Fodd bynnag, nid da lle gellir gwell. Dechreuais ar y swydd ar 2 Tachwedd, ac ar 5 Tachwedd mynychais gwrs hyfforddi hanner diwrnod ar gyfer swyddogion cyfrifo newydd ym Mharc Cathays sef y Swyddfa Gymreig ar y pryd. Yr oedd fy nghydweithwyr yn y Cynulliad yn ddi-oed wrth sicrhau fy mod yn cael yr hyfforddiant cywir. Ers hynny, mae aelodau o'm staff a minnau wedi bod ar gyrsiau hyfforddi eraill ac yr ydym wrthi'n trafod ar hyn o bryd sut y gallwn sicrhau bod aelodau eraill o'r uwch staff, yn ogystal â minnau yn cael yr hyfforddiant diweddaraf. Mae'n rhaid imi gymryd cyfrifoldeb llawn dros hyn. Yr oeddwn wedi darllen y llyfryn. Nid oeddwn wedi gwneud y cysylltiad.

[173] Dafydd Wigley: A gaf ofyn i Jon Shortridge, pe bai'r amgueddfa wedi gwneud cais ffurfiol am gymeradwyaeth cyn gwneud y taliad, a gawn dybio y byddech wedi ei wrthod am y rhesymau a amlinellir yn yr ohebiaeth ddilynol?

Mr Shortridge: That was the question I asked myself when I refused the approval. I was clear for the reasons set out in the correspondence. It may help the Committee to know the three principles that I would have applied. First, there is a duty to uphold proper standards of conduct in the administration of public business. Secondly, there is a duty to follow laid down procedures. Thirdly, there is a need to protect public funds. From those starting points I tracked through what had happened and I concluded in this instance that I could not give the approval.

[174] Dafydd Wigley: Given that those are fairly fundamental reasons for refusing, I note that the report states that the museum applied for approval on 9 August 1999. The response from your principal finance officer refusing approval was dated 7 October. Why did it in those circumstances take two months to make that decision?

Mr Shortridge: I am sorry that we did not do it faster. I do not think that we felt under any particular time pressure. When this was first raised

Mr Shortridge: Dyna oedd y cwestiwn a ofynnais i mi fy hun pan wrthodais roi cymeradwyaeth. Yr oeddwn yn glir oherwydd y rhesymau a nodwyd yn yr ohebiaeth. Efallai y bydd yn gymorth i'r Pwyllgor wybod am y tair egwyddor y byddwn wedi'u defnyddio. Yn gyntaf, mae dyletswydd i gynnal safonau ymddygiad priodol wrth weinyddu busnes y cyhoedd. Yn ail, mae dyletswydd i ddilyn y gweithdrefnau a nodwyd. Yn drydydd, mae angen diogelu arian y cyhoedd. O'r manau cychwyn hynny euthum ar drywydd yr hyn a ddigwyddodd a deuthum i'r canlyniad yn yr achos hwn na allwn roi cymeradwyaeth.

[174] Dafydd Wigley: O gofio fod y rheini yn rhesymau eithaf sylfaenol dros wrthod, sylwaf fod yr adroddiad yn nodi i'r amgueddfa wneud cais am gymeradwyaeth ar 9 Awst 1999. 7 Hydref oedd dyddiad yr ymateb gan eich prif swyddog cyllid yn gwrthod cymeradwyaeth. Pam o dan yr amgylchiadau hynny y cymerodd ddau fis i wneud y penderfyniad hwnnw?

Mr Shortridge: Mae'n ddrwg gennyf na wnaethom hynny'n gynt. Nid wyf yn credu ein bod yn teimlo ein bod o dan unrhyw bwysau arbennig o ran amser.

with us in August by the National Audit Office we said that it was the middle of the holiday period and that we needed to be able to consult within the office to ensure that we had accurately assessed what was happening at the time. Given that there was very little written documentation, there was a need to be able to talk to people and test memories. All I can say is that, because I have checked, the papers were referred to me on 4 October. I signed them off on 6 October and the letter was sent on 7 October.

[175] Dafydd Wigley: I will ask Anna Southall about paragraphs 21 to 22. Paragraph 21 states:

‘Had the museum staff been aware that the necessary approvals had not been obtained in writing, making the payments irregular, the matter should have been brought to the attention of Ms Southall on her appointment’.

Did you have any inkling whatsoever, before the discussion with the auditors and before you took up your post, that that payment had been made?

Pan gododd y Swyddfa Archwilio Genedlaethol hyn gyda ni i ddechrau ym mis Awst dywedasom ei fod ynghanol y cyfnod gwyliau a bod angen i ni allu ymgynghori o fewn y swyddfa i sicrhau ein bod wedi asesu'r hyn a oedd yn digwydd ar y pryd yn gywir. O gofio mai prin iawn oedd y ddogfennaeth ysgrifenedig, yr oedd angen gallu siarad â phobl a phrofi eu cof. Y cyfan y gallaf ei ddweud yw, gan imi wirio hynny, i'r papurau gael eu cyfeirio ataf ar 4 Hydref. Fe'u llofnodais ar 6 Hydref ac anfonwyd y llythyr ar 7 Hydref.

[175] Dafydd Wigley: Gofynnaf i Anna Southall ynglyn â pharagraffau 21 i 22. Noda Paragraff 21:

‘Had the museum staff been aware that the necessary approvals had not been obtained in writing, making the payments irregular, the matter should have been brought to the attention of Ms Southall on her appointment’.

A oedd gennych unrhyw syniad o gwbl, cyn y drafodaeth gyda'r archwiwyr a chyn i chi ddechrau ar eich swydd, fod y taliad hwnnw wedi cael ei wneud?

Ms Southall: Yes, I knew that a payment had been made, but I also had Mr Ford's assurances that, as I understood it, the necessary approvals had been obtained. I knew that he had discussed it at length with the Welsh Office.

[176] Dafydd Wigley: About what date did you know that a payment had been made, without knowing the details?

Ms Southall: I suppose that I must have known that a payment was going to be made, when I returned from my summer holidays, which would have been some time in September. By the end of September, presumably when the compromise agreement was being drawn up, I was aware there was a payment. It was after I became director, but fairly soon after I became director as I recall, that I learnt what the amount of the payment had been.

[177] Dafydd Wigley: Despite receiving no notification that approval had been refused, paragraph 25 of the document notes that you believe that the settlement reached was good employment practice, as you have today suggested. Why do you consider that not investigating serious

Ms Southall: Oedd, gwyddwn i daliad gael ei wneud, ond hefyd cefais sicrwydd gan Mr Ford, fel y deallais, ei fod wedi cael y cymeradwyaethau angenrheidiol. Gwyddwn ei fod wedi cael trafodaethau maith ar y mater gyda'r Swyddfa Gymreig.

[176] Dafydd Wigley: Tua pa ddyddiad y gwyddoch i daliad gael ei wneud, heb wybod y manylion?

Ms Southall: Mae'n debyg fy mod yn gwybod y bwriadwyd gwneud taliad, pan ddychwelias o'm gwyliau haf, sef rhywbryd ym mis Medi. Erbyn diwedd Medi yn ôl pob tebyg, pan oedd y cytundeb cyfaddawd yn cael ei lunio, yr oeddwn yn ymwybodol bod taliad wedi'i wneud. Ar ôl imi ddod yn gyfarwyddwr, ond yn eithaf buan wedi imi ddod yn gyfarwyddwr os cofiaf, y deuthum i wybod faint oedd swm y taliad.

