

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

<b>Date and Time of Meeting:</b>	28 <sup>th</sup> October 2021, 9.30am-12.30pm
<b>Venue:</b>	Boardroom/MS Teams

<b>Present:</b>	Mr Winston Weir, Independent Member, Committee Chair (VC) Mr Maynard Davies, Independent Member, Committee Vice Chair (VC) Mr Paul Newman, Independent Member (VC) Mrs Delyth Raynsford, Independent Member (VC) Ms Jill Paterson, Director of Primary Care, Community and Long Term Care
<b>In Attendance:</b>	Miss Maria Battle, HDdUHB Chair (VC) Mr Steve Moore, Chief Executive (VC) Mr Huw Thomas, Director of Finance (VC) Ms Alison Gittins, Head of Corporate and Partnership Governance, on behalf of Mrs Joanne Wilson, Board Secretary (VC) Mr Andrew Carruthers, Director of Operations (VC) Mr Michael Hearty, Strategic Adviser (VC) Ms Rebecca Hayes, Senior Finance Business Partner (VC) (part) Mr Anthony Tracey, Digital Director (VC) Mrs Sarah Bevan, Committee Services Officer (Secretariat) Ms Anne Beegan, Audit Wales (observer) Mr Nicholas Cudd, Trainee Finance Apprentice (observer)

AGENDA ITEM	ITEM	
<b>SRC(21)32</b>	<b>INTRODUCTIONS AND APOLOGIES FOR ABSENCE</b>	<b>Action</b>
	The Chair, Mr Winston Weir, welcomed all to the meeting. Apologies for absence were received from: <ul style="list-style-type: none"> <li>Mrs Joanne Wilson, Board Secretary</li> <li>Cllr Gareth John, Independent Member</li> <li>Mr Lee Davies, Director of Strategic Planning and Operational Development</li> </ul>	

<b>SRC(21)33</b>	<b>DECLARATIONS OF INTERESTS</b>	
	There were no declarations of interest.	

<b>SRC(21)34</b>	<b>MINUTES OF PREVIOUS MEETING HELD ON 23<sup>rd</sup> AUGUST 2021</b>	
	The minutes of the Sustainable Resources Committee meeting held on 23 <sup>rd</sup> August 2021 were reviewed and approved as an accurate record.	

**RESOLVED** – that the minutes of the Sustainable Resources Committee meeting held on 23<sup>rd</sup> August 2021 be **APPROVED** as an accurate record.

**SRC(21)35 MATTERS ARISING AND TABLE OF ACTIONS FROM THE MEETING HELD ON 23<sup>rd</sup> AUGUST 2021**

The Table of Actions from the meeting held on 23<sup>rd</sup> August 2021 was reviewed, and confirmation received that all outstanding actions had been completed, were being progressed, or were forward-planned for a future Committee meeting.

**SRC(21)36 FINANCE REPORT AND FINANCIAL FORECAST MONTH 6, 2021/22**

The Committee received the Month 6 (M6) 2021/22 Finance Report, outlining the Health Board's financial position to the end of the financial year 2021/22 against the Draft Interim Annual Plan, and providing an analysis of key drivers of the in-month position.

Mr Huw Thomas confirmed that the additional funding from Welsh Government (WG) for in year use has now been allocated, albeit with the challenge to spend this before year end. The risk therefore is of undershooting the £25 million forecast position as opposed to overshooting.

Ms Rebecca Hayes provided an overview of the forecast position at Month 6, including:

- Health Board's Financial Plan to deliver deficit of £25m, following recognition of non-recurrent WG funding of £32.4m to offset the underlying position brought forward, after savings of £16.1m.
- Before recognising the COVID-19 WG funding in-month, the Month 6 variance to breakeven is £4.9m.
- Whilst the in-year delivery of the planned deficit is considered low risk, there is a significant risk of a deterioration in the underlying deficit from £57.4m in 2020/21 to £68.9m in 2021/22 if further recurrent savings schemes of £11.5m are not identified in-year.
- The additional costs incurred in Month 6 due to the impact of the COVID-19 pandemic is £5.7m (Month 5, £4.2m). COVID-19 expenditure is higher in Month 6 following recognition of £0.7m of Adult Social Care Provider support costs, which is charged quarterly as supporting data becomes available. Costs associated with the Public Health Mass Vaccination centres increased due to additional Nurse capacity requirement to support the roll out of the booster programme, and drug expenditure in relation to the catch up vaccination programme for children.
- Cost reductions of dental contractual payments, resulting in six months' worth of payments affecting the Month 6 position.

Ms Hayes advised Members of Elective Recovery funding received of £21.2m against current risk-based forecasts of £15m given the risk of an inability to either commission or deliver the additional capacity. A further

£1.8m is expected for national schemes with a risk that local responses may be unable to fully deliver against available funding.

