

**COFNODION O GYFARFOD Y PWYLLGOR ADNODDAU CYNALIADWY/
APPROVED MINUTES OF THE SUSTAINABLE RESOURCES COMMITTEE MEETING**

Date and Time of Meeting:	27 June 2023, 09:30-12.30
Venue:	Boardroom/MS Teams

Present:	Mr Winston Weir, Independent Member, Committee Chair (VC) Ms Delyth Raynsford, Independent Member (VC) Mr Rhodri Evans, Independent Member Miss Maria Battle, Health Board Chair Mrs Judith Hardisty, Health Board Vice-Chair
In Attendance:	Mr Huw Thomas, Director of Finance Mr Andrew Spratt, Assistant Director of Finance Mrs Joanne Wilson, Director of Corporate Governance/Board Secretary (VC) Ms Jill Paterson, Director of Primary Care, Community and Long Term Care (VC)(part) Ms Charlotte Wilmshurst, Assistant Director of Risk and Assurance (VC) (part) Mr Anthony Tracey, Digital Director (VC) (part) Ms Katherine Fletcher, Deputy Head of Operational Procurement, NWSSP (VC) (part) Ms Sharon Hughes, Principal Programme Manager Transformation (VC) (part) Mr Robert Chadwick (VC) Ms Urvisha Perez, Audit Lead, Audit Wales (VC) Ms Sophie Corbett, Deputy Head of Internal Audit, NWSSP Audit and Assurance Services (VC) Mrs Sarah Bevan, Committee Services Officer (Secretariat)

AGENDA ITEM	ITEM	
SRC(23)66	INTRODUCTIONS AND APOLOGIES FOR ABSENCE	Action
	The Chair, Mr Winston Weir, welcomed all to the meeting. Apologies for absence were received from: <ul style="list-style-type: none"> Mr Maynard Davies, Independent Member, Committee Vice Chair Mr Andrew Carruthers, Director of Operations 	

SRC(23)67	DECLARATIONS OF INTERESTS	
	No declarations of interest were made.	

SRC(23)68	MINUTES OF PREVIOUS MEETING HELD ON 25 APRIL 2023	
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	The minutes of the Sustainable Resources Committee (SRC) meeting held on 25 April 2023 were reviewed and approved as an accurate record.	
	RESOLVED – that the minutes of the Sustainable Resources Committee meeting held on 25 April 2023 be APPROVED as an accurate record.	

SRC(23)69	MATTERS ARISING AND TABLE OF ACTIONS FROM THE MEETING HELD ON 25 APRIL 2023	
	<p>The Table of Actions from the meeting held on 25 April 2023 was reviewed, and confirmation received that all outstanding actions had been completed, were being progressed, or were forward planned for a future Committee meeting, with the exception of the actions below:</p> <ul style="list-style-type: none"> • SRC(23)42 FINANCE REPORT AND DRAFT OUTTURN 2022/23: <i>To include all savings actions and productivity actions taken in future Financial Reports for 2023/24.</i> Mr Huw Thomas advised Members that a presentation is tabled on today's agenda, however, Members noted that a revised presentation will be presented to the August Committee meeting. • SRC(23)51 OPERATIONAL RISK REPORT: <i>To discuss, outside of the meeting, the presentation of a deep dive on one of the three counties, in relation to the risk of failing to remain within their allocated budget, to the August 2023 Committee meeting.</i> Mr Weir requested that the timescale for completion of this action is to be revised to the deadline for the submission of papers for the August Committee meeting. • SRC(23)52 INTEGRATED PERFORMANCE ASSURANCE REPORT (IPAR): <i>To discuss with the Director of Strategy and Planning, outside the meeting, the development of a robust baseline to measure total carbon emissions.</i> Mr Thomas advised Members that, whilst the measures are developmental and are changing in scope with increased experience each year, a common baseline is a challenge. Mr Weir enquired whether a baseline could be based on the previous year's data. Ms Sharon Hughes advised Members that Welsh Government (WG) is reviewing the national Decarbonisation Delivery Plan, which will include the establishment of a concrete baseline; however, the Health Board will continue to report as per the past few years and will benchmark against past performance and national benchmarks in the interim. 	SB

SRC(23)70	DECARBONISATION TASK FORCE GROUP UPDATE REPORT	
	Members received the Decarbonisation Task Force Group (DTFG) Update Report from the meeting held in June 2023.	

Ms Hughes provided Members with an overview of the Decarbonisation programme, including the governance structure and monitoring arrangements. Ms Hughes advised Members that performance against the Board-approved Decarbonisation Delivery Plan is monitored by the DTFG. Ms Hughes advised Members that substantial funding will be required to reach the WG carbon zero target by 2030 and, even if this is achieved, there will be a gap to achieve target, which is the gap that will require offsetting measures. Ms Hughes advised Members that the Health Board will need to offset the remaining carbon emissions using the correct and approved methods.