[177] Dafydd Wigley: Er gwaethaf peidio â derbyn unrhyw hysbysiad bod cymeradwyaeth wedi'i gwrthod, noda paragraff 25 yn y ddogfen eich bod yn credu bod y setliad y cytunwyd arno yn arfer cyflogaeth da, fel yr ydych wedi awgrymu heddiw. Pam ydych chi'n ystyried bod defnyddio tâl ymadael i

allegations against a senior member of staff but that buying his silence with a golden handshake is good employment practice?

Ms Southall: I think that that is a little misleading. I do not consider that it is good employment practice. I would consider, I do consider that pursuing the disciplinary route would have been the best employment practice, in the public or private sector. However, there were reasons why an alternative option was pursued. So perhaps it is misleading for me to say that it was the best employment practice, but what I understood was that what happened was regarded as good employment practice in the private sector. What I will absolutely accept is that private and public sector rules are different.

[178] Alison Halford: Did you not feel a little let down that you had to return from holiday, after some time had gone by, to find out about this payment? It was not a good start to your elevation to this very prestigious post.

Ms Southall: No, I cannot say that that was an emotion I felt at all. I trusted, and indeed still trust, the people with

brynu tawelwch uwch aelod o'r staff, yn hytrach nag ymchwilio i honiadau difrifol yn ei erbyn yn arfer cyflogaeth da?

Ms Southall: Credaf fod hynny ychydig yn gamarweiniol. Nid wyf yn ystyried ei fod yn arfer cyflogaeth da. Byddwn yn ystyried, yr wyf yn ystyried mai dilyn y llwybr disgyblu fyddai'r arfer cyflogaeth gorau, yn y sector cyhoeddus neu breifat. Fodd bynnag, yr oedd rhesymau pam yr aethpwyd ar drywydd opsiwn arall. Felly efallai ei bod yn gamarweiniol imi ddweud mai'r arfer cyflogaeth gorau ydoedd, ond yn ôl fy nealltwriaeth i ystyriwyd yr hyn a ddigwyddodd fel arfer cyflogaeth da yn y sector preifat. Yr hyn yr wyf yn ei dderbyn yn llwyr yw bod rheolau'r sector preifat a'r sector cyhoeddus yn wahanol.

[178] Alison Halford: Onid oeddech yn teimlo ychydig yn siomedig i chi ddychwelyd o'ch gwyliau, wedi i beth amser fynd heibio, a chael gwybod am y taliad hwn? Nid oedd yn ddechrau da i'ch dyrchafiad i'r swydd mawr ei bri hon.

Ms Southall: Na, ni allaf ddweud bod hwnnw'n emosiwn yr oeddwn yn ei deimlo o gwbl. Yr oeddwn yn

whom I now work. The members of Council who were consulted are still members of Council. The members of the Welsh Office, who I understood knew what was going on, are still people with whom I work. I had no reason at that time to believe that anything novel or contentious, as we now know, was going on. I felt that what was happening was a perfectly normal way of proceeding. So no, I did not feel let down. I think that I felt concern, but not let down.

ymddiried ac yn wir yn parhau i ymddiried yn y bobl yr wyf bellach yn gweithio gyda hwy. Mae'r aelodau o'r Cyngor yr ymgynghorwyd â hwy yn parhau i fod yn aelodau o'r Cyngor. Mae aelodau o'r Swyddfa Gymreig, a oedd yn gwybod beth oedd yn digwydd fel y deallais, yn parhau i fod yn bobl yr wyf yn gweithio gyda hwy. Nid oedd gennyf unrhyw reswm bryd hynny i gredu bod unrhyw beth anghyffredin neu ddadleuol, fel y gwyddom erbyn hyn, yn mynd ymlaen. Felly na, nid oeddwn yn teimlo'n siomedig. Credaf imi deimlo'n bryderus, ond nid oeddwn yn siomedig.

[179] Alison Halford: **Notwithstanding you have discussed with us your own very careful wording of the draft reference.**

[179] Alison Halford: **Heb ystyried y ffaith eich bod wedi trafod gyda ni eich geiriad gofalus iawn o'r geirida drafft.**

Ms Southall: **Yes, that came afterwards.**

Ms Southall: **Ie, daeth hwnnw wedyn.**

[180] Alison Halford: **As the incoming director, you must have had an opportunity to take this matter forward. It would therefore not have had to go down the road of being dragged through the papers, with the audit finding out about the contentious payment. You knew so much.**

[180] Alison Halford: **Fel y cyfarwyddwr sydd yn dod i mewn, mae'n rhaid eich bod wedi cael cyfle i fynd â'r mater hwn yn ei flaen. Felly ni fyddai wedi gorfod cael ei lusgo drwy'r papurau, gyda'r archwiliad yn dod i wybod am y taliad dadleuol. Yr oeddech yn gwybod cymaint â hynny.**

Ms Southall: I obviously regret the fact. It is very easy to be wise after the event, is it not? I trusted these people. I saw no reason at the time to seek proof of the approval in writing. If I had done, then it would have been me telling the National Audit Office of my concerns, rather than them coming to me. Obviously I regret that that did not happen. I am operating with organisations and individuals whom I believed, and still believe because these are the same people, to be highly professional. It is most unfortunate that this mistake was made, and yes of course, I have gone over the role that I could have played. I do not think that the outcome would have been any different. I think that Mr Shortridge would have turned down the retrospective approval whether I had sought it in November or July, or August rather. But I regret that the whole business was not cleared up much sooner.

[181] Alison Halford: Your loyalty is paramount to your people. You said that you trusted them. It would appear that they let you down in some regard,

Ms Southall: Yn amlwg yr wyf yn edifar am hynny. Mae'n hawdd iawn bod yn ddoeth wrth edrych yn ôl, onid yw? Yr oeddwn yn ymddiried yn y bobl hyn. Ni welais unrhyw reswm ar y pryd i chwilio am brawf o'r gymeradwyaeth yn ysgrifenedig. Pe bawn wedi gwneud hynny, yna fi fyddai wedi bod yn adrodd am fy mhryderon i'r Swyddfa Archwilio Genedlaethol, yn hytrach na hwy yn dod ataf i. Wrth reswm, mae'n edifar gennyf na ddigwyddodd hynny. Yr wyf yn gweithio gyda sefydliadau ac unigolion a oedd yn fy marn i yn broffesiynol iawn, ac yr wyf yn dal i gredu hynny gan mai'r un bobl ydynt. Mae'n anffodus iawn bod y camgymeriad hwn wedi digwydd, ac wrth gwrs, yr wyf wedi ystyried y rôl y gallwn fod wedi'i chwarae. Ni chredaf y byddai'r canlyniad fawr gwahanol. Credaf y byddai Mr Shortridge wedi gwrthod y gymeradwyaeth adolygol pe bawn wedi gofyn amdano ym mis Tachwedd neu fis Gorffennaf, neu Awst yn hytrach. Ond mae'n edifar gennyf na chafodd y cyfan ei ddatrys yn llawer cynt.

[181] Alison Halford: Mae eich teyrngarwch yn holl bwysig i'ch pobl. Dywedasoeh eich bod wedi ymddiried ynddynt. Ymddengys iddynt eich siomi

by not telling you in advance and giving you the opportunity to make an executive decision.

ar un ystyr, drwy beidio â dweud wrthy ch ymlaen llaw a rhoi'r cyfle ichi wneud penderfyniad gweithredol.

Ms Southall: I believe that they felt that I knew all that I needed to know. Indeed, I too have a responsibility in this. I felt at the time that I knew all that I needed to know. It was not a particularly pleasant episode for any of the people involved. When I came into the position of director at the beginning of November, I believed that it was a closed business. I had the assurances, I felt, that the matter had been dealt with, and appropriately dealt with. My residual concern, which I shared with the head of finance, was simply where in the accounts to disclose the payment.