Mr Andrew Spratt provided an overview of the Recovery Funding phases one and two, drawing Member's attention to the summary slide, providing a holistic overview of the combined recovery expenditure risk. Mr Spratt advised that taking a prudent risk approach would identify a potential total slippage of £10 million, which could be mitigated to £6-7 million. Current forecasts highlight there has been limited spend for the month of October 2021, resulting in an underspend to manage.

Mr Andrew Carruthers informed Members of the short turnaround for responses to the second tranche of funding to consider other available opportunities to advance the recovery of planned care by the end of the year, and that the Health Board's expectation is that funds could be drawn down as and when confirmation had been received that the Health Board could incur and deliver the spend.

Mr Carruthers further informed Members that there had been a less than anticipated level of patients accepting the offer to travel further afield for treatment. Additionally, since receiving commitments from independent providers around the levels of activity that could be delivered, staffing challenges have since affected delivery of this activity. Mr Carruthers assured Members that alternative options are being considered, to include the possibility of renting theatre and bed space from certain providers. Mr Carruthers further assured Members that discussions are being held with providers to improve deliverability.

Mr Carruthers confirmed that the Health Board will not be required to return any remaining monies from the second tranche of funding back to WG and that WG had been open to discussions on how this money could be used to make core capacity more resilient. Mr Carruthers concluded that the Health Board has delivered more activity than predicted and is currently ahead of schedule.

Mr Thomas highlighted the importance of having the appropriate governance in place in terms of demonstrating value for money and the tendering process. Mr Steve Moore emphasised the need for a degree of creativity on planning, focusing on planned care recovery, advising that the key challenge is the non-recurrent nature of the funding which will need to be spent by March 2022.

Mr Weir commented that the Committee needs to receive assurance on financial performance and delivery against the financial plan and objectives, in addition to scrutinising the financial consequences of investments. Mr Weir noted that the Committee can receive a degree of assurance that the Health Board will meet the £25million deficit.

Mr Thomas advised Members that even if the funding from WG was made recurrent, there would still be a challenge in terms of being able to recruit sufficient staff as the ability to spend this funding would be limited due to the current workforce constrained environment. Mr Thomas suggested that there may be a potential to commission external parties in a more flexible manner due to current capacity within the Health Board's commissioned services. Mr Thomas advised Members that value-based health care is also progressing with opportunities being identified to shift resources

across pathways and deliver services that provide better and more focused points of delivery, adding that digital innovations could also support this.

In relation to the data within the report on demountables, Mr Paul Newman enquired about the implications of being behind the planned expenditure profile for the Recovery Plan. Mr Carruthers responded that there are issues currently with planning approval processes and with the installation of an additional power source by Western Power, which could take up to six months and therefore cause a significant amount of slippage. Mr Carruthers assured Members that work is ongoing to accelerate the resolution of these issues with the local authorities and Western Power respectively.

Mr Newman enquired about the potential of price increases for treatment and the effect on the Health Board's ability to treat as many patients as anticipated within the allocation received. Mr Carruthers responded that prices had increased within the private sector, however, successful discussions had been held with local providers on reducing the cost per case of contracts. Mr Carruthers highlighted the risk around inflation to this cost, which is likely to take effect next year. In terms of the tendering process, Mr Thomas anticipated that once funding certainty is received from WG by the end of December 2021, the Health Board will be in a better position to agree long term contracts with providers to deliver better value.

In relation to support for patients on waiting lists, Mr Carruthers informed Members that the Health Board is currently considering the extension of third sector arrangements, for example British Red Cross support for the front door. Mrs Delyth Raynsford highlighted the value of patient feedback, suggesting that the Community Health Council (CHC) may be able to provide information regarding patient experience.

Mr Moore informed Members of the ongoing work around the waiting list support programme, advising that the slippage could be used creatively to promote self-help and in utilising the third sector to support patients. Mr Maynard Davies informed Members that discussions had been held at the recent Strategic Development and Operational Delivery Committee (SDODC) regarding supporting patients who are delayed in treatment and the potential of spending money on providing digital devices.

In summary, Mr Weir noted that, following guidance from WG to recognise £32.4m of non-recurrent funding, the deficit for the year had been reduced from £57.4m to £25.0m from Month 2. Mr Weir also noted the receipt of Elective Recovery funding of £21.2m which may need to be used creatively. Mr Weir suggested that ways to utilise this funding could be discussed in other arenas such as the Board Seminar.

Mr Weir noted that whilst many of the savings schemes identified are non-recurrent, he took assurance that the Health Board is continuing to identify these.

