



SUSTAINABLE RESOURCES COMMITTEE

TERMS OF REFERENCE

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SUSTAINABLE RESOURCES COMMITTEE

1. Constitution

- 1.1 The Sustainable Resources Committee (the Committee) has been established as a Committee of the Hywel Dda University Health Board (HDdUHB) and constituted from 1st August 2021.

2. Purpose

The purpose of the Sustainable Resources Committee is:

- 2.1 Provide assurance on financial performance and delivery against Health Board financial plans and objectives and, on financial control, give early warning of potential performance issues, making recommendations for action to continuously improve the financial position of the organisation, focusing in detail on specific issues where financial performance is showing deterioration or there are areas of concern.
- 2.2 To receive an assurance on delivery against all relevant Planning Objectives falling in the main under Strategic Objective 6 Sustainable Use of Resources (See Appendix 1), in accordance with the Board approved timescales, as set out in HDdUHB's Annual Plan.
- 2.3 To scrutinise and provide oversight of financial and revenue consequences of investment planning (both short term and in relation to longer term sustainability).
- 2.4 Review financial performance, review any areas of financial concern, and report to the Board.
- 2.5 Conduct detailed scrutiny of all aspects of financial performance, the financial implications of major business cases, projects, and proposed investment decisions on behalf of the Board.
- 2.6 Regularly review contractual performance with key delivery partners.
- 2.7 Seek assurance on the management of principal risks within the Board Assurance Framework (BAF) and Corporate Risk Register (CRR) allocated to the Committee and provide assurance to the Board that risks are being managed effectively and report any areas of significant concern e.g. where risk tolerance is exceeded, lack of timely action.
- 2.8 Recommend acceptance of risks that cannot be brought within the UHBs risk appetite/tolerance to the Board through the Committee Update Report.
- 2.9 Receive assurance through Sub-Committee Update Reports and other management/task & finish group reports that risks relating to their areas are being effectively managed across the whole of the Health Board's activities (including for hosted services and through partnerships and Joint Committees as appropriate).

3. Key Responsibilities

The Sustainable Resources Committee shall:

- 3.1 Undertake detailed scrutiny of the organisation's overall:
 - Monthly, quarterly and year-to-date financial performance;
 - Performance against the Savings Delivery and the Cost Improvement Programme providing assurance on performance against the Capital Resource Limit and cash flow forecasts.
- 3.2 Seek assurance on delivery against all Planning Objectives aligned to the Committee, considering and scrutinising the plans, including the 3 and 5 year financial plans, savings plans and decarbonisation plans, that are developed and implemented, supporting and endorsing these as appropriate (PO 6A, 6C, 6G and 6J).
- 3.3 Scrutinise the roll out of Value Based Health Care (VBHC) through outcome capability and costing assessment (PO 6B, 6D, 6E, 6F).
- 3.4 Scrutinise the delivery of the Health Board's approach to community wealth building and foundational economy opportunities (PO 6H).
- 3.5 Oversee the Health Board's approach to the development of locality resource consumption models (PO 6I).
- 3.6 Receive assurances in respect of Directorate performance against annual budgets, capital plans and the Cost Improvement Programme and innovation and productivity plans.
- 3.7 Maintain oversight of, and obtaining assurances on, the robustness of key income sources and contractual safeguards.
- 3.8 Review major procurements and tenders, such as outsourcing, in relation to achieving Referral to Treatment targets.
- 3.9 Commission regular reviews of key contracts, suppliers and partners to ensure they continue to deliver value for money.
- 3.10 Provide assurance to the Board that arrangements for information governance are robust.
- 3.11 Receive reports relating to the Health Board's Digital Programme to ensure benefits realisation from the investment made.
- 3.12 Review any investment/ disinvestment strategy, maintaining oversight of the investments and disinvestments, ensuring compliance with policies by:
 - Establishing the overall methodology, processes and controls which govern investments and disinvestments, including the prioritisation of decisions;
 - Ensuring that robust processes are followed; and

- Evaluating, scrutinising and monitoring subsequent investments/ disinvestments.
- 3.13 Oversee the development and implementation of a financial management improvement agenda across the organisation.
 - 3.14 Subject to the Board’s direction and approval, develop and regularly review 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.
 - 3.15 Seek assurances on the requirements arising from HDdUHB’s regulators, WG and professional bodies (PO 3B).
 - 3.16 Review and approve financial procedures on behalf of the Health Board.
 - 3.17 Review and approve the annual work plans for any Sub-Committee which has delegated responsibility from the Sustainable Resources Committee and oversee delivery.
 - 3.18 Approve policies within the scope of the Committee.
 - 3.19 Agree issues to be escalated to the Board with recommendations for action.