Ms Southall: Credaf eu bod yn teimlo fy mod yn gwybod y cyfan yr oedd angen imi ei wybod. Yn wir, y mae gennyf innau hefyd gyfrifoldeb yn hyn o beth. Ar y pryd yr oeddwn o'r farn fy mod yn gwybod y cyfan yr oedd angen imi ei wybod. Nid oedd yn ddigwyddiad arbennig o bleserus i unrhyw un o'r bobl a oedd yn gysylltiedig. Pan ddechreuais ar fy swydd fel cyfarwyddwr ddechrau Tachwedd, yr oeddwn o'r farn fod y mater wedi dod i ben. Cefais y sicrwydd, yn fy marn i, fod y mater wedi'i ddatrys, ac wedi'i ddatrys yn briodol. Pryder a oedd yn weddill gennyf, a rhennais hwn â'r pennaeth cyllid, oedd, yn syml, ble i ddatgelu'r taliad yn y cyfrifon.

[182] Alison Halford: Life is a huge learning curve is it not?

[182] Alison Halford: Yr ydym yn dysgu o'r crud i'r bedd onid ydym?

[183] Janet Davies: We should learn lessons and take heed of such a matter. You said, Ms Southall, that with hindsight, you would have done things differently. Will you specify any measures that the museum has taken to prevent the recurrence of such irregular payments?

[183] Janet Davies: Dylem ddysgu gwersi a chymryd sylw o fater o'r fath. Dywedaso ch, Ms Southall, wrth edrych yn ôl, y byddech wedi gwneud pethau'n wahanol. A wnewch chi nodi unrhyw fesurau y mae'r amgueddfa wedi'u cymryd i atal taliadau afreolaidd o'r fath rhag digwydd eto?

Ms Southall: What I have done so far, and am still thinking about, is to discuss with colleagues within and outside the organisation what we can do to tighten procedures still further, in two broad areas: the area of policies and procedure themselves, examining whether they are good enough and whether compliance with them is good enough. That leads into the other area, which is the people. In terms of the procedures, I suppose, Mr Ford has actually alluded to the very first and most significant lesson, which was that although at the time we did not realise there was a danger in relying on one person for, in this case, all three of the functions involved, namely financial compliance, legal services and personnel services. Clearly this was a bit of an Achilles heel. I now have two people supporting me in that role. We discussed the business of raising the cheque, signing legal agreements and so on. The paperwork that now accompanies those has to be signed off by at least two people working in different departments, one of whom is obviously the financial controller—the head of finance.

Ms Southall: Yr hyn yr wyf wedi'i wneud hyd yma, ac yr wyf yn parhau i feddwl amdano, yw trafod gyda chydweithwyr o fewn y sefydliad a'r tu allan iddo beth y gallwn ei wneud i dynhau'r gweithdrefnau ymhellach fyth, yn ddau faes eang: meysydd polisiau a gweithdrefnau eu hunain, archwilio a ydynt yn ddigon da ac a yw cydymffurfio â hwy yn ddigon dda. Mae hynny'n arwain at faes arall, sef y bobl. O ran y gweithdrefnau, mae'n debyg, mae Mr Ford mewn gwirionedd wedi cyfeirio at y wers gyntaf oll a'r fwyaf arwyddocaol, sef er nad oeddem ar y pryd yn sylweddoli bod perygl o ddibynnu ar un person ar gyfer, yn yr achos hwn, pob un o'r tair swyddogaeth dan sylw, sef cydymffurfiaeth ariannol, gwasanaethau cyfreithiol a gwasanaethau personél. Yn amlwg yr oedd hyn yn dipyn o fan gwan. Bellach mae gennyf ddau o bobl yn fy nghefnogi yn y rôl honno. Trafodasom y busnes o ysgrifennu siec, llofnodi cytundebau cyfreithiol ac ati. Mae'r gwaith papur sydd yn cyd-fynd â'r rheini bellach yn gorfod cael ei lofnodi gan o leiaf dau o bobl sydd yn gweithio mewn gwahanol adrannau, un ohonynt yn amlwg yw'r rheolwr cyllid—pennaeth cyllid.

We have different systems for dealing with the not inconsiderable number of DAOs—the dear accounting officer letters—and CEOs—the chief executive officer letters—that come in to the museum. Many of these letters actually contain information that is not directly relevant, but some of them contain absolutely crucial information, which means that we need to ensure that our management statement is modified, amended, or that particular things are highlighted, such as that ‘concealment’ is identified perhaps as referring to things such as confidentiality clauses, so that we have a much more robust system for doing this. Obviously this has taught me that, tedious though these things sometimes may be, they are absolutely crucial and that I, as well as the staff on whom I rely, need to take them seriously.

The financial procedures are under particular scrutiny at the moment by a number of people, including our internal auditors, and improvements are being made and will continue to be made. Now in all of these things, we have audit committee meetings four times a year. Mr Pavelin is an observer on that committee and the NAO is

Mae gennym systemau gwahanol ar gyfer delio â'r nifer sylweddol o DAOs—llythyrau'r annwyl swyddog cyfrifo—a CEOs—llythyrau swyddog y prif weithredwr—a ddaw i'r amgueddfa. Mae llawer o'r llythyrau hyn yn cynnwys gwybodaeth nad yw'n uniongyrchol berthnasol, ond mae rhai ohonynt yn cynnwys gwybodaeth hollol hanfodol, sydd yn golygu bod angen inni sicrhau bod ein datganiad rheoli yn cael ei addasu, ei ddiwygio, neu fod pethau penodol yn cael eu hamlygu, megis fod 'celu' yn cael ei nodi fel cyfeiriad o bosibl at bethau megis cymalau cyfrinachedd, fel bod gennym system lawer mwy cadarn ar gyfer gwneud hyn. Yn amlwg mae hyn wedi dysgu imi, er y gall pethau fel hyn fod yn ddiflas ar adegau, eu bod yn hollol hanfodol a bod angen i mi, yn ogystal â'r staff yr wyf yn dibynnu arnynt, eu cymryd o ddifrif.

Mae'r gweithdrefnau ariannol yn cael eu harchwilio'n arbennig ar hyn o bryd gan nifer o bobl, gan gynnwys ein harchwilwyr mewnol, ac mae gwelliannau yn cael eu gwneud, a byddant yn parhau i gael eu gwneud. Erbyn hyn ym mhob un o'r pethau hyn, cynhaliwn cyfarfodydd pwyllgor archwilio bedair gwaith y flwyddyn.

obviously also represented. This is a very useful safety net, if you like, for me to be able to take soundings as to whether or not the improvements that we are making seem right and proper, that the checks and balances that we are now trying to introduce into the system seem appropriate and sufficient.

In terms of the people, I think that I have already touched on this. You asked me about the training that I had had as an accounting officer. It is very difficult to say that training is adequate. It is also very difficult, when you are a new accounting officer, to take in everything that you are given in that first, very intense, information-compressed, half day. Perhaps it might have been useful if I had sought rather sooner the advice of the principal finance officer as to how I could build on that training. I did not. I had rather a lot of other things on my plate at the time. However, the thing that I have done, and have done with the help of people like the head of finance, is to try to ensure that staff understand not only the need for rules, but—and I think that this is more important—the

Mae Mr Pavelin yn sylwedydd ar y pwyllgor hwnnw ac, yn amlwg, cynrychiolir y Swyddfa Archwilio Genedlaethol. Mae hyn yn rhwyd ddiogelwch ddefnyddiol iawn, os mynnwch, imi allu clywed barn a yw'r gwelliannau yr ydym yn eu gwneud yn ymddangos yn gywir ac yn briodol, bod y gwiriadau a'r cydbwysedd yr ydym yn ceisio eu cyflwyno i'r system yn ymddangos yn briodol ac yn ddigonol.