Mr Weir also noted the next steps within the report regarding the ongoing work with policy leads in respect of Elective Recovery Plans and engagement with partner organisations to develop plans to address the issues within the Primary Care and Social Care sectors, whilst working with operational teams to develop robust and deliverable recurrent saving

	schemes in line with the Health Board's Strategy and roadmap to financial sustainability.	
	The Committee <b>NOTED</b> and <b>DISCUSSED</b> the M6 2021/22 financial position and end-of-year forecast.	

<b>SRC(21)37</b>	<b>SOCIAL VALUE AND CARBON REPORTING</b>	
	<p>Members received the Social Value and Carbon Reporting report, providing an update on progress against the Health Board's planning objective 6H regarding HDdUHB's carbon footprint and opportunities for local sourcing in support of the foundational economy.</p> <p>Mr Thomas informed Members that WG has set a requirement for all public sector organisations to complete a carbon baseline to estimate the net carbon footprint for Wales. HDdUHB's baseline position is currently being compiled and will be submitted to WG by 31<sup>st</sup> October 2021. An analysis of these assessments will be utilised to inform the Health Board's ambition and vision moving forward and it is anticipated that this vision will be documented within a strategy, with an action plan for delivery of this vision developed.</p> <p>In terms of social value, Mr Thomas informed Members that the first piece of work to come to fruition will be an understanding across all geographical wards and across all Well Being and Future Generations Act goals to develop a deprivation needs analysis to enable county teams to respond to the planning and delivery of services close to population needs.</p> <p>Mr Thomas further informed Members that the next piece of work will entail a review of the Health Board's Procurement Strategy, which is anticipated to be completed by the end of December 2021 to guide plans for next year and the medium term.</p> <p>Regarding recruitment, good practice has been identified by the Centre for Local Economic Strategies (CLES) in terms of HDdUHB's recruitment of COVID-19 staff, apprenticeship schemes and the Grow Your Own initiatives.</p> <p>Mr Moore advised Members of the clear link between the building of the new hospital and growing local trades, and that the Health Board should continue to work closely with WG to evolve the thinking behind future business cases. Mr Weir welcomed quantified data to demonstrate the impact on social value in the future.</p> <p>Mr Thomas informed Members that the Health Board is working in conjunction with Aberystwyth University, Powys Teaching Health Board and Betsi Cadwaladr University Health Board on an Institute for Rural Healthcare Economics, which will contribute to innovative thinking in addition to supporting the development of metrics to report, measure and plan services.</p> <p><i>Ms Rebecca Hayes left the Committee meeting</i></p>	



	<p>In relation to carbon reporting, Members noted that WG has published a reporting guide that the Health Board will respond to by 29<sup>th</sup> October 2021. Mr Thomas advised that the supply chain is the biggest carbon contributor for the Health Board and the Health Board's approach to measuring carbon within the supply chain has been identified by NWSSP as an area of good practice for adoption nationally.</p> <p>Mr Thomas further advised that the responsibility for decarbonisation lies with the Director of Strategic Planning and Operational Development, and is aligned to SDODC, and provided assurance on the close working relationship between the Committees. Mr Weir welcomed the attendance of the Director of Strategic Planning and Operational Development to provide an update at a future meeting.</p> <p>As a result of the increasing focus on carbon reporting, Mr Davies highlighted the potential for this to delay certain schemes, advising Members that the business case for the Cross Hands development had been returned to the Health Board requesting further detail on decarbonisation to be provided.</p> <p>Mr Thomas advised that whilst travel to and from work is currently outside of the scope of measurement, it is likely to represent the second largest carbon impact for the Health Board after the supply chain; this would therefore be an area for consideration going forward.</p>	HT
	The Committee <b>DISCUSSED</b> the work relating to Social Value and Carbon Reporting.	

<b>SRC(21)38</b>	<b>SUSTAINABLE RESOURCES COMMITTEE WORK PROGRAMME 201/22</b>	
	The Sustainable Resources Committee's Work Programme 2021/22 was presented to Members for information, noting the requirement to reflect the scope of the newly reconstituted Committee's Terms of Reference and the planning objectives aligned to the Committee.	
	The Committee <b>NOTED</b> the items included on its annual work plan for 2021/22, reflecting the scope of the newly reconstituted Committee's Terms of Reference and planning objectives aligned to the Committee.	

<b>SRC(21)39</b>	<b>DIGITAL INCLUSION</b>	
	Members received the Digital Inclusion report, providing an overview of the Digital Communities Wales (DCW) Programme, established by WG in 2019, to support organisations across Wales to embed digital inclusion in their day to day practices and incorporate digital inclusion activities into their strategic plans.	
	Mr Anthony Tracey informed Members that Digital Inclusion Alliance Wales (DIAW) had been established as a multi-sector group of organisations to	

bring together those from across the public, private, third, academic and policy sectors in Wales, to coordinate and promote digital inclusion activity across Wales under one national banner. The DIAW requests that organisations demonstrate their commitment to the digital inclusion programme and objectives by signing a pledge and producing an action plan to work towards the delivery of interconnected missions to enable digital inclusion; equipping people with the motivation, access, skills, and confidence to engage with an increasingly digital world, based on their needs.