Ms Hughes provided an overview of the initiatives that have been implemented within Estates, Facilities and Land Use, including Air Source Heat Pumps (ASHP) at Cardigan Integrated Care Centre (ICC), the development of a 0.45MW solar farm at Hafan Derwen and low carbon heat grant projects.

With regard to Procurement, Ms Hughes advised Members of a number of initiatives, notably the development of a Sustainable Procurement Policy to take full account of environmental, social and economic sustainability. Social Value, decarbonisation and sustainability are included within all tender exercises with a minimum weighting of 10%, which is increased where appropriate on an event-by-event basis. Members were pleased to note that Procurement was the winner of the Green Teams award, with an entry focussed on carbon reduction within the Health Board's supply base.

With regard to transport and travel, Ms Hughes provided an overview of the initiatives, including the implementation of an electric vehicle (EV) awareness campaign and lease scheme promotion, and the introduction of a new fleet management system to support the monitoring and administration of Health Board vehicles. Ms Hughes advised Members of the development of an initial draft Transport and Accessibility Strategy to support the A Healthier Mid and West Wales (AHMWW) programme, with decarbonisation a key theme in the strategy. A staff travel survey is currently underway, the results of which will provide information on the current situation in terms of staff travel and provide a baseline for the strategy.

With regard to the general approach to the organisation as a whole, Ms Hughes advised Members of the carbon awareness initiatives in place, including the 'Achieving Net Zero' e-learning module, which will form part of staff induction, and the development of national key performance indicators (KPIs) to capture engagement and measure outcomes. Referring to the wildlife gardens, Mrs Judith Hardisty enquired who is responsible for the maintenance of these, to which Ms Hughes responded that the areas are maintained by a mix of volunteers and existing contractors.

In terms of next steps, Ms Hughes advised Members of the roll-out of the nappy recycling project, the launch of the 'Switch It Off' Campaign, and a Pillow Waste Reduction project. Ms Hughes also noted the establishment of Climate Cafes to promote discussion on how staff can contribute to reducing the carbon impact.

	<p>With regard to the risks and barriers to achieving the carbon net zero target, Ms Hughes advised Members that the primary issues can be attributed to financial and people resources. Although there is an expectation from WG to prioritise decarbonisation, there is no structural change provided to enable this. Mr Thomas advised Members that the Health Board does not have the resources for a dedicated decarbonisation team. Mrs Joanne Wilson added that the Health Board does not have the dedicated resources for many areas highlighted as key for savings delivery.</p> <p>In conclusion, Ms Hughes reiterated the importance of changing the behaviour and attitudes of staff to climate change to ensure that it is the responsibility of all individuals.</p> <p>Mrs Delyth Raynsford enquired about the engagement with wider public. Ms Hughes advised Members of the importance of a clear vision from the leadership across the Health Board to promote the agenda in addition to initiatives such as the Climate Cafes. Mrs Hardisty highlighted the importance of promoting decarbonisation to young people and linking with schools and children's groups. Ms Hughes agreed with the potential for increased community engagement, acknowledging however that resources are required to enable this.</p> <p>Mr Rhodri Evans enquired whether there are green spaces within the Health Board to allow carbon offsetting. Ms Hughes responded that there needs to be a collaborative approach from all stakeholders and partners to maximise the opportunity to offset carbon emissions. Mr Thomas undertook to request that the Director of Strategy and Planning, as the Executive Lead for decarbonisation, considers the points raised at today's meeting given the level of interest in the subject.</p>	HT/LD
	The Committee RECEIVED ASSURANCE from the content of the Decarbonisation Task Force Group Update Report and presentation.	

SRC(23)71	REVIEW OF COMMITTEE TERMS OF REFERENCE	
	<p>The Committee received the revised Committee Terms of Reference, for approval, prior to submission to the Public Board meeting on 27 July 2023 for ratification. Members were advised that, in light of the recent changes to/reduction in Independent Board Member numbers, all Committee Terms of Reference were being reviewed to ensure quoracy is maintained. The changes being proposed were highlighted in red text for ease of reference.</p> <p>The Committee APPROVED the Committee's Terms of Reference for onward ratification by the Board on 27 July 2023.</p>	

SR(23)72	REVISED ANNUAL REPORT AND SELF-ASSESSMENT PROCESS FOR 2023/24	
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Members received the Revised Annual Report and Self-Assessment Process for 2023/24 report, detailing the revised process to assess the Committee's effectiveness and for annual reporting to Board, in order to consider any amendments or omissions and to ensure it remains fit for purpose. The future Committee Effectiveness Assessment process will link and inform Committee annual reporting in a staggered approach over the year, mindful of the need to comply with Standing Orders, and will take the following format:

- All Committee membership and attendees (as per Terms of Reference) will be asked to complete a short digital form, using a rating scale to grade the Committee's effectiveness (e.g. on a scale of 1 to 5) and provide a short example to support their answer. This will include how it has worked with other Committees.
- Survey responses will be collated, along with feedback captured through the preceding 12 months from Committee Reflective Sessions (at end of meeting agenda), Independent Member Debrief Sessions (which follow every meeting), changes to risks and outcome measures aligned to the Committee, and any Internal or External Auditor or other regulator feedback.
- An in-person workshop to discuss the feedback from the above and develop an action plan, which will also identify areas that can be taken forward with other committees.
- An outcome report that will identify four areas where the Committee has added value (for the Committee Annual Report), reflect on areas that the Committee could have done better (for the Committee Annual Report), and form the basis of work for the Committee (an action plan for the Committee) for the next 12 months.

Mrs Wilson advised Members that the tools to support this approach will be developed in early Summer 2023, and piloted through the Quality, Safety and Experience Committee, prior to being rolled out to other Committees in the Autumn.

The Committee **RECEIVED ASSURANCE** from the refreshed approach to the Annual Report and Self-Assessment process for 2023/24.

SRC(23)73 FINANCE REPORT

Members received the Finance Report, outlining the Health Board's revised draft Financial Plan is to deliver a deficit of £112.9m, after savings of £19.5m.

Mr Thomas advised Members that there is currently no cash coverage for this unprecedented level of deficit and therefore, there is a risk that cash will be an issue for the Health Board in terms of the ability to pay liabilities within Quarter 4. Mr Thomas advised Members that once WG provide clarity, in terms of the cash coverage that may be available, the Health

Board will be able to determine what can be achieved from a cash position.

Although Mr Thomas was hesitant to provide a forecast at this early stage of the year, he advised Members of the risk of a £143m deficit position. The two fundamental drivers of this being savings that have not yet been identified or not delivering, and pressures on nurse agency.

Mr Andrew Spratt provided a detailed overview of the drivers and advised Members that going forward, there will be a focus to link the operational decisions that have been taken into categories that are driving the cost to enable a clear update on operational pressures that are exceeding the plan set at the end of March 2023.

Referring to Nurse Agency, Mr Spratt advised Members that the Plan assumed a mix of substantive and agency posts. However, Month 1 and Month 2 figures illustrated that the level of agency spend has not reduced, which has increased the month position by £2m. Mr Spratt further advised Members that, since the report was written, the Core Delivery Group has taken a number of decisions, which will improve the position of the use of subsistence and accommodation costs paid to agency workers, in addition to a grip on the number of operational areas providing Enhanced Premium rates.

Referring to Oncology, Mr Spratt advised Members that there has been a circa 60% increase in activity since the pandemic, the majority of which is consumed within the existing workforce and therefore is not a pay pressure but a drug cost pressure.

Mr Spratt drew Members' attention to the Medical Additional Duty Rate Card, which operational teams have agreed to pay premium rates in addition to the previously agreed Rate Card. Mr Spratt noted that the Rate Card has not been reviewed since 2017. Mrs Hardisty enquired why the Rate Card has not been reviewed, and accordingly increased, since 2017 and queried who approves the additional rates. Mr Thomas assured Members that this will be addressed via the Medical Staffing Review.

Referring to the in-month position, there is a £2.5m overspend against the Annual Plan; £1.4m due to operational drivers and £1.1m for savings delivery, which have not yet gathered traction. The M2 end of year forecast is £20m operational pressures and a £10.8m undelivered savings gap.

Referring to the End of Year Savings Performance and Identification slide, Mr Spratt advised Members of the Annual Plan's target to deliver £19.5m savings, which currently stands at £8.7m with a risk adjusted forecast of £5.3m.

Mr Weir enquired whether all directorate budgets have been signed off. Mr Thomas responded that all budgets have been issued to Executive

