



PWYLLGOR ADNODDAU CYNALIADWY SUSTAINABLE RESOURCES COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	20 December 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	Sustainable Resources Committee (SRC) Self-Assessment Outcome Report 2021-22
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Winston Weir, Sustainable Resources Committee Chair Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Joanne Wilson, Board Secretary Karen Richardson, Corporate & Partnership Governance Officer

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 2021/22 process, and to consider whether this meets the expectations of the Committee.

Cefndir / Background

From 2020/21, a new approach to self-assessment was introduced to elicit greater feedback in order to shape and influence the agenda of SRC going forward.

Members of SRC completed a questionnaire to consider the Committee's effectiveness during the previous 12 months and, in addition to specific domain questions, comments were invited on any improvements for consideration to assist the Committee in drawing up its own plan for improvement. The recognition of what has worked well has been a helpful platform to move forward, and the greater focus on organisational risks to inform the agenda and work of the Committee will enable a further move towards providing a strategic outlook.

Asesiad / Assessment

Each question started with a statement, which set out 'what good looks like'. In response, Members described at least one example from the previous 12 months in which the Committee had been effective in this domain and shared at least one idea for improving the Committee's effectiveness in this domain over the coming year. The responses included a number of useful suggestions regarding ways in which the governance and operation of SRC might be improved.

Following meetings with the SRC Chair, the Board Secretary and the Director of Finance, responses to any suggested improvements were agreed, with progress on any identified actions provided below.

Question 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 significant 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 2021/22 in which the Committee has been effective in this domain.

Responses:

- **In the last year the Committee has required reports on capital expenditure to include an assessment of the revenue consequences. This allows proper consideration of the consequences of investments on the financial position of the Health Board.**
- **The Committee has consistently received information which has allowed it to scrutinise the above. The support which has been given to the finance team and digital teams in particular to allow new ways of reporting and new ways of understanding the financial position has been welcomed.**
- **The Committee has monitored the financial performance at each meeting in accordance with its work plan and highlights areas of concern to the Board.**

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

Suggestions Made for Improvement	Response	Progress
In relation to working with key partners (e.g. consultants appointed) the Committee should receive a benefits appraisal at key stages and at the end of the contracts to provide assurance of the effectiveness of the partnership.	<p>A review of key contracts, suppliers and partners to ensure they continue to deliver value for money, could be added to the Committee's workplan.</p> <p>Further ensuring there is a balance of the material impacts on the financial</p>	This will be included within the SRC work programme for the coming year.

	position for longer term contracts.	
Recognising that the finances are reflective of operational and strategic decisions; and ensuring that reporting the finances is further developed to reflect this.	No response required	No response required
Reduce the duplication of information provided to each meeting.	Whilst streamlining reports is encouraged, there may be occasions where this may not be possible due to each paper needing to stand alone and be understood by the public.	No response required

Question 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 2021/22 in which the Committee has been effective in this domain.

Responses:

- The Committee has been effective in strategic developments in a number of areas two that immediately spring to mind are Decarbonisation and Value Based Healthcare (VBHC). The Committee has received deep dives into both these areas in support of the Health Board's strategy.
- The role in supporting and challenging planning objectives (POs) in particular. Areas such as VBHC have shown that the Health Board can develop a unique position which delivers strategic change.
- The work plan is aligned to the BAF with the Committee receiving updates about progress against POs.

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

Suggestions Made for Improvement	Response	Progress
Moving the Committee into gaining assurance over strategic changes which are affecting the finances would be useful.	This is already taking place following a request by the SRC Chair to review the strategic programmes of change.	A business-as-usual approach will be adopted.
Consideration of the role of digital in supporting large scale system change would also be useful.	Going forward each programme for change will have digital included as standard.	A business-as-usual approach will be adopted.
The Committee could play a greater role in identifying the POs for the organisation which have the most impact on the sustainable use of resources.	The POs linked to SRC will continue to be regularly reviewed in order to identify gaps in assurance.	A business-as-usual approach will be adopted.

This could be done outside the confines of the committee meeting process by holding a workshop consisting of IM's and the leading execs.	Further, the Executive Team review whether new POs are required on a regular basis. Input will be sought through the Board Seminar programme.	
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Question 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 2021/22 in which the Committee has been effective in this domain.