Mr Tracey informed Members of a recent report from NHS England, NHS Widening Digital Participation Programme, which provides a number of key messages and areas for action. This report will form the basis of the eight areas of work in the proposed Health Board's programme.

Mr Tracey outlined the four recommendations within the report to support the multidisciplinary approach undertaken with the ethos that digital inclusion is at the forefront of future Health Board planning and strategic thinking.

Mr Thomas emphasised the requirement to work in partnership with the three local authorities to address the recognised lack of connectivity. Mr Davies raised the importance of working with suppliers regarding coverage, and expressed his support in signing up to the Digital Inclusion Charter.

Mrs Raynsford enquired whether digital health could be provided bilingually in Welsh or in a language of choice, to which Mr Tracey confirmed that this had been incorporated into the Digital Inclusion Programme. Mr Thomas advised Members that NHS England had not permitted NHS Wales to have bilingual COVID-19 passports bilingually, and that similarly, some suppliers do not provide bilingual alternatives. There is therefore the potential for an opportunity to consider engagement with Welsh companies going forward.

Mrs Raynsford also enquired whether a lack of finance could restrict an individual's ability to become digitally involved. Mr Moore emphasised the importance of utilising the Digital Inclusion Programme as a lever to help reduce inequalities rather than increase them.

Mr Hearty enquired about the baseline for connectivity and comparisons with other health boards in Wales. Mr Tracey responded that the team is working with DCW and DIAW to achieve a baseline position with workshops facilitated by DCW being held around Wales with key providers regarding connectivity.

Mr Thomas acknowledged that ownership of health can be embedded through the digital infrastructure via the delivery of a social model to shift responsibility. Mr Moore assured Members that Mr Thomas and Mr Tracey would be developing specific planning objectives in relation to this programme for inclusion within the Health Board's Integrated Medium Term Plan (IMTP).

In conclusion, Members agreed to support the recommendations proposed within the report. Mr Weir placed emphasis upon raising awareness of the approach to obtain wider support and suggested that the

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	importance of digital inclusion be escalated via a Board Seminar meeting. Mr Tracey undertook to consider how the public would be informed of the Health Board's approach.	AT
	<p>The Committee:</p> <ul style="list-style-type: none"> <li>• <b>SUPPORTED</b> the recommendation that HDdUHB commits and signs up to the Digital Inclusion Pledge and establishes a programme around Digital Inclusivity.</li> <li>• <b>SUPPORTED</b> the recommendation that the Senior Responsible Officer (SRO) for the Digital Inclusion plan is the Digital Director, and that the delivery of the action plan will be in partnership with Health Board directorates.</li> <li>• <b>SUPPORTED</b> the development of a Digital Inclusion Programme as outlined within the report.</li> <li>• <b>NOTED</b> the pledge requirements detailed within the report, which will form part of a wider workplan for introduction into the Health Board.</li> </ul>	

SRC(21)40	<b>INFORMATION GOVERNANCE SUB-COMMITTEE UPDATE REPORT</b>	
	<p>Members received the Information Governance Sub-Committee (IGSC) Report, providing an update on items discussed at the IGSC meeting held on 12<sup>th</sup> October 2021. Mr Tracey highlighted the following key points:</p> <ul style="list-style-type: none"> <li>• HDdUHB's clinical coding performance is 72% which is below the 95% target requirement. Performance is being monitored by the Sub-Committee whilst an improvement plan is implemented, which includes a training plan, operational dashboards, a dashboard for the management of the clinical coding service and teams, and the reintroduction of the audit and assurance programme.</li> <li>• The requirement to submit an Information Governance Toolkit response for the Health Board's managed GP practices.</li> <li>• Concern regarding off-site storage facilities not being fit for purpose and the lack of contracts in place with the suppliers involved. Mr Tracey advised Members that a report is currently being prepared in conjunction with the Information Governance team.</li> <li>• Information Governance e-Learning compliance average is at 78% with significant improvement required within the Medical and Dental cohort with a current compliance rate of 35%. Mr Tracey informed Members of discussions held with the deputy Caldicott Guardian to consider avenues for increasing compliance such as inclusion within the revalidation process or via a targeted newsletter.</li> <li>• The Sub-Committee's revised Terms of Reference for presentation to the Committee for approval.</li> </ul> <p>In relation to clinical coding, Mr Weir queried the implications and impact upon clinical audit, prior to the implementation of the improvement plan. Mr Tracey advised that the position would affect finance returns and information requests, in addition to clinical audit work. Mr Tracey informed</p>	