4. Membership

4.1 Formal membership of the Committee shall comprise of the following:

| Member |
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| Independent Member (Chair) |
| Independent Member (Vice Chair) |
| 3 x Independent Members |

4.2 The following should attend Committee meetings:

| In Attendance |
|---|
| Director of Finance |
| Director of Operations |
| Director of Primary Care, Community & Long Term Care |
| Other Lead Executives to be invited to attend for relevant Planning Objectives aligned to the Committee i.e. Medical Director/Deputy CEO (for PO 6D, 6E, 6F), Director of Strategic Development & Operational Planning (for PO 6G)) |

4.3 Membership of the Committee will be reviewed on an annual basis.

5. Quorum and Attendance

- 5.1 A quorum shall consist of no less than three of the membership and must include as a minimum the Chair or Vice Chair of the Committee, and two other Independent Member(s), together with a third of the In Attendance members.
- 5.2 The membership of the Committee shall be determined by the Board, based on the recommendation of the UHB Chair, taking into account the balance of skills and expertise necessary to deliver the Committee's remit, and subject to any specific requirements or directions made by the Welsh Government.
- 5.3 Any senior officer of the UHB or partner organisation may, where appropriate, be invited to attend, for either all or part of a meeting to assist with discussions on a particular matter.
- 5.4 The Committee may also co-opt additional independent external 'experts' from outside the organisation to provide specialist skills.
- 5.5 Should any officer member be unavailable to attend, they may nominate a deputy with full voting rights to attend in their place, subject to the agreement of the Chair.
- 5.6 The Chair of the UHB reserves the right to attend any of the Committee's meetings as an ex officio member.
- 5.7 The Head of Internal Audit shall have unrestricted and confidential access to the Chair of the Sustainable Resources Committee.
- 5.8 The Committee can arrange to meet with Internal Audit and External Audit (and, as appropriate, nominated representatives of Healthcare Inspectorate Wales), without the presence of officers, as required.
- 5.9 The Chair of the Sustainable Resources Committee shall have reasonable access to Executive Directors and other relevant senior staff.
- 5.10 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

6. Agenda and Papers

- 6.1 The Committee Secretary is to hold an agenda setting meeting with the Chair and/or Vice Chair and the Lead Director (Director of Finance), at least **six** weeks before the meeting date.
- 6.2 The agenda will be based around the Committee work plan, identified risks, matters arising from previous meetings, issues emerging throughout the year, and requests from Committee members. Following approval, the agenda and timetable for request of papers will be circulated to all Committee members.
- 6.3 All papers must be approved by the Lead/relevant Director.

- 6.4 The agenda and papers will be distributed **seven** days in advance of the meeting.
- 6.5 The minutes and action log will be circulated to members within **ten** days to check the accuracy.
- 6.6 Members must forward amendments to the Committee Secretary within the next **seven** days. The Committee Secretary will then forward the final version to the Committee Chair for approval.

7. In Committee

- 7.1 The Committee can operate with an In Committee function to receive updates on the management of sensitive and/or confidential information.

8. Frequency of Meetings

- 8.1 The Committee will meet bi-monthly and shall agree an annual schedule of meetings. Any additional meetings will be arranged as determined by the Chair of the Committee in discussion with the Lead Executive.
- 8.2 The Chair of the Committee, in discussion with the Committee Secretary, shall determine the time and the place of meetings of the Committee and procedures of such meetings.

9. Accountability, Responsibility and Authority

- 9.1 Although, as set out within these terms of reference, the Board has delegated authority to the Committee for the exercise of certain functions, it retains overall responsibility and accountability for ensuring the quality and safety of healthcare for its citizens, through the effective governance of the organisation.
- 9.2 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 9.3 The Committee shall embed the UHB's vision, corporate standards, priorities and requirements, e.g. equality and human rights, through the conduct of its business.
- 9.4 The requirements for the conduct of business as set out in the UHB's Standing Orders are equally applicable to the operation of the Committee.

10. Reporting

- 10.1 The Committee, through its Chair and members, shall work closely with the Board's other Committees, including joint/sub committees and groups, to provide advice and assurance to the Board through the:
 - 10.1.1 joint planning and co-ordination of Board and Committee business;
 - 10.1.2 sharing of information.