	<p>Directors to ensure that they are cascaded within their directorates. Mr Thomas advised that some budgets have not yet been signed off. Mrs Hardisty commented that the sign off stage of budgets should be brought forward to earlier in the financial year. Mr Evans enquired as to a definitive timeline for the sign off of all budgets. Mr Thomas responded that work would continue over the next few weeks with the aim to confirm sign off prior to the Public Board meeting on 27 July 2023.</p> <p>Referring to the M2 End of Year Key Drivers slide, Mrs Hardisty requested clarity on the statement that Nursing and Health Care Support Worker (HCSW) costs were previously charged to Regional Integration Fund (RIF) Programmes but are now part of Core costs (£581k). Mr Spratt advised Members that the Health Board has picked up the cost associated with the Carmarthenshire Regional Partnership Board (RPB) exceeding the funds allocated. Mrs Hardisty responded that the RPB is not a statutory body and therefore cannot make financial decisions. Mr Thomas and Mr Spratt undertook to discuss the internal governance arrangements between the Health Board and RPB with Mrs Hardisty outside of the meeting.</p> <p>Referring to the statement regarding Primary Care Cluster underspends (£485k) on projects not yet confirmed/signed off, Mrs Hardisty reiterated the need to be clear with GP colleagues and cluster leads that underspends will not be carried over. Ms Jill Paterson responded that the majority of cluster projects are now committed to a significant level, and she is confident that these will be finalised shortly. With regard to the dental underspend, Ms Paterson advised Members of the national challenges of the dental contract and, as a consequence, dental contractors are moving away from NHS contracts. Ms Paterson anticipated that the dental position is likely to remain challenging for some time.</p> <p>Miss Maria Battle noted that there is a lot of detail in the papers on why the Health Board is in this position and requested further detail in future reporting of the recovery plans, who is responsible for these plans and by when, to enable trajectories to be presented to each meeting. Mr Thomas assured Members that a refined savings plan will be presented to future Committee meetings. Mr Thomas further assured Members that a Core Delivery Group, made up of Executive Directors, has been established to agree and deliver the recovery plan and ensure that governance is in place in terms of responsibilities, benefits, trajectories and risks and will be reporting to the wider Executive Team meeting. Mr Weir requested that future reports include actions from the Core Delivery Group and the financial consequences of these. Mr Weir, Mrs Wilson and Mr Thomas undertook to discuss, outside of the meeting, when all budgets are expected to be signed off.</p> <p>With regard to governance within the Health Board, Miss Battle advised Members that two separate reviews had been undertaken by Internal Audit and the Director of Corporate Governance/Board Secretary.</p>	<p>HT</p> <p>HT/AS</p> <p>AS WW/HT/ JW</p> <p>HT</p>
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	The Committee NOTED and DISCUSSED the M2 2023/24 financial position.	
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SRC(23)74	SAVINGS PRODUCTIVITY AND BENEFITS REALISATION	
	Mr Thomas undertook to circulate the presentation tabled at the meeting to Committee Members and provided assurance that a refined version would be presented to the Committee at its meeting on 29 August 2023 to reflect the comments from the discussions under the Finance Report agenda item.	HT

SRC(23)75	FINANCE TARGETED INTERVENTION ACTIONS	
	<p>Members received the Finance Targeted Intervention (TI) Actions report, highlighting the key finance function specific items associated with an assessment of the Financial Management Principles. Mr Thomas advised Members that the report sets out the key updates pertinent to the finance functions actions and includes the work that has been submitted to WG in June 2023 and clarifies the remaining Finance actions.</p> <p>Mr Thomas advised Members that, as part of the 17 March 2023 WG TI Quarterly Meeting, the KPMG recommendations were signed-off and amalgamated into one clear outstanding action for delivery by the Health Board under the TI umbrella. Mr Thomas advised Members that this report has also been shared with the NHS Executive Financial Planning and Delivery team and Welsh Government, as part of the 21 June 2023 Quarterly TI meeting.</p> <p>Mr Thomas provided an overview of the Opportunities Framework process and Investment Case process, which now need to be embedded within the Health Board.</p> <p>Mr Thomas advised Members that the Financial Delivery Unit has assessed the Health Board against best practice guidance and a positive response has been received.</p> <p>Mr Weir enquired as to what extent these processes have been implemented and what are the hurdles to achieve this. Mr Spratt assured Members that all the principles are abided by within the Finance team, with the exception of the Investment Decision making process which is currently going through iterations.</p> <p>Mr Spratt advised Members that there is still work ongoing in terms of a wider organisational response, including the Programme Management rhythm and Delivery Framework, which have not yet been signed off. However, these will act as the vehicle to ensure that the principles are realised outside of the finance function.</p>	

	<p>Mr Weir noted that the Budget Setting, Opportunities Framework and Savings Monitoring processes sit outside of the Finance function and the Core Delivery Group will need to ensure directorates sign up to the processes. Mr Thomas responded that the Executive Team has been engaged in the design of the principles prior to submission to WG. Regarding compliance, Mr Thomas assured that this would be addressed within reporting processes; however, this will need to be embedded across the Health Board. Mr Thomas acknowledged that the Opportunities Framework is reliant on directorates to bring own view and take a level of responsibility to identify savings.</p> <p>In conclusion, Mr Weir noted that assurance has been provided to the Committee in terms of the principles and processes that have been embedded within the Finance function; however, there is still work to be undertaken to get the wider organisation to buy into the Financial Planning, Budget Setting and Savings Monitoring principles.</p>	
	<p>The Committee RECEIVED ASSURANCE from the content of the Finance Targeted Intervention Actions report and from the proposal to complete the Finance Management Principles review.</p>	