	<p>Members that five clinical coding trainees have recently been appointed, however it takes 18-24months to train fully. Mr Tracey advised Members that a training programme has been put in place given the challenges in attracting fully trained clinical coders.</p> <p>In relation to the data within the report on personal data breaches, Mr Hearty enquired whether the figures relate to the number of instances of breaches rather than the number of people involved, to which Mr Tracey confirmed that this is the case. Mr Tracey informed Members that, should breaches pass certain threshold criteria, cases are reported to the Information Commissioner's Office (ICO). Mr Hearty suggested it would be useful to include the number of breaches that are reported to the ICO in future reporting.</p> <p>In relation to the Information Governance Toolkit, Mr Hearty enquired whether this is the same as the Data Security Protection Toolkit from NHS Digital. Mr Tracey confirmed that the IG Toolkit which NHS Wales has re-introduced is different in that, although it includes reference to cyber security and data protection, it also incorporates records management.</p> <p>Mr Davies informed Members that the Sub-Committee also discussed the number of individuals who had been dismissed as a result of data protection breaches. The National Intelligent Integrated Audit Solution (NIAS) system, which identifies individual's access to personal information, currently shows a reduction in the number of inappropriate access.</p> <p>In conclusion, Mr Weir requested a process to be developed to ensure that managed practices are complying with the IG Toolkit. Regarding the issue concerning external storage, Mr Weir requested updates to be provided to the Committee in future IGSC update reports.</p> <p>Mr Weir conveyed thanks to the teams involved for the effort required in sustaining the improvements in cyber security.</p>	<p>AT</p> <p>AT</p> <p>AT</p>
	<p>The Committee <b>NOTED</b> the content of the Information Governance Sub-Committee report and <b>APPROVED</b> the Sub-Committee's updated Terms of Reference.</p>	

SRC(21)41	<p><b>CYBER SECURITY (UPDATE ON RISK 451)</b></p> <p>Members received the Cyber Security (Update on Risk 451) report.</p> <p>Mr Tracey informed Members that NHS Wales commissioned Stratia to review the Health Board's position in terms of cyber security, which identified a number of issues to address such as penetration testing and antiviruses. This review sought to provide HDdUHB with assurance regarding the progress made in implementing its security improvement plan. The security assessment for HDdUHB was undertaken in January 2018 and resulted in the publication of a local HDdUHB summary report,</p>	
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the NHS Wales External Security Assessment - HDdUHB Report and Improvement Plan.

Over the past 3 years, the Health Board's Digital Team has been working with Digital Health and Care Wales (DHCW) to enact the action plan to provide assurances to the Health Board that, in the event of further cyber-attacks, HDdUHB and the wider NHS in Wales would be secure. Mr Tracey informed Members that regulations such as the Network and Information Security (NIS) Directive had been introduced whereby, in the event of a breach, the Commissioner can place a penalty of up to £17 million on the Health Board. Mr Tracey assured Members that a risk assessment has been developed for the resilience of networks within the Health Board, which has identified a number of risks and vulnerabilities that are currently being worked through to improve cyber security and assess current compliance against the regulations.

Mr Tracey requested Members agreement to the closure of Risk 451 and the creation of a new risk to recognise the wider implications of cyber security. Mr Thomas advised Members that the risk needs to be a corporate risk and that the Health Board needs to be clear on its risk appetite in relation to this risk.

Mr Hearty raised the risk of starters and leavers, which is not mentioned within the report. Mr Tracey informed Members of ongoing work over the past 14 months to automate the system alongside the Electronic Staff Record (ESR) and advised Members that this work is being shared with other health boards to adopt the automated system. In relation to ransomware, Mr Tracey assured Members that NHS Wales is fortunate in that there is only one network and therefore attacks can be contained promptly.

Mr Davies emphasised the importance of the recruitment and training of cyber security specialists within the Health Board's Digital Team and suggested the need to consider a national cyber security team as opposed to the Health Board employing its own. Mr Tracey advised Members that there would still be a need for a local cyber security team to identify vulnerabilities within the Health Board's infrastructure and physically access devices if necessary. In terms of training, Mr Tracey provided assurance that two members of the Digital Team are undertaking a Master's degree in cyber security and will be trained internally.

In conclusion, Mr Weir noted the assurance received regarding arrangements for cyber security. The Committee agreed to the closure of Risk 451 and the development of a new risk for presentation to Executive Team. Mr Weir confirmed that Members agreed to supporting the next steps proposed within the report.

#### The Committee

- **DISCUSSED** the content of the Cyber Security report
- **AGREED** the closure of Risk 451 and the development of a new risk.

	<ul style="list-style-type: none"> <li>• <b>SUPPORTED</b> the next steps proposed within the report.</li> </ul>	
<b>SRC(21)42</b>	<b>CORPORATE RISK REPORT</b> <p>Members received the Corporate Risk Report, highlighting the following two risks assigned to the Committee.</p> <ul style="list-style-type: none"> <li>- Risk 451 - Cyber Security Breach: further to the earlier discussions on the Cyber Security agenda item, Members agreed that Risk 451 be closed, and a new risk created.</li> <li>- Risk 1163 – Risk to the delivery of the Health Board's draft interim Financial Plan for 2021/22 of a £25.0m deficit: Members agreed to reconsider the risk score of 12 in light of discussions under the earlier Finance Report M6 agenda item, as the risk of not delivering the financial plan is reduced. Mr Thomas undertook to review the risk and mitigating actions due to a potential reversal in the nature of this risk in terms of a forecast underspend rather than overspend.</li> </ul>	<b>HT</b>
	<p>The Committee</p> <ul style="list-style-type: none"> <li>• <b>DISCUSSED</b> the content of the Corporate Risk Report.</li> <li>• <b>AGREED</b> the closure of Risk 451 to be replaced with a new risk.</li> <li>• <b>AGREED</b> to review the risk and mitigating actions for Risk 1163.</li> </ul>	
<b>SRC(21)43</b>	<b>OPERATIONAL RISK REPORT</b> <p>Members received the Operational Risk Report, providing detail on the 13 risks scored against the Finance impact domain.</p> <p>Mr Weir advised Members that the Audit and Risk Assurance Committee had recently reviewed Directorates who are unlikely to achieve their financial targets. Mr Thomas informed Members that each Directorate has been assigned two risks; their ability to deliver their financial position in year, and their ability to deliver their financial position in the medium term. Mr Thomas advised Members that the narrative contained within the report is a Directorate level response.</p> <p>Mr Weir focused upon the Directorates flagged as not achieving their financial targets and queried the mitigating actions in place. In terms of Risk 971: <i>Failure to remain within allocated budget over the medium term (MHLD)</i>, Mr Carruthers advised that allocations are ringfenced for Mental Health and Learning Disabilities and that there are ongoing challenges in recruitment. Mr Carruthers informed Members that the underspend in MHLD has historically been used to underwrite overspends in other areas.</p> <p>In relation to Risk 968: <i>Failure to remain within allocated budget over the medium term (Pembrokeshire)</i>, Ms Jill Paterson informed Members that this risk is attributed to undelivered savings and that plans implemented within Carmarthenshire and Ceredigion relating to beds out of system,</p>	

	<p>have not been a viable option for Pembrokeshire. Ms Paterson provided assurance that discussions are ongoing with the teams involved.</p> <p>Mr Weir concluded that the Committee received assurance from Mr Carruthers and Ms Paterson regarding the controls and mitigating action in place.</p>	
	<p>The Committee <b>SCRUTINISED</b> the content of the Operational Risk Report and <b>RECEIVED ASSURANCE</b> that all relevant controls and mitigating actions are in place.</p>	

<b>SRC(21)44</b>	<b>BALANCE SHEET ANALYSIS</b>	
	<p>Members received the Balance Sheet Analysis report, outlining the Health Board's Balance Sheet position as at Quarter 2 2021/22 (Month 6), together with the monthly scrutiny of the Balance Sheet and further developments.</p> <p>Mr Newman highlighted the increase in medical negligence claims costs by £16m as a result of four recent claims, and raised concern as to the availability of intelligence suggesting similar large shifts in provision over the next few months.</p> <p>Mr Weir advised Members of similar concerns raised at Board Seminar in May 2021 around the possible implications of COVID-19 related claims. Recognising the sad circumstances behind each claim, Mr Thomas informed Members that the Health Board pays £25,000 towards the cost of any new claim, which sits on the Balance Sheet and is funded by Welsh Risk Pool (WRP). Mr Thomas further advised that the position is in line with trends seen across the other home nations. Mr Thomas undertook to provide details behind the high value cases to Mr Newman, which Mr Weir suggested could be discussed outside of the Committee meeting.</p> <p>Mr Spratt informed Members that the risk share from the WRP increased to £16m of which HDdUHB's allocation was approximately £1.5m. In light of the current climate, NHS Shared Services Partnership (NWSSP) is looking to increase this by an additional £12m for the next financial year, which would provide HDdUHB with an additional £1.5m share. Mr Spratt advised that the process for this will commence shortly, however the situation is likely to be an increasing trend for this year and next.</p>	<b>HT</b>
	<p>The Committee:</p> <ul style="list-style-type: none"> <li>• <b>NOTED</b> and <b>DISCUSSED</b> the Balance Sheet Analysis as at the end of Quarter 2 2021-22.</li> <li>• <b>NOTED</b> the developments to improve scrutiny of the Balance Sheet.</li> </ul>	