O ran y bobl, credaf fy mod eisoes wedi crybwyll hyn. Gofynasoch imi am yr hyfforddiant a gefais fel swyddog cyfrifo. Mae'n anodd iawn dweud bod hyfforddiant yn ddigonol. Mae hefyd yn anodd iawn, pan fyddwch yn swyddog cyfrifo newydd, i gofio popeth a ddywedir wrthy ch yn yr hanner diwrnod cyntaf hwnnw sydd yn ddwys iawn ac yn llawn gwybodaeth. Efallai y byddai wedi bod yn ddefnyddiol pe bawn wedi gofyn am gyngor y prif swyddog cyllid ychydig yn gynt o ran sut y gallwn adeiladu ar yr hyfforddiant hwnnw. Ni wneuthum hynny. Yr oedd gennnyf eithaf tipyn o bethau eraill i'w gwneud ar y pryd. Fodd bynnag, yr hyn a wneuthum, ac a wneuthum gyda help pobl fel y pennaeth cyllid, yw ceisio sicrhau bod staff yn deall nid yn unig yr angen am

reasons behind the rules. It is my experience that if people understand why, then they find compliance much less of an effort. I think that training of senior staff in government accounting and financial procedures is important and we are discussing this and, indeed, as I said, we have already started on a programme of training for senior staff. I think that dissemination of the lessons is very important, too.

Finally, and I think that this is very, very important, the management statement and financial memorandum, which guide pretty well everything that I do in this area, are currently being reviewed. If I were to be candid, I would probably say ‘not before time’, because they are quite difficult to understand documents when you first start to read them and try to work with them. However, I think the development here that is tremendously important, and which I really welcome, is that I and the senior staff—and I presume, in fact I know, other Assembly sponsored public body accounting officers—are being consulted on the redrafting of these crucial tools. It is so important that we understand them, as well as the civil

reolau, ond—a chredaf fod hyn yn bwysicach—y rhesymau y tu ôl i’r rheolau. Yn fy mhrofiad i, os yw pobl yn deall pam, yna mae cydymffurfio yn ymdrech lawer llai. Credaf fod hyfforddi uwch staff mewn gweithdrefnau cyfrifo ac ariannol y llywodraeth yn bwysig ac yr ydym yn trafod hyn ac, yn wir, fel y dywedais, yr ydym eisoes wedi dechrau ar raglen o hyfforddiant ar gyfer uwch staff. Credaf fod rhannu’r gwersi yn bwysig iawn hefyd.

Yn olaf, a chredaf fod hyn yn bwysig iawn, iawn, mae’r datganiad rheoli a’r memorandwm ariannol, sydd yn arwain bron popeth a wnaif yn y maes hwn, yn cael eu hadolygu ar hyn o bryd. Pe bawn yn ddi-flewyn-ar-dafod, byddwn fwy na thebyg yn dweud ei bod yn ‘hen bryd’, oherwydd eu bod yn ddogfennau sydd yn eithaf anodd i’w deall pan fyddwch yn dechrau eu darllen gyntaf a cheisio gweithio gyda hwy. Fodd bynnag, credaf mai’r datblygiad sydd yn hynod bwysig yma, ac yr wyf yn ei groesawu’n fawr, yw yr ymgynghorir â mi a’r uwch staff—a swyddogion cyfrifo cyrff cyhoeddus eraill a noddir gan y Cynulliad mi dybiaf, yn wir mi wn—ar aildrafftio’r offer hanfodol hyn. Mae mor bwysig ein bod yn eu deall, yn ogystal â’r

servants in the Assembly. So I am really very pleased that that step has been taken.

[184] Janet Davies: I notice that Tim Arnold has not been replaced; the rest of you are sharing those responsibilities.

Ms Southall: The responsibilities actually come directly to me. I have something that we call the business support group to help me with that, because it is quite a burden and it is perhaps not—well, certainly if Mr Arnold was still there I would not have decided to do that. So, part of the decision was made in the light of Mr Ford's experience.

[185] Janet Davies: So you feel happy that those arrangements mean that you can cope with it, even if it is hard?

Ms Southall: At the moment, certainly, but the other thing that Mr Shortridge has said is that, of course, I do have access to advice within the Assembly office when I need it, and, my goodness, if I do not know what to do, I do ask.

gweision sifil yn y Cynulliad. Felly yr wyf yn falch iawn, yn wir, fod y cam hwnnw wedi ei gymryd.

[184] Janet Davies: Sylwaf na phenodwyd unrhyw un yn lle Tim Arnold; mae'r gweddill ohonoch yn rhannu'r cyfrifoldebau hynny.

Ms Southall: Daw'r cyfrifoldebau, mewn gwirionedd, yn uniongyrchol ataf i. Mae gennyf rywbeth a alwn yn grwp cymorth busnes i'm helpu gyda hynny, oherwydd ei fod yn eithaf baich ac efallai nad yw—wel, yn sicr pe bai Mr Arnold yn dal i fod yno ni fyddwn wedi penderfynu gwneud hynny. Felly, gwnaethpwyd rhan o'r penderfyniad yng ngoleuni profiad Mr Ford.

[185] Janet Davies: Felly yr ydych yn teimlo'n hapus bod y trefniadau hynny yn golygu y gallwch ymdopi â hynny, hyd yn oed os yw'n anodd?

Ms Southall: Ar hyn o bryd, yn sicr, ond y peth arall a ddywedodd Mr Shortridge yw, wrth gwrs, bod y cyngor o fewn swyddfa'r Cynulliad ar gael imi pan fydd ei angen arnaf, ac, yn wir, os na fyddaf yn gwybod beth i'w wneud, byddaf yn gofyn.

[186] Christine Chapman: Ms Southall, do you think that there are any grounds for recovery of the payments made to Tim Arnold?

[186] Christine Chapman: Ms Southall, a ydych yn credu fod unrhyw sail dros adennill y taliadau a wnaethpwyd i Tim Arnold?

Ms Southall: I understand that although the payment is irregular, that does not make it illegal. So, I understand that no, there are no grounds for recovery.

Ms Southall: Deallaf, er bod y taliad yn afreolaidd, nad yw hynny'n ei wneud yn anghyfreithlon. Felly, deallaf nad oes unrhyw sail dros adennill yr arian.

[187] Christine Chapman: Mr Shortridge, are you satisfied that the payment should stand as a charge to public funds?

[187] Christine Chapman: Mr Shortridge, a ydych yn fodlon y dylai'r taliad barhau fel tâl a godir o arian y cyhoedd?

Mr Shortridge: If it is a lawful payment, there is no choice but to make it as a charge to public funds. The important thing is that the public accounts note its irregularity.

Mr Shortridge: Os yw'n daliad cyfreithlon, nid oes unrhyw ddewis ond ei godi ar arian y cyhoedd. Y peth pwysig yw bod y cyfrifon cyhoeddus yn nodi ei fod yn afreolaidd.

[188] Christine Chapman: Thank you. Ms Southall, we have touched on this quite a lot this morning, but I wonder what other lessons have you learnt as far as the occurrence and the culture, the management style, appraisal and so on goes? Particularly, whether you should think about strengthening discipline codes for senior officers in your organisation? Have you thought about that at all?