SRC(23)76	OUTCOME OF ARCUS CONSULTANCY WORK	
	<p>Members received the Outcome of Arcus Consultancy Work report, highlighting the key finance function specific items associated with an assessment undertaken by Arcus into the effectiveness of finance business partnering within the organisation.</p> <p>Mr Thomas provided an overview of Arcus, who are industry experts in the field of finance business partnering and have undertaken finance business partner training throughout 2022. This was commissioned by the NHS Wales Finance Academy on behalf of all NHS Wales Directors of Finance and has covered all organisations in NHS Wales who have finance business partnering teams. Arcus undertook a review into the effectiveness of the finance business partnering model within the Health Board, which has provided a concise set of recommendations to further develop the strategic role of a finance business partner, specifically surrounding clarity between business controllers and finance business partners roles.</p> <p>Mr Thomas advised Members of the separate roles; the Business Controller's role to carefully manage the regular performance information, forecasting, budgeting etc, and the Strategic Business Partner's role to drive significant value in the service, through initiatives and decision support, and not involved in the regular information provision role.</p> <p>Mr Thomas advised Members that operational groups will be required to accept the insight and drive from Business Partners, which has been</p>	

	<p>recognised and therefore there is an ongoing review of the operational structure.</p> <p>Acknowledging that the intelligence and analysis is in place, Miss Battle enquired as to the actions going forward to ensure improved financial planning across the Health Board. Mr Thomas responded that a task and finish group has been established within the Health Board to take these recommendations forward. The same report has been shared with the NHS Executive Financial Planning and Delivery team, as part of their review into the Finance Management Principles of the organisation, and with WG, both as part of the June 2023 Quarterly TI meeting.</p> <p>Miss Battle enquired whether the task and finish group membership consists of Health Board wide representation, to which Mr Thomas confirmed that the group currently consists of solely Finance representation. However, Mr Thomas assured Members that following the governance review by the Director of Corporate Governance/Board Secretary and the structured assessment work undertaken by Internal Audit, a comprehensive pan-organisational response will be developed. Mr Thomas assured that this will also be addressed at Executive Team.</p> <p><i>Comfort Break</i></p> <p><i>Ms Jill Paterson left the Committee meeting</i></p>	
	<p>The Committee RECEIVED ASSURANCE from the content of the Outcome of Arcus Consultancy Work report.</p>	

SRC(23)77	PLANNING OBJECTIVES UPDATE REPORT	
	<p>Members received the Planning Objectives Update report, demonstrating where progress has been made in delivering the revised set of Planning Objectives aligned to SRC for 2023/24. For 2023/24, 10 Planning Objectives have been aligned to the Committee. As in previous years, it is the expectation that SRC will receive an update on the progress made in the development (delivery) of the Planning Objectives for onward assurance to the Board through the Board Assurance Framework.</p> <p>The current status for the Planning Objective is that all are on-track. All Planning Objectives are expected to develop a Plan on a Page that are intended to ensure a clear delivery/development process for the year, linking them to clear SMART (specific; measurable; achievable; realistic; timely) outcomes with clear trajectories/milestones using a standardised template that has been developed.</p> <p>In moving forward, in order to ensure our assurance of the POs moves away from a process update to an outcome/output orientated one, a PO Highlight Report will be reported to the Committee every other meeting.</p>	

	<p>Members also noted the scheduled programme of 'deep-dives' on the POs aligned to the Committee.</p> <p>Mrs Wilson advised Members that there is further work to be done regarding the measures to improve clarity.</p>	
	<p>The Committee RECEIVED ASSURANCE on the current position in regard to the progress of the Planning Objectives aligned to the Sustainable Resources Committee, in order to provide onward assurance to the Board where Planning Objectives are progressing and are on target, and to raise any concerns where Planning Objectives are identified as behind in their status and/or not achieving against their key deliverables.</p>	