Responses:

- **Decarbonisation is one such area the Committee has been active in scrutinising this area although much of the work falls within the remit of the capital Sub-Committee. Another is Tritech where the responsibility for R&D lies with the People, Organisational Development & Culture Committee (PODCC) with the business plan and finances are scrutinised at SRC.**
- **Links with other Committees are successfully being embedded. There is a clarity in the relationship between the SRC and the Audit and Risk Assurance Committee (ARAC); the Strategic Development & Operational Delivery (SDODC) and PODCC.**
- **There have been a number of examples during the year where ARAC has referred IA (e.g consultancy) or other reports to SRC. At the end of each meeting items for referral to the Board are identified.**

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

Suggestions Made for Improvement	Response	Progress
As the Target Operating Model (TOM) emerges the Committee can take an in depth look at the financial implications identified and see how this will contribute towards managing our financial plan and reduces our deficit.	This is incorporated within the financial role of the SRC. However, any planning implications would be more appropriately aligned to the Strategic Development and Operational Delivery Committee.	Continue to review at SRC and SDODC, in order to scrutinise the plan in line with the targeted intervention framework.
Links with the Quality, Safety and Experience Committee (QSEC) become ever more important as changes to support sustainability could have a detrimental impact on quality (they should not, quality should drive sustainability). Likewise, areas such as VBHC bring outcome measurement into a governance and assurance	Whilst closer working with other Committees is welcomed, the content of any reports presented to the SRC need to be within the remit of SRC's ToRs. This item can also be discussed at the	No update required.

space which could provide an important link between the two Committees.	Committee Chair's meeting.	
The passing of information between ARAC and SRC has tended to be a one way street. Is there scope for SRC referring issues to ARAC to be incorporated into its work programme or to prompt an IA report? This would help the Committee gain more independent assurance about the use of resources.	<p>In line with the SRC ToRs, the Committee can arrange to meet with Internal Audit and External Audit (and, as appropriate, nominated representatives of Healthcare Inspectorate Wales).</p> <p>Any areas where assurance is not provided, this will be escalated to Board for further discussion/decision as to whether it is appropriate to seek an amendment to the internal audit programme.</p>	No update required.

Question 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 2021/22 in which the Committee has been effective in this domain.

Responses:

- The Committee now has Cyber Security as a regular item on the agenda and this is supported by detailed information about our Network and Information Systems (NIS) compliance. The Information Governance Sub-Committee (IGSC) also discusses this and flags any concerns to SRC.
- The development of the finance roadmap and the matrix have been intelligence driven. The Committee have clearly overseen this.
- The Finance Report provided at each meeting identifies the financial challenges the organisation faces and highlights particular areas of concern. This includes trend data to enable the Committee to see the position over a period of time.
- The continued evolution of VBHC and the use of the data produced is a significant achievement and shows the potential for the use of the methodology to improve outcomes, patient centred care and financial performance.

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

Suggestions Made for Improvement	Response	Progress
If possible, we could develop a dashboard mapping key resource indicators to present an	There is a process in place in terms of the information available and	A business-as-usual approach will be adopted.

interactive overview to the Committee showing current position against plan. Eg saving schemes, external contract position.	its suitability for inclusion within a dashboard. Report writing is the responsibility of the Executive, and are often dynamic with the focus needing to change, however this could be considered in future reporting.	
Further developing and embedding data and insight driven decision making and assurance.	As above.	A business-as-usual approach will be adopted.
There is scope to improve the linkage between performance and outcomes. An example of this is the vastly improved position as regards coding. Beyond hitting a target what improvement has this produced in the performance of the organisation? How is the coding being used to improve outcomes? Is it assisting in identifying good or poor performance?	The SRC provides assurance to Board on financial and contractual performance and therefore this request is outside of the remit of the ToRs. However, this could be taken forward by the Board as part of the Board Assurance Framework and SDODC.	As an increasing number of pathways have Patient Reported Outcome Measures (PROMS) captured; the reporting of this in a governance framework will be considered.

Question 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 2021/22 in which the Committee has been effective in this domain.

Responses:

- A good example of this is the work on VBHC, the committee has had presentations on this, learning about the different clinical questionnaires used to develop the approach in different specialties. This has enabled the Committee to raise appropriate challenges.
- Discussions are always open and honest; fair challenge is provided to the Executive.
- The Committee conducts itself professionally and with integrity in its assurance role.
- The way in which the Committee and the Board has approached the treatment of cost pressures associated with COVID-19 has been exemplary. It would have been easy to have portrayed this expenditure as temporary and peculiar to COVID-19. In the face of considerable pressure, the willingness to maintain the position portrays both learning and maturity.