[188] Christine Chapman: Diolch. Ms Southall, yr ydym wedi sôn cryn dipyn am hyn y bore yma, ond tybed pa wersi eraill yr ydych wedi eu dysgu o ran y digwyddiad a'r diwylliant, dull rheoli, gwerthuso ac ati? Yn arbennig, a ddylech ystyried cryfhau'r codau disgyblu ar gyfer uwch swyddogion yn eich sefydliad? A ydych wedi ystyried hynny o gwbl?

Ms Southall: Yes, I have. I think that it is not something that an organisation is probably proud of, but up until 1996, in terms of procedures for the implementation and drawing up of policies, very little was in place. So most of our policies are comparatively recent and obviously we re-visit them, even those drawn up in 1996. So on the disciplinary procedure, for example, we are at the moment putting together a staff manual. This will be a manual for each individual member of staff. Each will have their own copy, in both languages, of all of these policies, and the disciplinary procedure is one that is being revised, or updated, or strengthened, and perhaps made more clear, as we do this. I would like to say that a significant number of staff, some of whom may never have been through a disciplinary procedure, either as a line manager or as a victim, are also being consulted on the wording, because we need to make sure that there are no ambiguities.

[189] Christine Chapman: Mr Shortridge, I think one of the aspects of this particular case, was that there seems to be a lack of communication between the Assembly and the organisation. I wondered what action

Ms Southall: Ydwyf. Credaf nad yw'n rhywbeth y byddai sefydliad yn ymfalchïo ynddo mae'n debyg, ond hyd at 1996, o ran gweithdrefnau ar gyfer gweithredu a llunio polisiau, ychydig iawn a oedd yn ei le. Felly mae'r rhan fwyaf o'n polisiau yn gymharol ddiweddar ac yn amlwg yr ydym yn ailedrych arnynt, hyd yn oed y rhai a luniwyd yn 1996. Felly o ran y weithdrefn ddisgyblu, er enghraifft, yr ydym yn llunio llawlyfr staff ar hyn o bryd. Llawlyfr fydd hwn ar gyfer pob aelod unigol o staff. Bydd gan bob un ei gopi ei hun, yn y ddwy iaith, o bob un o'r polisiau hyn, ac mae'r weithdrefn ddisgyblu yn un sydd yn cael ei hadolygu, neu ei diweddarau, neu ei chryfhau, ac efallai ei gwneud yn gliriach, wrth inni wneud hyn. Hoffwn ddweud yr ymgynghorir â nifer sylweddol o'r staff, rhai nad ydynt erioed wedi bod drwy weithdrefn ddisgyblu efallai, naill ai fel rheolwr llinell neu fel dioddefwr, ynglyn â'r geiriad, gan fod yn rhaid inni sicrhau nad oes unrhyw amwysedd.

[189] Christine Chapman: Mr Shortridge, credaf mai un o'r agweddau ar yr achos arbennig hwn oedd yr ymddengys bod diffyg cyfathrebu rhwng y Cynulliad a'r sefydliad. Tybed pa gamau yr ydych

have you now taken to address that?

wedi eu cymryd bellach i fynd i'r afael â hynny?

Mr Shortridge: There are two types of communication. There is a lot of oral communication that goes on when there is business around. That was one of the problems that we had in this case—the oral communication led to misunderstandings. Then there is the formal communication, where there are decisions to be taken. Generally, my impression is that the relationship that we as officials and sponsor divisions have with our sponsored bodies, is a good and close one. Although I have listened to everything today, I am not aware of a big issue in that respect.

Mr Shortridge: Mae dau fath o gyfathrebu. Mae llawer o gyfathrebu llafar sydd yn digwydd pan mae busnes i'w drafod. Dyna un o'r problemau a oedd gennym yn yr achos hwn—arweiniodd y cyfathrebu llafar at achosion o gamddeall. Yna ceir cyfathrebu ffurfiol, pan fydd angen gwneud penderfyniadau. Yn gyffredinol, yr argraff sydd gennyf yw bod y berthynas sydd gennym fel swyddogion ac adrannau noddi â'n cyrff nodeddig yn un dda ac agos. Er imi wrando ar bopeth heddiw, nid wyf yn ymwybodol o fater o bwys yn hynny o beth.

What we have done, in the light of this experience, is that David Richards, the principal finance officer, at my request, wrote to all the accounting officers, drawing their attention to this particular instance. He drew three points to their attention. The first was that it was important that they should have a good understanding of the management statement and financial memorandum, because those are the basic control documents, which manage the relationship. He went on to say that in addition to the accounting

Yr hyn a wnaethom, yng ngoleuni'r profiad hwn, oedd bod David Richards, y prif swyddog cyllid, ar fy nghais, wedi ysgrifennu at bob swyddog cyfrifo, gan dynnu eu sylw at yr achos penodol hwn. Tynnodd eu sylw at dri phwynt. Y cyntaf oedd ei bod yn bwysig y dylent ddeall y datganiad rheoli a'r memorandwm ariannol yn dda, oherwydd y rheini yw'r dogfennau rheoli sylfaenol, sydd yn rheoli'r berthynas. Aeth ymlaen i ddweud, yn ogystal â sicrhau bod y swyddogion cyfrifo yn deall hynny, y

officers having that understanding, they really ought to nominate, if they had not already done so, someone who does have an intimate knowledge of the documents so that they can rely on their help in compliance matters. The second point was that having a word with someone in the Assembly does not constitute obtaining the Assembly's formal approval. There is a critical distinction between explaining what is going on, and agreeing with us what role we are required to play. That went wrong on this occasion. I do not make the point in a judgmental way, but clearly that is what happened. So we have drawn that to attention. There has to be written approval and writing formally, when there is an issue to be addressed. The third point was that, whenever you are in doubt about anything, seek the views of your sponsor division. So I think that those are the three main lessons that I took from this, and felt should be disseminated more widely.

[190] Christine Chapman: You mentioned the museum's management statement and financial memorandum. How much progress has been made in disseminating those? You have touched on the point, but is it fairly well known now, or is it just fairly new?

dylent enwebu, os na wnaethant hynny eisoes, rhywun sydd â gwybodaeth fanwl am y dogfennau fel y gallant ddibynnu ar eu cymorth ar faterion cydymffurfio. Yr ail bwynt oedd nad yw mynnu gair gyda rhywun yn y Cynulliad yn golygu bod y Cynulliad wedi rhoi cymeradwyaeth ffurfiol. Mae gwahaniaeth holl bwysig rhwng esbonio'r hyn sydd yn digwydd, a chytuno gyda ni ar ein union rôl. Aeth hynny o'i le y tro hwn. Nid wyf yn gwneud y pwynt mewn ffordd feirniadol, ond mae'n amlwg mai dyna a ddigwyddodd. Felly yr ydym wedi tynnu sylw at hynny. Mae'n rhaid cael cymeradwyaeth ysgrifenedig ac ysgrifennu'n ffurfiol pan fydd mater y mae angen mynd i'r afael ag ef. Y trydydd pwynt oedd, pryd bynnag y bydd gennyh amheuaeth am unrhyw beth, dylech ofyn am farn eich adran noddi. Felly credaf mai dyna'r tair prif wers a ddysgais yn sgîl hyn, a theimlwn y dylid eu dosbarthu'n ehangach.

[190] Christine Chapman: Soniasoch am ddatganiad rheoli a memorandwm ariannol yr amgueddfa. Faint o gynnydd a wnaethpwyd o ran dosbarthu'r rheini? Yr ydych wedi cyfeirio at y pwynt, ond a yw'n eithaf hysbys bellach, neu a yw ond yn eithaf

newydd?