SRC(23)78	PLANNING OBJECTIVES DEEP DIVE: 6H SUPPLY CHAIN ANALYSIS	
	<p>Ms Katharine Fletcher presented the Deep Dive on Planning Objective 6H Supply Chain Analysis and provided an overview of data from the previous two years, illustrating the percentage of spend within Hywel Dda, within Wales, and outside of Wales.</p> <p>Ms Fletcher advised Members that the percentage of spend has increased with local suppliers. Ms Fletcher advised Members that this can be attributed to some residual COVID-19 spend and two large construction contracts over this period.</p> <p>With regard to small suppliers, Mrs Raynsford enquired whether there is anything to promote smaller food organisations. Ms Fletcher responded that work is ongoing to attract smaller suppliers, including representation at events and actively contacting them directly. Ms Fletcher advised that the team is being supported by the NHS Wales Shared Services Partnership (NWSSP) Foundational Economy Team on Meet the Buyer and Business Wales events and in house training and there is a newly established Sustainability and Net Zero team within NWSSP who will be supporting with a review of the Health Board's supply chain and any opportunities that may arise.</p> <p>Mr Thomas advised Members of the importance for Procurement to be creative in attracting local suppliers. In conclusion, Mr Thomas assured Members that Ms Fletcher is currently working on a Procurement strategy to improve the service that the team provides to the Health Board to provide improved value for money.</p> <p><i>Ms Katharine Fletcher left the Committee meeting</i></p>	
	<p>The Committee RECEIVED ASSURANCE from the deep dive on Planning Objective 6H Supply Chain Analysis.</p>	

SRC(23)79	OPERATIONAL RISK REPORT	
	<p>Members received the Operational Risk Report, providing detail on the 18 risks that meet the criteria for submission to the Committee; 15 risks scored against the <i>Finance, including Claims</i> 'impact' domain, 1 risk against the <i>Quality/Complaints/Audit</i> domain, 1 risk against the <i>Service/Business interruption/disruption</i> domain and 1 risk against the <i>Statutory duty/inspection</i> domain.</p> <p>Members noted that three new risks have been added to Datix since the previous report, one risk has been reassigned from the Capital Sub Committee to the Sustainable Resources Committee and one risk is now meeting the Committee reporting threshold.</p> <p>Acknowledging that some risks are out of date, Mrs Wilson advised Members that risks are awaiting update by Executive Leads and that accountability sits with the risk owners and relevant Executive Leads. Members agreed that the operational risks that are outside of their timescales should be updated by the relevant risk leads. Mr Weir enquired whether the relevant Executive Leads could be invited to attend the Committee to discuss risks, which Mr Thomas and Mrs Wilson undertook to discuss outside of the meeting.</p> <p>Mrs Wilson advised Members that there is a role for Finance Business Partners in assisting services they work with and assured Members that this has also been raised at Executive Team.</p>	<p>Risk Leads</p> <p>WW/ HT/JW</p>
	<p>The Committee</p> <ul style="list-style-type: none"> • SCRUTINISED the content of the Operational Risk Report • RECEIVED LIMITED ASSURANCE that all relevant controls and mitigating actions are in place • DISCUSSED whether the planned action will be implemented within stated timescales and will reduce the risk further and/ or mitigate the impact, should the risk materialise. 	
SRC(23)80	CORPORATE RISK REPORT	
	<p>Members received the Corporate Risk Report, highlighting the following three risks assigned to the Committee:</p> <ul style="list-style-type: none"> • 1642 - <i>Risk of the Health Board not being able to meet the statutory requirement of breaking even 2023/24</i>: Current Risk Score 20/Target Risk Score 12. • 1352 <i>Risk of business disruption and delays in patient care due to a cyber-attack</i>: No change to Risk Score. • 1335 <i>Risk of being unable to access patient records, at the correct time and place in order to make the right clinical decisions</i>: No change to Risk Score. 	

	<p>Members were advised that 1432 <i>Risk to the delivery of the Health Board's draft interim Financial Plan for 2022/23</i> has now been closed, following a new risk (1642) being added for the current financial year.</p> <p>Referring to Risk 1642, Mr Thomas advised Members that clarity is needed on the actions required to be taken and how these transpire into the body of the Finance Report submitted to the Committee.</p> <p>Regarding discussion of the Target Risk Scores, Mrs Wilson advised Members that there is a Board-approved process to be undertaken to score risks, which includes reporting via the Executive Risk Group for review following approval and review from the relevant Executive Director.</p> <p><i>Mr Anthony Tracey joined the Committee meeting</i></p>	
	<p>The Committee:</p> <ul style="list-style-type: none"> • RECEIVED LIMITED ASSURANCE that all identified controls are in place and working effectively; • RECEIVED LIMITED ASSURANCE that all planned actions will be implemented within stated timescales and will reduce the risk further and/ or mitigate the impact, if the risk materialises; • CHALLENGED where assurances are inadequate. 	

