



PWYLLGOR ADNODDAU CYNALIADWY
SUSTAINABLE RESOURCES COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	30 April 2024
TEITL YR ADRODDIAD: TITLE OF REPORT:	Sustainable Resources Committee (SRC) Self-Assessment Outcome Report 2023/24
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Winston Weir, SRC Chair Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Joanne Wilson, Director of Corporate Governance/Board Secretary

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The purpose of this report is to present to the Sustainable Resources Committee (SRC) the outcome of the SRC Self-Assessment 2023/24 process.

Cefndir / Background

In line with Section 10.2.1 of Standing Orders, the Board is required to introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups. Section 10.2.2 also states that each Committee must also submit an annual report to the Board through the Chair within 6 weeks of the end of the reporting year setting out its activities during the year and including the review of its performance and that of any sub-Committees it has established.

A refreshed approach to the Committee self-assessment process was developed in 2023 which was intended to be proportionate, achievable and add value to the organisation's governance capability. For SRC, this involved:

- Short digital form which requested feedback on the following areas:
 - governance and administration
 - Committee's inputs
 - Conduct of Committee meetings
 - Interface with other Committees, including the Board
 - Committee's impact
 - Individual role on Committee
- A facilitated, in-person workshop to reflect on the Committee's effectiveness to date based on responses from the above digital form and feedback from auditors/regulators and other intelligence on how the Committee currently operates, where it has made an impact and what it has shone a light on, and the areas where it could have done better.

This was then used to enable a discussion on developing the Committee governance in the next 12 months and what it needed to:

- start doing,
- stop doing, and
- continue doing,

and what actions it would need to take to make this happen.

Asesiad / Assessment

The Assistant Director of Organisational Development facilitated a virtual workshop on 18 March 2024 which was attended by Independent Members and Executive Director Members of SRC. As outlined above, this considered the Committee effectiveness over the previous 12 months, considered the Health Board's current context and challenges, and agreed areas to be prioritised over next 12 months.

Look back at Committee's effectiveness over previous 12 months...

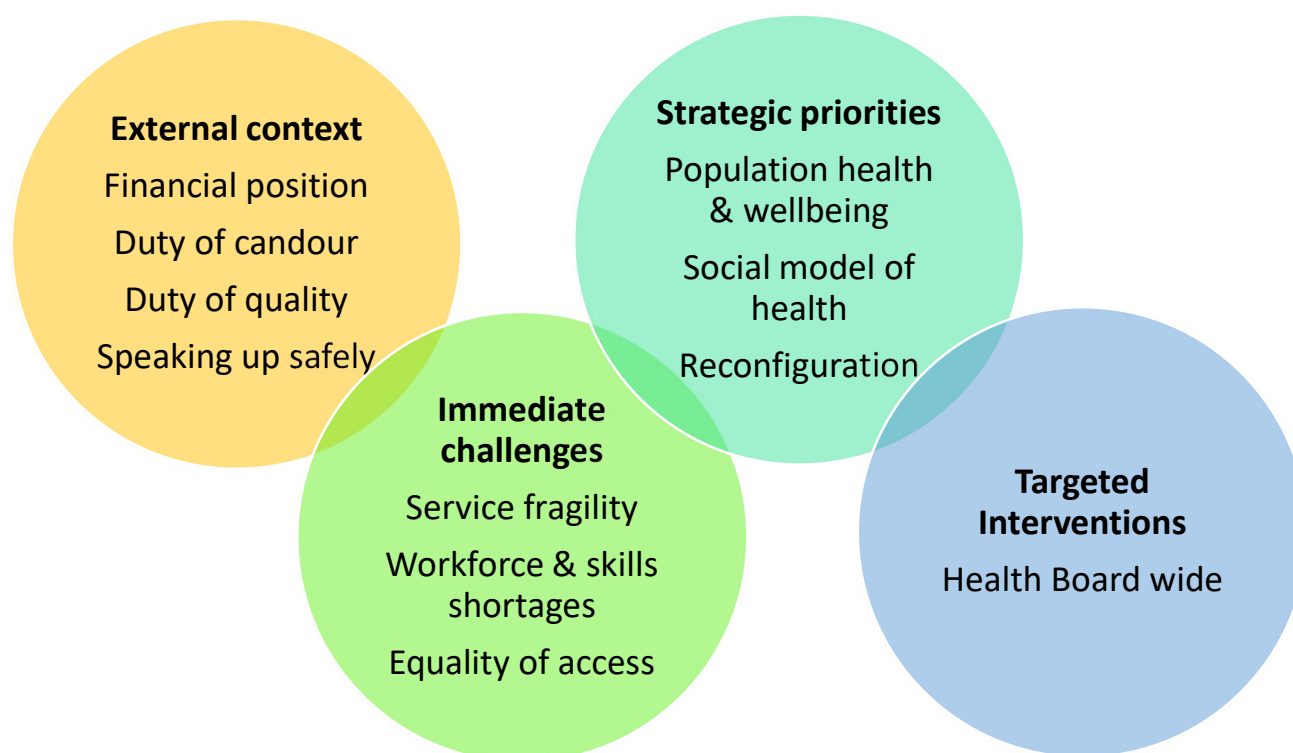
The below analysis was based on responses from the digital form and feedback from auditors/regulators and other intelligence on how the Committee currently operates:

We are really good at...	We are less good at...
<ul style="list-style-type: none">• Governance & administration of Committee, agendas & meeting flow and on the whole the right time was spent on the right items.• Effective chairing, constructive challenge from IMs, private meetings used appropriately.• Driving improvements in financial management during the year.• Financial scrutiny of the financial position• Good quality papers & good interactions with presenters.• Good discussion & reports from Control Delivery Group.• Internal Audit provided Reasonable Assurance in a number of finance related reports.	<ul style="list-style-type: none">• Agendas were heavy & needed more financial focus.• Committee did not feel adequately supported by Executive Directors, and/or deputies.• Collaboration between committees & between SRC/Board.• Focusing scrutiny on those with delegated responsibility / Executive Directors for budgets that are increasingly overspent.• Providing pictorials & trajectories within financial reports for Committee to clearly see what savings schemes are going to deliver.• Some papers / presentations can be a bit long, not enough focus on financials & assurance & too much focus on operational detail, impacting productive debate.• Delivery of financial plan is challenging & realism of Board papers on savings & financial position / inability to provide assurance to Board on key issues – savings delivery, digital, records management.

- Limited assurance on digital related areas.
- Lack of focus on risks & assurance on the controls in place.
- A clinical perspective on the impact on patients & quality of care.
- Organisation culture / clinical engagement to support savings delivery.

Current context and challenges...

In order to set priorities for the next 12 months, it is important to understand the current challenges and what is being asked of the Health Board. These are set out below:



Setting the ambition for the next 12 months...

Prior to the workshop, Members had been asked via the digital form the following 2 key questions:

- **Given that our organisation is in Targeted Intervention with one aspect of this relating to finance - over the next 12 months what work should this committee have laser like vision on in terms of assurance?**

The responses received included:

- Savings delivery in the current and future years.
- Delivery assurance from managers across the organisation.

- Finance scrutiny needs to be wider than just the Finance Department and the Director of Finance.
- That the whole organisation is playing its part in the delivery of savings and improving the financial outlook.
- Improving the understanding of the financial impact of plans with the Committee in a problem-sensing mode as opposed to comfort-seeking to ensure that plans are robust and financial savings are realised.
- The focus on finance needs to be balanced with a duty of quality and patient experience with a clarity on the Committee's purpose and communicating that purpose to the wider organisation so that presentations are clear and tailored to the Committee.
- **How can this committee be assured about the robustness of its financial systems. What ideas do you have to facilitate this happening in practice?**

The responses received included:

- The Committee is reassured by Internal Audit, Audit Wales and the Finance Teams.
- To have a deep dive into some of the basic financial systems.
- To have assurance on delivery.
- An explanation of how financial systems are robustly embedded at Directorate level.

The following themes, which emerged from responses within the digital form when Members were asked to identify priorities for next 12 months, were discussed:

Ways of Working	Delivery of Purpose	Assurance
Revision of reporting templates so that they enable concise discussions of the issues	Recurrent savings delivery, financial forecast being provided (in-year and medium-long term)	Assurance and understanding of the financial impact of our plans (in-year and medium-long term)
Deep dives into some of the basic financial systems - case studies	Delivery of the digital strategy	Assurance and understanding of the Impact of financial issues on service delivery, quality impact and patient experience
Clarity of purpose for committee which is communicated to Organisation (known and understood by everyone)	Delivery of decarbonisation	Delivery assurance from managers across the organisation being provided to the committee
Appropriate level of seniority attendance at Committee	<i>5 sections of targeted interventions escalation related to finance (which is the main part of the work of SRC) including financial governance arrangements, understanding the opportunities, the financial strategy to return to break-even and in-year delivery of improvements</i>	Assurance that financial systems are robustly embedded at directorate level

Better use of meeting time to enable appropriate focus on key issues (as opposed to suggestion of longer meetings)	<i>Hold services to account for overspends</i>	Annual Internal Audit report on financial systems and assurance
Clear escalation of issues to Board level		
<i>Review TORs to reflect escalated status and areas of focus for Committee & consider those areas which would require a reduction in focus or should move to another Committee, such as digital and decarbonisation</i>		<i>Annual Internal Audit report into financial management and controls that was reported to ARAC should be presented to SRC</i>
<i>Consider amending the name of the Committee for clarity of purpose</i>		
<i>Further explore why Members feel that the atmosphere at Committee is not conducive to scrutiny</i>		

**Items in Italic added through workshop discussion*

In order to focus on the above priorities, we are going to...