Mr Shortridge: The management statement and financial memorandum are standard control documents. The management statements came in, I think, in the early 1990s, but all sponsored bodies have them. The museum's documents are dated January 1997 and, as Ms Southall has said, we are consulting all our sponsored bodies on a revision. On 24 January we sent out to all the bodies a template and we are consulting them on that. The fact remains that under section 46, I think, of the Government of Wales Act 1998, the original management statements which were with the Welsh Office carry into the Assembly, so they are still valid and largely up-to-date control documents.

[191] Christine Chapman: One final question, Mr Shortridge. Obviously we would hope that we would not have too many of these reviews in front of us. What lessons do you think that you have learnt now as far as revising the control frameworks for other Assembly sponsored public bodies, in light of this particular case?

Mr Shortridge: Mae'r datganiad rheoli a'r memorandwm ariannol yn ddogfennau rheoli safonol. Dechreuodd y datganiadau rheoli, credaf, ar ddechrau'r 1990au, ond mae gan bob corff nodedig rai. Y dyddiad ar ddogfennau'r amgueddfa yw Ionawr 1997 ac, fel y dywedodd Ms Southall, yr ydym yn ymgynghori â phob un o'n cyrff nodedig o ran eu hadolygu. Ar 24 Ionawr anfonasom dempled i bob un o'r cyrff ac yr ydym yn ymgynghori â hwy ar hynny. Erys y ffaith o dan adran 46, credaf, o Ddeddf Llywodraeth Cymru 1998, i'r datganiadau rheoli gwreiddiol a oedd yn nwylo'r Swyddfa Gymreig gael eu trosglwyddo i'r Cynulliad, felly maent yn ddilys o hyd ac yn ddogfennau rheoli eithaf diweddar.

[191] Christine Chapman: Un cwestiwn olaf, Mr Shortridge. Yn amlwg byddem yn gobeithio na fyddem yn gweld gormod o'r adolygiadau hyn ger ein bron. Yn eich barn chi, pa wersi yr ydych wedi'u dysgu bellach o ran adolygu'r fframweithiau rheoli ar gyfer cyrff cyhoeddus eraill a noddir gan y Cynulliad, yng ngoleuni'r achos penodol hwn?

Mr Shortridge: I have given you, I think, my main points. However, I was concerned when I addressed the detail of this that the control documents could be clearer about having written approval. It is sort of assumed that it is written approval. There should not be any ambiguity on matters like this. Therefore, I have said that for the future there should be no ambiguity on that. That echoes a bit what Ms Southall said, that perhaps the language of these documents is not as accessible as it could be to all people. I have certainly taken that lesson.

The other specific issue that I have taken away is the question of whistle blowing, which we were talking about by implication, largely, earlier in this evidence-taking session. I think that because the management statement is largely silent on that at the moment, we do as an Assembly have to have much greater clarity on what we expect from sponsored bodies on whistle-blowing.

[192] Alison Halford: Anna Southall sent us a document dated 1 February, which embraces the disciplinary

Mr Shortridge: Yr wyf wedi rhoi fy mhrif bwyntiau ichi, credaf. Fodd bynnag, yr oeddwn yn pryderu pan euthum i'r afael â'r manylion y gallai'r dogfennau rheoli fod yn gliriach ynghylch sicrhau cymeradwyaeth ysgrifenedig. Tybir i raddau mai cymeradwyaeth ysgrifenedig ydyw. Ni ddylai fod unrhyw amwysedd ar faterion fel hyn. Felly, yr wyf wedi dweud na ddylai fod unrhyw amwysedd ynghylch hynny yn y dyfodol. Mae hynny'n adleisio ychydig yr hyn a ddywedodd Ms Southall, sef efallai nad yw iaith y dogfennau hyn mor hygyrch ag y gallai fod i bawb. Yr wyf yn sicr wedi dysgu'r wers honno.

Y mater penodol arall yr wyf wedi'i ddileu yw cwestiwn datgelu cyfrinachau, yr oeddem yn siarad amdano drwy awgrym, yn bennaf, yn gynharach yn y sesiwn cymryd tystiolaeth hon. Credaf oherwydd bod y datganiad rheoli yn ddistaw iawn ynghylch hynny ar hyn o bryd, bod yn rhaid i ni fel Cynulliad gael llawer mwy o eglurder ar yr hyn yr ydym yn ei ddisgwyl gan gyrrff noddedig o ran datgelu cyfrinachau.

[192] Alison Halford: Anfonodd Anna Southall ddogfen atom, dyddiedig 1 Chwefror, sydd yn ymgorffori'r

procedures. I am not an expert, but I would say that it still leaves much to be desired. As has been discussed, it does not mention any way of suspending a person. The appeal procedure will not stand up, which, I suggest, would be one of the reasons that the museum found itself in some difficulty and had to settle on this matter. It does concern me that you, Mr Ford, seemed to take no interest in a proper discipline code during your years as a director, and you cannot, surely, as the overall director, not ensure that there is a proper procedure for discipline? Maybe you could respond to my rottweiler mode on that matter.

Mr Ford: I thought that I said earlier that I had led the museum to write this document. There was no such document when I became director. Two years later there was. This is a 1996 disciplinary procedure.

[193] Alison Halford: But you had been in control for how long?

Mr Ford: It took two years to get it done. I accept that.

gweithdrefnau disgyblu. Nid wyf yn arbenigwraig, ond byddwn yn dweud bod cryn dipyn o fylchau ynnddi o hyd. Fel y trafodwyd, nid yw'n sôn am unrhyw ffordd o wahardd person. Ni fydd y weithdrefn apelio yn effeithiol, ac awgrymaf mai dyna un o'r rhesymau pam y cafodd yr amgueddfa ei hun mewn peth anhawster ac y bu'n rhaid iddisetlo ar y mater hwn. Mae'n achos pryder imi nad ymddengys i chi, Mr Ford, gymryd unrhyw ddi-ddordeb mewn cod disgyblu priodol yn ystod eich blynyddoedd fel cyfarwyddwr, ac, yn sicr, fel y cyfarwyddwr cyffredinol, ni allwch beidio â sicrhau bod gweithdrefn briodol ar gyfer disgyblu? Efallai y gallwch ymateb i'm harddull rottweiler ar y mater hwnnw.

Mr Ford: Yr oeddwn yn credu imi ddweud yn gynharach fy mod wedi arwain yr amgueddfa i ysgrifennu'r ddogfen hon. Nid oedd dogfen o'r fath pan ddeuthum yn gyfarwyddwr. Ddwy flynedd yn ddiweddarach yr oedd un ar gael. Gweithdrefn ddisgyblu 1996 yw hon.

[193] Alison Halford: Ond yr oeddech wedi bod yn rheoli ers pryd?

Mr Ford: Cymerodd ddwy flynedd i'w chyflawni. Yr wyf yn derbyn hynny.

[194] Alison Halford: **But this is not a very good document.**

[194] Alison Halford: **Ond nid yw hon yn ddogfen dda iawn.**

Mr Ford: **That is a matter of opinion. Again, my professional advisers thought it was a good disciplinary procedure.**

Mr Ford: **Mae hynny'n fater o farn. Eto, yr oedd fy ymgynghorwyr proffesiynol o'r farn ei bod yn weithdrefn ddisgyblu dda.**

[195] Alison Halford: **You must have dreadful professional advisers, Mr Ford, if you do not mind me saying so.**

[195] Alison Halford: **Mae'n rhaid bod gennych ymgynghorwyr proffesiynol ofnadwy, Mr Ford, os nad oes ots gennych fy mod yn dweud hynny.**

Is this a priority? We hear that Mr Ford does not read the newspapers but we are now in a world of industrial tribunals. Large sums of money are paid to employees, and therefore it is important, I would suggest, that a public body has a totally watertight discipline code and employment practice. I am a little surprised—and please do not take this as a criticism, although I fear you must—that you have been in control since 1998, but in February 2000, we are still looking at a document which, I would suggest—and I am not an expert—could be improved upon. Would you agree with that?

A yw hyn yn flaenoriaeth? Yr ydym yn clywed nad yw Mr Ford yn darllen y papurau newydd ond yr ydym bellach yn rhan o fyd y tribiwnlysoedd diwydiannol. Telir symiau mawr o arian i weithwyr, ac felly awgrymaf ei bod yn bwysig fod gan gorff cyhoeddus god disgyblu ac arfer cyflogaeth hollol gynhwysfawr. Yr wyf yn synnu ychydig—a pheidiwch â chymryd hyn fel beirniadaeth, er fy mod yn ofni bod yn rhaid ichi wneud hynny—eich bod wedi bod yn rheoli ers 1998, ond yn Chwefror 2000, yr ydym yn parhau : edrych ar ddogfen yr awgrymaf—ac nid wyf yn arbenigwraig—y gellid gwella arni. A fyddech yn cytuno â hynny?

Ms Southall: I have no difficulty agreeing with you that it could be improved upon. What I did try to say to Ms Chapman was that it is in the process of being improved upon. One of the improvements that I am keen to make is to ensure that every member of staff has their own manual, which guides them through a number of policies and procedures. This is one that is clearly in need of revision. I have already told you that the appraisal system was revamped in 1998, so that was another step. There are a number of other policies that have been put in place, either at the end of Mr Ford's days, or ones that I have now instigated, covering a number of other areas. The disclosure policy, commonly known as the whistle-blowing policy, is one of many.

All I can say in our defence is, yes we know, yes we are acting, but these things take time. Therefore we could be criticised for moving slowly, but with the limited resources we have, we are moving as quickly as we can.

[196] Alison Halford: On a final point, we know that Mr Arnold has not been replaced and he was in charge of

Ms Southall: Ni chaf unrhyw anhawster i gytuno â chi y gellid gwella arni. Yr hyn y ceisiais ei ddweud wrth Ms Chapman oedd ei bod yn y broses o gael ei gwella. Un o'r gwelliannau yr wyf yn awyddus i'w gwneud yw sicrhau bod gan bob aelod o'r staff ei lawlyfr ei hun, sydd yn ei dywys drwy nifer o bolisiâu a gweithdrefnau. Yn amlwg mae hwn yn un y mae angen ei adolygu. Yr wyf eisoes wedi dweud wrthyhych i'r system werthuso gael ei hailwampio yn 1998, felly yr oedd hynny'n gam arall. Rhoddwyd nifer o bolisiâu eraill yn eu lle, naill ai ar ddiwedd cyfnod Mr Ford, neu rai yr wyf bellach wedi eu cychwyn, sydd yn cwmpasu nifer o feysydd eraill. Mae'r polisi datgelu, a elwir yn gyffredin yn bolisi datgelu cyfrinachau, yn un o blith nifer.

Y cyfan y gallaf ei ddweud i'n hamddiffyn yw ein bod yn gwybod, ein bod yn gweithredu, ond mae'r pethau hyn yn cymryd amser. Felly gellir ein beirniadu am symud yn araf, ond gyda'r adnoddau cyfyngedig sydd gennym, yr ydym yn symud cyn gynted ag y gallwn.

[196] Alison Halford: Ar bwynt olaf, gwyddom nad oes unrhyw un wedi cymryd lle Mr Arnold a'i fod yn

personnel. I understand that resources are tight, but when it comes to personnel and employment, it is a critical field where you have to pay for the best expertise. Would you consider looking again at getting top rate personnel to ensure that this sort of debacle does not occur again?

Ms Southall: I am going to find that quite difficult to answer in a way that will satisfy you, without implying criticism of the personnel staff who feel behaved extraordinarily properly throughout this, particularly the new head of human resources. She is the very person who brought the matter to Mr Ford's attention, and who has been working so very thoroughly with me and with her own staff and with—and I hesitate to say this in front of Mr Black—consultants, simply because it was such an important area of work. It was an important area of work where we moved as swiftly as we could. So I accept the criticism, but I do not accept the criticism of my staff.

[197] Alison Halford: I had absolutely no intention of criticising the head of human resources. I would be bold enough to say that as a Committee, we are grateful for the fact that she

gyfridol am bersonél. Deallaf fod adnoddau'n brin, ond o ran personél a chyflogaeth, mae'n faes hanfodol lle mae'n rhaid i chi dalu am yr arbenigedd gorau. A fyddech yn ystyried edrych eto ar gael personél o'r radd flaenaf i sicrhau nad yw'r math hwn o fethiant yn digwydd eto?

Ms Southall: Caf hynny'n eithaf anodd i'w ateb mewn ffordd a fydd yn eich bodoni, heb awgrymu beirniadaeth o'r staff personél a wnaeth, yn fy marn i, ymddwyn yn hynod briodol drwy gydol hyn, yn arbennig pennaeth newydd adnoddau dynol. Hi yw'r union berson a ddaeth â'r mater i sylw Mr Ford, ac sydd wedi bod yn gweithio mor drylwyr gyda mi a'i staff ei hun a—petrusaf cyn dweud hyn yng ngwydd Mr Black—chyda ymgynghorwyr, gan ei fod yn faes gwaith mor bwysig, yn syml. Yr oedd yn faes gwaith pwysig lle y symudasom mor gyflym ag y gallem. Felly derbyniaf feirniadaeth, ond ni dderbyniaf feirniadaeth o'm staff.

[197] Alison Halford: Nid oedd yn fwriad gennyf feirniadu'r pennaeth adnoddau dynol o gwbl. Byddwn yn ddigon beiddgar â dweud ein bod, fel Pwyllgor, yn ddiolchgar am y ffaith ei

actually blew the whistle and brought the matter to light.

bod, mewn gwirionedd, wedi datgelu'r gyfrinach a dod â'r mater i'r amlwg.

[198] **Janet Davies:** That is the end of the evidence-taking session. I would like to thank all the witnesses for your very full and helpful answers to our questions. A draft transcript will be sent to you so that you can check its factual accuracy before it is published as part of the minutes.

[198] Janet Davies: **Dyna ddiwedd y sesiwn cymryd tystiolaeth. Hoffwn ddiolch i bob un o'r tystion am eich atebion llawn a defnyddiol iawn i'n cwestiynau. Caiff trawsysgrifiad drafft ei anfon atoch fel y gallwch wirio ei gywirdeb ffeithiol cyn iddo gael ei gyhoeddi fel rhan o'r cofnodion.**

Daeth y sesiwn cymryd tystiolaeth i ben am 12.18 p.m.

The evidence-taking session ended at 12.18 p.m.

Annex B

Letter from the Assembly's Principal Finance Officer to the Accounting Officers of all Assembly Sponsored Public Bodies

17 December 1999

Dear *(Accounting Officer)*

GOING BY THE BOOK

The National Audit Office have just published a report in respect of the Museums and Galleries of Wales accounts for 1998-99. That report is critical of the previous Director's failure to obtain the then Welsh Office's agreement to a special payment which was a requirement by the management statement and the Financial Memorandum.

I think there are some lessons to be drawn for all of us from this case. It wasn't that the rules weren't clear, but rather that in this case the Director did not seem to be sufficiently familiar with them, and he thought he had mentioned the case to somebody in the Welsh Office. It's important that you have a good understanding of the Management Statement and Financial Memorandum, and I suggest that if you have not already done so you should nominate a senior officer to have personal responsibility for having an intimate knowledge of these two documents and any other rules and guidance specific to the *(Name of Public Body)* so that when reaching important decisions you ensure that you comply with their requirements. We hope to issue shortly a revised Management Statement and Financial Memorandum which sets out the relationship between the *(Name of Public Body)* and the Assembly, it is important that you are personally involved in its agreement with your sponsor division, and understand and are comfortable with its contents.

The second point from this report is that “having a word” with somebody in the Assembly does not constitute obtaining the Assembly’s formal approval. Anything that requires formal approval requires the (*Name of Public Body*) to put their request in writing to your sponsor division, and to require a written response in return.

The particular issue which has resulted in this report was the arrangements under which a senior officer left the Museum. This is by no means the first instance in recent years where there have been difficulties about the financial arrangements of senior staff leaving NDPBs, and I suggest that you should

consider carefully the issues surrounding the departures of any senior staff, and if in any doubt at all, to seek the views of your sponsor division.

If you have any thoughts or concerns on the issues covered in this letter, do please, have a word with me.

D T RICHARDS

1 February 2000

Mr Andrew George
Clerk to the Audit Committee
The National Assembly for Wales
Cardiff Bay
CARDIFF
CF99 1NA

Dear Andrew George

I attach a copy of NMGW's Disciplinary Procedure. This was first drawn up around 1996 by the (then) Human Resources Manager. It was agreed by our Personnel Committee and negotiated internally with the trade unions but it was not formally agreed by the sponsor department. The Management Statement says that NMGW should ensure that it has a disciplinary procedure but there is no reference to having it approved by the sponsor department.

This is a reasonably standard document which all organisations have to have in order to meet employment legislation. The law in relation to employment contracts states that the disciplinary procedure must be set out in contracts of employment or must be in a separate document to which staff have access. Up until now, the Disciplinary Procedure has been part of the Administration Manual, but will be transferred shortly to the Staff Handbook to a section dealing with issues relating to terms and conditions of employment.

At present it is not issued bilingually but will be translated before inclusion in the Staff Handbook. I therefore enclose a copy in English only; I hope that this is acceptable.

Yours sincerely

Anna Southall
Director

Encl.

**AMGUEDDFEYDD AC ORIELAU CENEDLAETHOL CYMRU
NATIONAL MUSEUMS & GALLERIES OF WALES**

DISCIPLINARY PROCEDURE

Definition

This procedure provides a framework for addressing cases of deviation from expected standards of behaviour by our employees.
Cases of capability will be dealt with outside this procedure.

Policy

NMGW expects all its employees to maintain the high standards of general behaviour and work performance that are documented and that might be reasonably expected of them.

Cases of deviation from these standards may be addressed through this procedure.

The objective of this procedure is not punitive. It is, where at all possible, designed to help our employees to behave appropriately and to avoid the problems associated with indiscipline.

Procedure – Gross misconduct

Normally cases of indiscipline will be addressed at stage one and at further stages only if necessary.

However, it is recognised that there are certain types of disciplinary issues which are more appropriately dealt with at different stages of the procedure. So, for instance, minor offences are dealt with at stage one. Stage two may be invoked for issues of a more serious nature.

Most importantly the management of NMGW reserves the right to immediately invoke stage three where in its opinion there has been an incident of gross misconduct.

Gross misconduct can only be satisfactorily defined when a reasonable view of all the surrounding circumstances is applied, but the following would usually be considered as gross misconduct:

- severely offending a member of the public by inappropriate behaviour
- theft of Museum or other employee's property
- violent behaviour towards a member of the public or other employee
- the use of violent or abusive language to a member of the public or other member of staff

- destruction of Museum or other employee's property
- fraud
- misusing alcohol or drugs
- negligence leading to damage to NMGW's reputation or finances
- maliciously damaging NMGW's reputation

The disciplinary procedure may also be invoked in cases of unsatisfactory absence levels through sickness.

Stage 1

Where in the opinion of their management an individual is failing to meet expected standards of behaviour or performance the individual may be informed by their management that the formal disciplinary procedure is to be invoked.

In all such cases management must first contact the Personnel Department who will advise on handling the issue.

A meeting will be called within a week involving the individual concerned, their supervisor, the Head of Department and a representative from the Personnel Department. The individual employee may be offered representation by the appropriate union or other staff member.

The individual concerned will be given a written statement of the nature of their offence in advance of the meeting and at the outset of the meeting it will be made clear that it is part of a formal disciplinary procedure.

Opportunity will then be given to respond. There will be an open discussion at which all relevant points will be considered. Adjournment may be taken as necessary.

After the meeting management will give its formal conclusion. If management feel that disciplinary action is appropriate at that stage it will be in the form of an oral warning which will be put on record.

A formal record of the result of the disciplinary meeting will be provided by the Personnel Department. The required action to achieve satisfactory behaviour from the person will be stipulated.

Stage 2

If there is a more serious indiscipline or a repetition within 12 months of the previous indiscipline then a meeting will be arranged as in stage one.

If after this meeting management consider disciplinary action is warranted this will be in the form of a formal warning which will go on the individual's record.

Stage 3

If a more serious incident occurs or there is a repetition within 12 months of the previous indiscipline then a stage one disciplinary hearing may be invoked.

At this stage, one of the sanctions that may be used by management will be termination of employment. The meeting will consist, at its earlier stages, of the individual and their representative but management will be represented by the Department Head, the relevant Assistant Director and the Personnel Officer or her/his representative.

Appeal

In cases where the individual concerned is not satisfied with the outcome of the disciplinary procedure they may make an appeal. In case of dismissal this should be addressed in writing to the Director of the Museum, with whom the individual, their representative and the Assistant Director will meet. When the appeal is against disciplinary action short of dismissal it should be addressed to the relevant Assistant Director.

The meeting will be minuted by the Personnel Department. The decision reached from the appeal will be final.

Procedure closure

The Human Resource Manager will be responsible for producing a summary of the disciplinary incident and the management action resulting and providing copies of that summary to the individual concerned and their representative.

THE AUDIT COMMITTEE

The National Assembly's Audit Committee ensures that proper and thorough scrutiny is given to the Assembly's expenditure. In broad terms, its role is to examine the reports on the accounts of the Assembly and other public bodies prepared by the Auditor General for Wales; and to consider reports by the Auditor General for Wales on examinations into the economy, efficiency and effectiveness with which the Assembly has used its resources in discharging its functions. The responsibilities of the Audit Committee are set out in detail in Standing Order 12.

2.2 The membership of the Committee as appointed on 05 April 2000 is:

Chair: Janet Davies (Plaid Cymru)

Lorraine Barrett (Labour)

Brian Gibbons (Labour)

Jane Davidson (Labour)

Alison Halford (Labour)

Dafydd Wigley (Plaid Cymru)

Geraint Davies (Plaid Cymru)

Alan Cairns (Conservative)

Peter Black (Liberal Democrat)

NB: Christine Chapman and Alun Pugh were members of the Committee from 23 June 1999 to 5 April 2000.

Further information about the Committee can be obtained from:

Andrew George

Clerk to the Audit Committee

National Assembly for Wales

Cardiff Bay CF99 1NA

Tel: (029) 20 898155

Email: Audit.comm@wales.gsi.gov.uk