SRC(23)81	INFORMATION GOVERNANCE SUB-COMMITTEE UPDATE REPORT	
	<p>Members received the Information Governance Sub-Committee (IGSC) Update Report from the meeting held on 8 June 2023.</p> <p>Mr Anthony Tracey provided an update on the clinical coding position for the Health Board, advising Members that Health Board performance has achieved the 95% target since October 2021, with latest performance for March 2023 provisionally at 96.1%.</p> <p>Mr Tracey advised Members of discussions at the IGSC regarding the raising of a new risk in relation to the additional resource required to undertake the work within the six Health Board Managed Practices to ensure compliance with the WG IG Toolkit. Mrs Hardisty enquired whether there is a need for additional resources or whether this could be managed differently. Mr Tracey advised Members that there are discussions being held with Digital Health and Care Wales (DHCW) surrounding previous support to ensure compliance with the toolkit.</p> <p>Mr Tracey advised Members that the Sub-Committee considered the following, prior to presentation to the Committee for approval:</p> <ul style="list-style-type: none"> • 191 Health Records Management Strategy • 192 Health Records Management Policy • 1088 Information Rights Procedure • 773 Unauthorised Access to Patient Records - Reporting And Escalation Procedure 	

	<p>The Committee:</p> <ul style="list-style-type: none"> • RECEIVED ASSURANCE from the content of the Information Governance Sub-Committee Update Report. • APPROVED the following policies: <ul style="list-style-type: none"> • 191 Health Records Management Strategy • 192 Health Records Management Policy • 1088 Information Rights Procedure • 773 Unauthorised Access to Patient Records - Reporting And Escalation Procedure 	
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SRC(23)82	IGSC ANNUAL REPORT 2022/23	
	<p>Members received the IGSC Annual Report 2022/23, providing assurance in respect of the work that has been undertaken by the Sub-Committee during 2022/23 and outlines the main achievements that have contributed to robust integrated information governance across the Heath Board.</p> <p>Mr Tracey highlighted the increase in information governance compliance to 80.15% at the end of the year, which is the highest percentage achievement since October 2019. Mr Tracey advised Members that the IG team aims to continue to improve this figure in 2023/24 by working with the sectors with the lowest compliance to encourage staff through the training programme. Mr Tracey further advised Members that new IG training would be rolled out shortly.</p> <p>Responding to Mr Weir's enquiry on whether the Caldicott Guardian is one individual, Mr Tracey advised Members that Professor Phillip Kloer is the named Caldicott Guardian and Dr June Picton is the named Deputy Caldicott Guardian.</p>	
	The Committee RECEIVED ASSURANCE from the content of the IGSC Annual Report 2022/23	

SRC(23)83	INTEGRATED PERFORMANCE ASSURANCE REPORT (IPAR)	
	Members received the Integrated Performance Assurance Report (IPAR), relating to Month 2 2023/24.	
	The Committee CONSIDERED the measures from the Integrated Performance Assurance Report.	

SRC(23)84	CONSULTANCY REVIEW	
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	<i>No report as no consultancy contracts were entered into during this reporting period</i>	
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SRC(23)85	MINISTERIAL DIRECTIONS	
	Members received the Ministerial Directions report, providing a status update and assurance that all NHS Non-Statutory Instruments (NSI), otherwise known as Ministerial Directions (MD) issued by WG between 1 February 2023 and 31 May 2023, as well as MDs issued previously, which are still in the process of being implemented.	
	The Committee NOTED the content of the Ministerial Directions report and RECEIVED ASSURANCE that all Ministerial Directions issued by WG between 1 February 2023 and 31 May 2023 have been implemented/adopted by the Health Board or are in the process of being implemented.	

SRC(23)86	NHS WALES SHARED SERVICES PARTNERSHIP (NWSSP) PERFORMANCE REPORT QUARTER 4 2022/23	
	Members received the NHS Wales Shared Services Partnership (NWSSP) Performance Report for Quarter 4 2022/23. Mr Thomas advised Members that NWSPP has an action plan for the development of new measures. However, the report provides assurance against areas that have not been delivered. Mr Thomas directed Members' attention to the relative position of Hywel Dda compared to the rest of Wales, noting that the Health Board is performing well against national benchmarks, with the exception of audits reported to the agreed audit committee' measure. Mr Thomas assured Members that this is scrutinised and reviewed as part of the Assurance and Risk Assurance Committee's review of the Internal Audit plan.	
	The Committee RECEIVED ASSURANCE from the content of the NWSSP Performance Report for Quarter 2 2022/23.	

SRC(23)87	FINANCIAL PROCEDURES	
	Members received the Value Added Tax (VAT) Financial Procedure for Committee approval, outlining the key processes to be followed by Health Board staff in connection with VAT and to set out associated roles and responsibilities. This procedure has been updated to be in line with the latest Financial Procedure format and to clearly define roles and responsibilities.	
	The Committee APPROVED the Value Added Tax (VAT) Financial Procedure (FP 069).	

SRC(23)88	DEVELOPING THE ROAD MAP	
	<p>Members received the Developing the Road Map report, summarising the material considerations included in the proposed method of developing the Health Board's medium to long term financial strategy.</p> <p>Mr Thomas advised Members that the report was presented to Board Seminar on 22 June 2023, from which two actions arose to review the timetable and team needed to undertake the work and the wraparound governance arrangements. Mr Thomas assured Members the roadmap would be presented to the Public Board at its meeting on 28 September 2023.</p> <p>Miss Battle enquired what detail would be presented to the Board Seminar in August 2023. Mr Thomas responded that work will be undertaken to anticipate the long term growth in funding and the unmitigated demand challenges.</p> <p>Mrs Wilson reminded Members that the Board does not have the authority to increase spending considering the TI position, which Miss Battle reiterated.</p>	
	The Committee NOTED the Developing the Road Map report.	

SRC(23)89	HEALTHCARE CONTRACTING, COMMISSIONING AND OUTSOURCING UPDATE	
	<p>Members received the Healthcare Contracting, Commissioning and Outsourcing Update report.</p> <p>Mr Thomas advised Members that the risk sharing arrangement has changed and therefore the Health Board may see more benefit if there is slippage in delivery across other organisations.</p> <p>Mrs Hardisty commented that this information was not presented to the Strategic Development and Operational Delivery Committee (SDODC) in terms of performance and waiting lists. Mrs Wilson undertook to discuss with the Director of Strategy and Planning.</p>	JW

	The Committee NOTED the content of the Healthcare Contracting, Commissioning and Outsourcing Update report and RECEIVED ASSURANCE from the mitigating actions detailed in the report.	
SRC(23)90	AGILE DIGITAL BUSINESS GROUP UPDATE REPORT	
	<i>No report as no meeting held on 18 May 2023</i>	
SRC(23)91	UPDATE ON ALL-WALES CAPITAL PROGRAMME – 2023/24 CAPITAL RESOURCE LIMIT AND CAPITAL FINANCIAL MANAGEMENT	
	Members received the Update on All-Wales Capital Programme – 2023/24 Capital Resource Limit and Capital Financial Management report, providing details of the Health Board's Capital Expenditure Plan and Expenditure Profile Forecast for 2023/24, the Capital Resource Limit for 2023/24 and an update regarding capital projects and financial risks. Mr Thomas advised Members that Capital is considerably constrained this year, which poses a challenge to manage the financial position. Miss Battle enquired about the governance surrounding the risk to the Health Board in terms of any lack of investment. Mrs Wilson assured Members that this was reported to SDODC at its meeting on 26 June 2023.	
	The Committee NOTED the Capital Resource Limit for 2023/24, the risks being managed and the project updates.	
SRC(23)92	ALL WALES IM DIGITAL NETWORK HIGHLIGHT REPORT	
	Members received the All Wales IM Digital Network Highlight Report for information.	
	The Committee NOTED the content of the All Wales IM Digital Network Highlight Report.	
SRC(23)93	SUSTAINABLE RESOURCES COMMITTEE WORK PROGRAMME 2023/24	
	The Sustainable Resources Committee Work Programme 2023/24 was presented to Members for information. Mr Thomas undertook to review the Committee Work Programme 2023/24 in light of today's discussions.	HT

	The Committee NOTED the content of the Sustainable Resources Committee Work Programme 2023/24.	
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SRC(23)94	MATTERS FOR ESCALATION TO BOARD	
	<p>Mr Weir and Mr Thomas highlighted the key topics discussed during the meeting for inclusion in the Sustainable Resources Committee Update Report to the next Public Board meeting:</p> <ul style="list-style-type: none"> • Positive assurance received from the diverse activities on Decarbonisation and local procurement. • Financial position in the year to date is a challenge, particularly due to Nurse Agency, Medical Additional Hours and Variable Pay, and Savings Delivery; recognising the requirement to include remedial action and trajectories into future financial reporting to the Committee. • Mitigating actions being led by the Core Delivery Group. • Insufficient assurance at this stage regarding delivery of the Annual Plan. • Recognition of the required engagement across the Health Board with the processes from the TI and Arcus reviews. • Concern raised regarding the level of assurance received from the number of Operational Risks not being actively updated and managed. • Concern raised regarding the level of assurance received surrounding Corporate Risk 1642 - <i>Risk of the Health Board not being able to meet the statutory requirement of breaking even 2023/24</i> – in terms of the process for delivery at this stage. • Ensure that short term actions are a baseline, in terms of grip and control, to provide assurance over delivery of long term actions as part of the roadmap. 	
	The Committee NOTED the key topics discussed during the meeting for inclusion in the Sustainable Resources Committee Update Report to the next Public Board meeting.	

SRC(23)95	ANY OTHER BUSINESS	
	No other business was raised.	

SRC(23)96	DATE OF NEXT MEETING	
	29 August 2023	