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

Suggestions Made for Improvement	Response	Progress
The Committee should ensure that presenters are clearly briefed on the level of knowledge of the committee members on the topic. Where this is low a briefing should be included as part of the papers helping committee members better understand the rest of the paper. These topic briefings could then be made available electronically for anyone to use.	Further work will be undertaken with report writers and presenters.	Executive Directors could support the presenters prior to the meeting, in addition to the CSO issuing the handy hints guide for presenters.
Continuing with this approach.	No response Required	No response Required
The challenge is to look forward and thereby put a greater emphasis on the “sustainable” part of the Committee’s title. Much of what the Committee has done, inevitably, is a look back of what the organisation has done over the last period and to focus on the challenging here and now. Given the TI status there probably needs to be a greater emphasis on what the organisation is going to do, and has to do, to put itself on a sustainable footing.	The response to TI has been robust, with plans currently being developed to respond to Welsh Government (WG). SRC will receive regular updates on any plans relating to finance.	This will be included within the SRC work programme for the coming year.

Question 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 2021/22 in which the Committee has been effective in this domain.

Responses:

- One example of this is the scanning of medical records where the Committee ensured that Digital became involved, and an appropriate electronic document management system (EDMS) was purchased in support of the initiative.
- Further developing and embedding data and insight driven decision making and assurance.
- The work highlighted above about VBHC is an example of the organisation’s search for continuous improvement. The continued deployment of finance business partners to improve understanding and development of performance should also assist continuous improvement through improved understanding. The emphasis on the capture and use of quality data to improve performance has also continued through the year.

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

Suggestions Made for Improvement	Response	Progress
The Committee could issue certificates of excellence for the most improved area considered at the committee.	Whilst this is not within the remit of the Committee, individual Members are welcome to nominate teams for recognition via the Hywel's Applause Staff Awards.	No update required.
Continuing with this approach.	No response required.	No update required.
A greater emphasis on the future, the development of a TOM for the whole organisation to show where we need to get and what it looks like. Linked to this is the pressing need to identify recurrent savings to help the organisation achieve financial balance.	This is incorporated within the financial role of the SRC. However, any planning implications would be more appropriately aligned to the Strategic Development and Operational Delivery Committee.	We will continue review at SRC and SDODC, in order to scrutinise the plan in line with the targeted intervention framework.

Question 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 2021/22 in which the Committee has been effective in this domain.

Responses:

- One area the Committee has been proactive is in Digital inclusion – going from a mention to a report to Board.
- Agendas are set in advance; the workplan is proactive. The support provided by the secretariat is exemplary.
- Focus is on risk and is driven by risk.
- The Committee has a workplan for the year which it adheres. As the financial pressures on the organisation have developed during the year the need to identify different ways of working to achieve savings has increased. Nowhere is this clearer than in the inability to discharge patients who are fit to leave and require packages of care in the community. This has led the organisation to develop the alternative care facility.
- The decision to deploy new overseas nurses at one site rather than spread across the whole organisation is a new way to improve performance and achieve financial balance through concentrating resource in an area with the highest challenge and reduce the cost of expensive agency staff.

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

Suggestions Made for Improvement	Response	Progress
Perhaps in conjunction with ARAC look at longstanding audit recommendations within the Committee's remit in order to drive forward completions.	This is a responsibility of ARAC and therefore outside of the remit of SRC's ToRs.	No update required.
Continuing with this approach.	No response required.	No update required.
There is a need to look forward and to identify how the organisation gets to financial balance, what the requirements are to be able to do that. There needs to be an increased emphasis on this in the coming year if the "sustainable" part of the title is to mean anything.	This is a significant focus for the Executive Team, and updates could be included within the next Financial Recovery Report.	A business-as-usual approach has been adopted.

Question 8 Extraordinary question for 2021/22 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:

Responses:

What went well?

- **Identification of COVID-19 related costs and trying to look forward beyond the pandemic.**
- **The identification of COVID-19 cost pressures.**

What learning points should we take with us post-COVID?

Suggestions Made for Improvement	Response	Progress
To ensure the Committee continues in a transparent way, let's always do the right, transparent thing.	The Health Board will continue to be open and transparent in order that the public understand our challenges.	No update required.
Be confident that we understand the key issues, be willing to stand our corner but be open to advice and new ideas. Take confidence from the way the organisation responded to COVID-19 and retain that confidence in the face of challenge and even criticism.	The Health Board will continue operate an open policy and welcomes constructive advice.	No update required.

Argymhelliad / Recommendation

The Sustainable Resources Committee is requested to receive assurance that any actions from the SRC Self-Assessment 2021/22 are being progressed within the agreed timescales.

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 Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	SRC Self-Assessment Questionnaire SRC Terms of Reference
Rhestr Termiau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Adnoddau Cynaliadwy: Parties / Committees consulted prior to Sustainable Resources Committee:	Chair of SRC 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