<b>SRC(21)45</b>	<b>INTEGRATED PERFORMANCE ASSURANCE REPORT (IPAR)</b>	
	<p>Members received the Integrated Performance Assurance Report (IPAR), detailing all measures relating to the <i>Safe, Sustainable, Accessible and Kind Care</i> strategic objective. For the SRC, these include measures</p>	

	<p>relating to Finance, Individual Patient Funding Requests and Continuing Health Care.</p> <p>Mr Thomas highlighted the continuing high agency spend for premium agency Medical and Nursing staff due to current high vacancies, absence cover and continued pressures in emergency departments across the four acute sites, acknowledging that the upward trend is a cause for concern in regard to the medium term. Mr Weir emphasised the importance of recruitment to reduce agency spend.</p> <p>Mr Thomas highlighted the increase in Nurse Agency expenditure in M6 from the reduction in M5 as pressures continue in Unscheduled Care, however this increase has been mitigated by a reduction in Medical Agency as Medical staff return to work for a variety of reasons.</p> <p>Mr Davies enquired whether any analysis is available regarding HDdUHB staff registering with agencies and/or the possibility of staff choosing agency shifts over bank shifts. Mr Thomas responded that staff cannot undertake agency work within their employer health board, although staff could provide agency work for a neighbouring health board and acknowledged that collating or tracking this information could be challenging in terms of Information Governance issues. Ms Alison Gittins confirmed that staff are requested to register their interests with agencies with the Health Board.</p> <p>Mr Weir concluded that there are currently no issues to escalate to Board, however reference to the special cause concerning variation for agency spend and variable pay would be included within the Committee's update report to the November 2021 Board.</p>	WW/SB
	The Committee <b>CONSIDERED</b> the measures from the Integrated Performance Assurance Report and agreed to include reference to the special cause concerning variation for agency spend and variable pay within the Committee's update report to the November 2021 Board.	

<b>SRC(21)46</b>	<b>NHS WALES SHARED SERVICES PARTNERSHIP (NWSSP) PERFORMANCE REPORT Q2 2021/22</b>	
	Item deferred to the December 2021 Committee meeting due to the reports not yet available from NWSSP.	

<b>SRC(21)47</b>	<b>ASSURANCE ON PLANNING OBJECTIVES ALIGNED TO SRC</b>	
	<p>Members received the Assurance on Planning Objectives Aligned to SRC report, providing an update on the progress made in the development/delivery of the planning objectives under the Executive Leadership of the Director of Finance, Medical Director, and Director of Strategic Development and Operational Planning, which are aligned to the Committee for onward assurance to the Board.</p> <p>Mr Weir recognised that the Committee is slightly behind on reporting against planning objectives 6I and 6J and highlighted the planning objectives aligned to the Medical Director and Director of Strategic</p>	



	<p>Development and Operational Planning, noting it would be beneficial to receive assurance from the responsible leads regarding the evidence base and progress. Mr Thomas undertook to feedback to the Medical Director and Director of Strategic Development and Operational Planning with a view to their attendance at a future meeting to provide assurance to the Committee.</p> <p>In relation to planning objective 6H: <i>to undertake a full analysis of the Health Board's supply chain in light of the COVID-19 pandemic</i>, Mr Davies enquired as to the evidence available to provide assurance to Members that the action will be completed by 31<sup>st</sup> March 2022. Mr Thomas responded that a workshop would be held on 21<sup>st</sup> December 2021 with the aim of providing assurance regarding the medium term strategy on delivering the improvements required.</p>	HT/SB
	The Committee <b>RECEIVED ASSURANCE</b> on the current position in regard to the progress of the Planning Objectives aligned to the Sustainable Resources Committee.	

<b>SRC(21)48</b>	<b>BUSINESS CASE PROCESS</b>	
	<p>Members received the Business Case Process report, outlining the new structure for the scrutiny and approval of business cases via the Health Board's Use of Resources Group, which reports directly to Executive Team. Mr Thomas assured Members that business cases would be presented to this Committee for assurance prior to presentation to Board for approval.</p> <p>The Group's Terms of Reference were presented to Members for information.</p>	
	The Committee <b>NOTED</b> the new structure for the scrutiny and approval of business cases and the Use of Resources Group Terms of Reference.	

<b>SRC(21)49</b>	<b>FINANCIAL PROCEDURE – USE OF CONSULTANCY</b>	
	Members received the Use of Consultancy financial procedure for approval, developed as a result of a recommendation from an Internal Audit report to introduce a clear procedure on the use of consultancy.	
	The Committee <b>APPROVED</b> the Use of Consultancy financial procedure.	

<b>SRC(21)50</b>	<b>NOTES FROM FINANCE CHECKPOINT MEETING HELD ON 28<sup>th</sup> SEPTEMBER 2021</b>	
	Members received the Notes from the Finance Checkpoint Meeting held on 28 <sup>th</sup> September 2021.	

	The Committee <b>NOTED</b> the content of the Notes from the Finance Checkpoint meeting held on 28 <sup>th</sup> September 2021.	

<b>SRC(21)51</b>	<b>HEALTHCARE CONTRACTING, COMMISSIONING AND OUTSOURCING UPDATE</b>	
	Members received the Healthcare Contracting, Commissioning and Outsourcing Update report, identifying the principles underpinning the all Wales Long Term Agreement (LTA) block arrangements, which have been drafted to provide financial and quality assurances to both Providers and Commissioners.	
	The Committee <b>NOTED</b> the content and mitigating actions detailed in the Healthcare Contracting, Commissioning and Outsourcing Update report.	

<b>SRC(21)52</b>	<b>UPDATE FROM AGILE DIGITAL BUSINESS GROUP</b>	
	Members received the Update from Agile Digital Business Group Report, providing an update on items discussed at its meeting held on 20 <sup>th</sup> September 2021.	
	The Committee <b>NOTED</b> the content of the Update from Agile Digital Business Group report.	

<b>SRC(21)53</b>	<b>UPDATE ON ALL-WALES CAPITAL PROGRAMME – 2021/22 CAPITAL RESOURCE LIMIT AND CAPITAL FINANCIAL MANAGEMENT</b>	
	<p>The Committee received the Update on All-Wales Capital Programme – 2021/22 Capital Resource Limit and Capital Financial Management report, providing details of the Health Board's Capital Expenditure Plan and Expenditure Profile Forecast for 2021/22, the Capital Resource Limit (CRL) for 2021/22 and an update regarding capital projects and financial risks.</p> <p>Mr Weir reminded Members that the report is presented to Committee for information purposes as it is more appropriately aligned to SDODC. Mr Thomas assured Members that there are currently no financial and/or revenue implications of concern for the Sustainable Resources Committee.</p>	
	The Committee <b>NOTED</b> the content of the Update on All-Wales Capital Programme – 2021/22 Capital Resource Limit and Capital Financial Management report.	

<b>SRC(21)54</b>	<b>HOME BASED CARE SERVICE WORKFORCE</b>	
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	<p>Members received the Home Based Care Service Workforce report, to provide assurance to the Committee on the financial implications of the decision taken by the Health Board's Executive Team/Gold Strategic Group at its meeting on 8<sup>th</sup> September 2021 to extend the existing Bridging Service, in order that it can provide bridging support to all patients awaiting domiciliary care up to the point when an appropriate package of care becomes available or 31<sup>st</sup> March 2022 (whichever is sooner).</p> <p>The report presents the workforce requirements put forward to extend the service, with their indicative financial implications for each county. Mr Weir noted the assurance provided by the report to proceed with the decision-making process undertaken and the risks to be managed during the coming months.</p> <p>Ms Paterson informed Members that the Health Board is currently in the second round of recruitment for these posts. Mr Weir supported the recruitment drive, particularly in terms of releasing capacity to enable more elective work to be undertaken and to address inequalities within communities where there may not be significant employment opportunities.</p>	
	<p>The Committee <b>NOTED</b> the content of the Home Based Care Service Workforce report, including the decision-making process taken and the risks to be managed during the coming months.</p>	

<b>SRC(21)55</b>	<b>MATTERS FOR ESCALATION TO BOARD</b>	
	<p>Mr Weir 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"> <li>• The position for the remainder of 2021/22 and the risk of undershooting against the deficit position as a result of the planned care recovery actions not keeping pace with the funding allocated.</li> <li>• Positive news of the Health Board's sign up to the Digital Inclusion Charter.</li> <li>• The work ongoing to address the Cyber Security risk and the Committee's agreement to the closure of Risk 451 to be replaced with a new risk.</li> <li>• Integrated Performance Assurance Report - reference to the special cause concerning variation for agency spend and variable pay to be provided via the Committee's update report to the November 2021 Board.</li> </ul>	
	<p>The Committee <b>NOTED</b> the key topics discussed during the meeting for inclusion in the Sustainable Resources Committee Update Report to the next Public Board meeting.</p>	

<b>SRC(21)56</b>	<b>ANY OTHER BUSINESS</b>	
	No other business was raised.	

SRC(21)57	DATE OF NEXT MEETING	
	21 <sup>st</sup> December 2021, 9.30am-12.30pm	