...Start...

- Start sharing good practices and successes.
- Being prescriptive with officers who are presenting to the Committee, linked to good practice guidance on 'How to present to committee' so that presenters understand what is expected on them in the allocated time and the need to be succinct.
- Considering whether the name of the Committee clarifies its current purpose.
- Having 'punchier' papers with clear recommendations of what is being asked of the Committee to avoid receiving long and detailed papers 'to note' as opposed to being a focussed paper on what was needed to 'be discussed'.
- Being clear on the matters for escalation to Board and ensure that those matters are followed through at Board to improve the link between the Committee and the Board process.
- Ensuring that there is a clinical voice at the Committee.
- Review the frequency or focus of Committee meetings and consider either having more frequent meetings to enable an increased amount of discussion on finance or focus on other matters less and focus more on finance while considering how much demands on time is placed on Independent Members (IMs).
- Providing help to those who present to the Committee.

...Stop...

- Receiving too many papers 'for information' and spending a disproportionate time on papers that were 'to note' and provide clarity on what the Committee are being asked to note.

...Continue...

- Triangulating the impact on quality and safety.
- Being open and honest.

To Conclude

There is a need for Committee Members to be very focussed in their approach, be explicit in what they ask for and being clear on what can be influenced or not. Trust in other Committees to take a lead with issues that may fall within the remit of SRC and other Committees, and use forums such Committee Chairs meetings, and Agenda Setting meetings to discuss these items.

The outcomes from discussions, along with similar feedback from other Committee self-assessments will be taken forward as part of the action plan and will feed into the Board Development Programme for 2024/25 to strengthen Health Board's governance.

Actions to be taken forward:

Action	By whom	By when
Review and develop a new reporting template that will help facilitate concise discussions of the issues	Director of Corporate Governance	Sep-24
Ensure workplan for 2024/25 includes: <ul style="list-style-type: none"> - Deep dives into some of the basic financial systems - case studies - Recurrent savings delivery, financial forecast being provided (in-year and medium-long term) - Delivery of the digital strategy - Delivery of decarbonization - 5 sections of targeted interventions escalation related to finance - Assurance and understanding of the financial impact of our plans (in-year and medium-long term) - Assurance and understanding of the Impact of financial issues on service delivery, quality impact and patient experience - Seeking assurance on managing within budget across the Health Board and how overspends will be recovered - Internal Audit reports on financial systems, financial management and controls 	Committee Services Officer	Jun-24
Review Committee name and Terms of Reference to ensure the purpose of the Committee known and understood throughout the organisation, and clinical representation at each meeting (including frequency).	Director of Corporate Governance (with Chair/Lead Executive)	Sep-24

Use new 3As Report to ensure Board is 'alerted, advised and assured' of key matters discussed at meetings and clear on what the Committee requires of them	Committee Services Officer	Apr-24
Provide clarity at Agenda Setting meetings the time allocated to focus on key issues and the senior managers who should be invited to present at meetings	Chair and Director of Finance	Apr-24
Ensure the Committee receives assurance and understanding through restructuring of the agenda: <ul style="list-style-type: none"> - of the financial impact of our plans (in-year and medium-long term) - of the Impact of financial issues on service delivery, quality impact and patient experience - that financial systems are robustly embedded and that financial performance is being delivered at directorate level and that financial performance 	Director of Finance and Director of Corporate Governance	Sep-24
Ensure outcomes are fed into the Board Development Programme	Assistant Director of Organisational Development	Jul-24

Argymhelliad / Recommendation

The Committee is asked to **CONSIDER** the outputs from the SRC Self-Assessment Workshop, and to **AGREE** the actions to be taken to improve its effectiveness.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	10.5 The Director of Corporate Governance/Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self-assessment and evaluation of the Committee's performance and operation, including that of any sub committees established.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply

Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	SRC Terms of Reference SRC Self-Assessment digital form results Auditor and Regulator feedback through Structured Assessment, and Internal Audit
Rhestr Termau: Glossary of Terms:	Included within report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Adnoddau Cynaliadwy: Parties / Committees consulted prior to Sustainable Resources Committee:	SRC Chair Director of Corporate Governance/Board Secretary

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Not applicable
Ansawdd / Gofal Claf: Quality / Patient Care:	An effective SRC should seek out areas of system weakness and facilitate an organisational culture that drives financial improvement, strong financial governance and improved performance.
Gweithlu: Workforce:	Not applicable
Risg: Risk:	An effective SRC should drive improvement through scrutiny and challenge on the effective and efficient management of risks relating to financial performance and delivery.

Cyfreithiol: Legal:	Not applicable
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable