



PWYLLGOR CYLLID FINANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	23 March 2021
TEITL YR ADRODDIAD: TITLE OF REPORT:	Finance Committee Self-Assessment Exercise 2020/21
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Mr Michael Hearty, Chair Mr Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Sonja Wright, Committee Services Officer

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Trafodaeth/For Discussion

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

The purpose of this report is to present to Finance Committee the Self-Assessment template which is intended for use in the Committee's annual self-assessment exercise for 2020/21, and to consider any amendments in order to ensure that the template is fit for purpose in assessing the Committee's effectiveness.

Cefndir / Background

In line with all Board level Committees' Terms of Reference, Members and In Attendance Members of Finance Committee are required to complete an annual questionnaire in order to consider the Committee's effectiveness in providing assurance to the Board throughout the preceding year, and also to consider their individual understanding of the Committee's key purposes and remit, together with their role and contribution to the Committee.

Asesiad / Assessment

For the 2020/21 self-assessment exercise, it is intended to use the questionnaire template attached at Appendix 1. The questionnaire has been refreshed in conformity with the format utilised by the Quality, Safety and Experience Assurance Committee (QSEAC) in completing its self-assessment in 2019/20, and will be utilised by other assurance Committees moving forward.

The questionnaire has been constructed and focused to elicit narrative rather than tick-box rating, inviting ideas and examples to generate valuable learning upon which the Committee can proactively build over the coming year.

Argymhelliad / Recommendation

Finance Committee is requested to consider the proposed self-assessment questionnaire template and support its use for 2020/21.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	10.5 The 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
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives:	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Finance Committee Self-Assessment Questionnaire 2020/21 Finance Committee Terms of Reference
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon/ Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cyllid Parties/ Committees consulted prior to Finance Committee:	Chair of Finance Committee Director of Finance Board Secretary

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Not Applicable
Ansawdd / Gofal Claf: Quality / Patient Care:	Not Applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Not Applicable
Cyfreithiol: Legal:	Not Applicable
Enw Da: Reputational:	Not Applicable
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	Not Applicable

Finance Committee Self-Assessment 2020/21

Draft Format for Consideration

The vision for this self-assessment exercise is to generate valuable learning, upon which the Committee can build and improve proactively over the coming year. In order to achieve this, we want to elicit the *collective wisdom* of the Committee's participants. As such, the questions focus on gathering thoughts and ideas about how the Committee functions and how it might improve. They do not cover areas of enquiry which can be settled by a simple audit (e.g. meeting frequency, membership, attendance, existence of Terms of Reference, etc.).

Intentionally, we have constructed and focused the questions to elicit narrative rather than tick-box rating. Each question begins with a statement which sets out 'what good looks like'. We could describe these domains as the building blocks of effective assurance. You are then asked to provide examples and ideas in relation to the relevant domain. This is a new approach, similar to the one undertaken previously by the Quality, Safety & Experience Assurance Committee, which we hope will improve over time. It is intended to facilitate a more dynamic process of continuous improvement, rather than a traditional annual stock-take.

Questions

1. The Committee seeks assurances in regard to:
 - Financial performance and delivery against Health Board financial plans and objectives, giving early warning of potential performance issues, making recommendations for action to continuously improve the financial position of the organisation, and focusing in detail on specific issues where financial performance is showing deterioration, or there are areas of concern.
 - Financial and revenue consequences of investment planning (both short term and in relation to longer term sustainability) and the financial implications of major business cases, projects, and proposed investment decisions on behalf of the Board.
 - The management of principal risks within the Board Assurance Framework and Corporate Risk Register allocated to the Committee (financial risks), providing assurance to the Board that risks are being managed effectively and that any areas of significant concern are reported.
 - Regular review of contracts with key delivery partners, to ensure they continue to deliver value for money.
 - The development and regular review of the financial performance management framework and reporting approach, ensuring that it includes meaningful, appropriate, integrated and timely performance data and clear commentary relating to the totality of the services for which the Board is responsible.

The Committee constantly seeks to strengthen the ways in which it achieves this, challenging itself to avoid tokenism, welcoming contributions, engaging with criticism and accounting for and learning from failings.

Please describe at least one example from 2020/21 in which the Committee has been effective in this domain.

Please share at least one idea for improving the Committee's effectiveness in this domain over the coming year.

2. The Committee works **strategically**. This means it aligns its work with the Health Board's overarching strategic priorities and delivery plans. It commissions work in support of those priorities, providing the Board with the assurance necessary to have confidence in its ability to deliver.

Please describe at least one example from 2020/21 in which the Committee has been effective in this domain.

Please share at least one idea for improving the Committee's effectiveness in this domain over the coming year.

3. The Committee works **systemically**. This means it works effectively with the Board, other Board Committees, its sub-groups and other relevant parts of the organisation's governance and assurance system, in order to ensure that connections and themes are identified which have an impact upon financial performance and financial strategy. It guards against 'silo' working. It gives balanced and meaningful 'air time' to the full range of the Health Board's finance portfolio.

Please describe at least one example from 2020/21 in which the Committee has been effective in this domain.

Please share at least one idea for improving the Committee's effectiveness in this domain over the coming year.

4. The Committee works **intelligently**. This means it draws on a diverse range of reliable data (both quantitative and qualitative) to triangulate information and reveal themes or patterns in regard to financial performance. It uses a dashboard of key indicators to monitor the performance of plans and initiatives in terms of financial and qualitative benefits. This relies upon the provision of accurate data, and upon accurate interpretation of the data provided.

Please describe at least one example from 2020/21 in which the Committee has been effective in this domain.

Please share at least one idea for improving the Committee's effectiveness in this domain over the coming year.

5. The Committee facilitates **learning**. This means it works openly and honestly, encouraging contributions from attendees which represent a fair and reasonable reflection of the realities faced across all services. The Chair sets the leadership tone and is supported by other Independent Members and Executive Members in facilitating and protecting this learning space. The style is based upon robust support/ robust challenge.

Please describe at least one example from 2020/21 in which the Committee has been effective in this domain.

Please share at least one idea for improving the Committee's effectiveness in this domain over the coming year.

6. The Committee champions **continuous improvement**. This means it adopts a mindset and methodologies which enable it to lead and oversee a clear journey of improvement in respect of the Health Board's Financial Strategy and delivery of Financial Balance over the medium-to-long term.

Please describe at least one example from 2020/21 in which the Committee has been effective in this domain.

Please share at least one idea for improving the Committee's effectiveness in this domain over the coming year.

7. The Committee works **proactively**. This means it is organised in its workplan, sensitive to the dynamic environment in which the Health Board operates, and searching in its enquiries. It is curious, and willing to pursue demanding issues in the interests of achieving financial balance and in promoting the sustainable use of resources to achieve better outcomes. It uses the organisation's risk management processes effectively to scrutinise risks and ensure that long-standing risks and issues do not become normalised or tolerated beyond the Board's risk appetite.

Please describe at least one example from 2020/21 in which the Committee has been effective in this domain.

Please share at least one idea for improving the Committee's effectiveness in this domain over the coming year.

8. Are there any domains of effective assurance which you think are not covered above?
What are they?

For that/ those missing domain/s.....

Please describe at least one example from 2020/21 in which the Committee has been effective in this domain.

Please share at least one idea for improving the Committee's effectiveness in this domain over the coming year.

9. Extraordinary question for 2020/21 relating to COVID-19

The Committee has sought to play a proactive role in the COVID-19 response, specifically in terms of assurance around financial risks and other implications arising from the pandemic. It has made a range of adjustments to reflect the rapidly changing circumstances that the Health Board has faced. In your view:

1. What went well?
2. Even better if...?
3. What learning points should we take with us post-COVID?

Thank you for taking the time to respond. If you would like to have a conversation to share your views in more depth, please contact Mr. Michael Hearty, Finance Committee Chair, via the following e-mail address: Michael.Hearty@wales.nhs.uk

Sources used to inform the content and format of this questionnaire:

- **Finance Committee Terms of Reference**
- **Published guidance from the Good Governance Institute**