- 10.2 In doing so, the Committee shall contribute to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework.
- 10.3 The Committee may establish sub-committees or working/task and finish groups to carry out on its behalf specific aspects of Committee business. The Committee will receive an update following each sub-committee or working/task and finish group meeting detailing the business undertaken on its behalf. The Sub-Committee reporting to this Committee is the:
- 10.3.1 Information Governance Sub-Committee
- Management/task & finish groups feeding into this Committee are the:
- 10.3.2 Agile Digital Business Group
- 10.3.3 Commissioning Group
- 10.4 The Committee Chair, supported by the Committee Secretary, shall:
- 10.4.1 Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes the submission of a Committee update report, as well as the presentation of an annual report within six weeks of the end of the financial year.
- 10.4.2 Bring to the Board's specific attention any significant matters under consideration by the Committee.
- 10.4.3 Ensure appropriate escalation arrangements are in place to alert the UHB Chair, Chief Executive or Chairs of other relevant Committees, of any urgent/critical matters that may compromise patient care and affect the operation and/or reputation of the UHB.
- 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.

11. Secretarial Support

- 11.1 The Committee Secretary shall be determined by the Board Secretary.

12. Review Date

- 12.1 These terms of reference and operating arrangements shall be reviewed on at least an annual basis by the Committee for approval by the Board.

Strategic Objectives Relevant to Sustainable Resources Committee

| P.O. Ref | Recovery Plan Section | Planning Objective | Executive Lead |
|----------|-----------------------|---|-------------------------|
| 6A | 5 | Develop a detailed 3 year financial plan based on the finance team's assessment of allocative and technical value improvements, income opportunities and 3rd party expenditure value-for-money that can be captured within that timeframe. This plan should support the Health Board's other objectives and command the support of Welsh Government and the Board. This will require a process to allocate these opportunities to relevant budgets and support budget holders to identify, plan and deliver the changes necessary to realise those opportunities. A clear monitoring and escalation process will be required to ensure budget holders deliver their plans and Board maintains clear oversight | Huw Thomas |
| 6B | 5 | Establish an on-going process to review and refresh the assessment of technical and allocative value improvements and income opportunities open to the Health Board and use this both to maintain in-year financial delivery and future budget setting. | Huw Thomas |
| 6C | 5 | Construct a 5 year financial plan that achieves financial balance based on securing the opportunities arising from the implementation of the strategy "A Healthier Mid and West Wales" and progress made in the interim period on the allocative and technical value improvements, income opportunities and 3rd party expenditure value-for-money improvements. This plan will command the support of Welsh Government and the Board | Huw Thomas |
| 6D | 2 | Develop the capability for the routine capture of PROMS and implement in all clinical services within 3 years. Establish the required digital technology and clinical leadership and engagement to facilitate pathway redesign based on these insights and put in place impact measurement processes to evaluate changes at a pathway level | Phil Kloer |
| 6E | 4 | Design and implement a VBHC education programme to be implemented with academic institutions for managers and clinicians that could also be offered to partners | Phil Kloer |
| 6F | 4 | Implement a VBHC pathway costing programme for all clinical services that is capable of being completed within 3 years, and prioritised based on the likelihood of generating change. | Huw Thomas / Phil Kloer |
| 6G | 3 | To develop a plan during 2021/22 and begin implementation within the next 3 years to make all Health Board services carbon neutral by 2030 and establish Green Health initiatives across the health board estate building on the work currently underway. The aim will be to address the | Lee Davies |

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| | | climate emergency at Health Board level, improve the natural environment and support the wellbeing of our staff and public. | |
| 6H | 5 | <p>To be completed by the end of 2021/22 undertake a full analysis of our supply chain in light of the COVID-19 pandemic to assess the following:</p> <ul style="list-style-type: none"> - Length and degree of fragility - Opportunities for local sourcing in support of the foundational economy - Carbon footprint - Opportunities to eliminate single use plastics and waste <p>The resulting insights will be used to take immediate, in-year action where appropriate and develop proposed Planning Objectives for 2022/23 implementation</p> | Huw Thomas |
| 6I | 5 | By September 2021 propose new Planning Objectives to establish locality resource allocations covering the whole health budget (and social care where agreed with partners) and test innovative approaches to driving the shift of activity from secondary care settings to primary and community care. Additional aims will be to ensure secondary care thrives in doing only what it can do, shifts are based on the needs and assets of the local population, and localities progressively close the gap between budget and target resource allocation | Huw Thomas |
| 6J | 5 | To develop, by 30 September, a plan to deliver £16m of recurrent savings based on opportunities for technical and allocative efficiencies across the Health Board's budgets. The savings will need to be deliverable on a pro rata basis by the end of the financial year to ensure that the underlying deficit does not further deteriorate. This will be based on the Health Board's developing opportunities framework, and developed in conjunction with budget managers across the organisation. | Huw Thomas |
| 3B | 5 | Over the next 3 years to deliver the requirements arising from our regulators, WG and professional bodies | Joanne Wilson, Lee Davies, Mandy Rayani, Andrew Carruthers, Lisa Gostling/Philip Kloer |