

Enw'r Pwyllgor / Name of Committee	Sustainable Resources Committee
Cadeirydd y Pwyllgor/ Chair of Committee:	Mr Winston Weir, Independent Member
Cyfnod Adrodd/ Reporting Period:	Meeting held on 10 th November 2022
Y Penderfyniadau a'r Materion a Ystyriodd y Pwyllgor / Key Decisions and Matters Considered by the Committee:	
<p>The Sustainable Resources Committee has a role to advise the Board on all aspects of Finance and the revenue implications of investment decisions. In addition, the Sustainable Resources Committee provides assurance on financial performance and delivery against Hywel Dda University Health Board (HDdUHB) financial plans and objectives, and receives assurance on progress against delivery of the Planning Objectives aligned to the Committee. With regard to financial control, the Committee provides early warning of potential financial performance issues and makes recommendations for action to improve the financial position of the organisation.</p> <p>This report summarises the work of the Sustainable Resources Committee at its meeting held on 10th November 2022.</p> <ul style="list-style-type: none"> • Assurance over Delivery of the Strategic Programmes of Change – the Committee received the Assurance over Delivery of the Strategic Programmes of Change report and an accompanying presentation, providing a high-level overview of the key programmes of work for the delivery of the Health Board's strategic programmes of change. The slides contain activity and/or financial trajectories, the basis of which, set out the anticipated benefits the programme of work will deliver. It is anticipated that the programmes will deliver a number of benefits to the Health Board. Each programme will provide the platform and foundation to drive a number of improvements across performance, quality and finance. The programmes are intended to address a multitude of pressures across the system. Consequently, each programme has been incepted to remedy specific challenges facing the Health Board. It has been well highlighted that the current financial challenges require targeted approaches across the following domains: <ul style="list-style-type: none"> ○ Nursing Workforce Stabilisation Plan ○ Family Liaison Officer (FLO) ○ Alternative Care Unit ○ Transforming Urgent and Emergency Care ○ Increasing Community Capacity ○ Mental Health and Learning Disabilities (Continuing Healthcare) <p>Each Senior Responsible Officer (SRO) had been requested to attend the Committee meeting to provide the requisite assurance to the Committee and alleviate any issues and/or concerns. The Committee welcomed the clarity of the slides providing a summary of the root cause, financial implication by category, and the proposed action of the key drivers of financial challenge. The Committee acknowledged that how the work</p>	

translates into activity trajectories, and then into financial trajectories to embed changes within the forecast, is a work in progress. The Committee recognised the complexity and scope of what is being done and requested continued reporting to the Committee as a standard agenda item.

- **Finance Report Month 6, 2022/23** – the Committee received the Month 6 (M6) 2022/23 Finance Report, outlining the Health Board's revised draft Financial Plan to deliver a deficit of £62.0m, after savings of £13.9m; this recognises the inadequate level of assurance around directorate overspend mitigation plans and the identification of a further £15.5m of savings schemes deliverable within the current financial year against the initial £25.0m deficit Plan. Since the initial plan submission, each Executive Director and their respective leadership teams have been reviewing their operational plans to deliver a step change through a Target Operating Model (TOM) approach; the basis for transformation improvement programmes, supported by the Planning Objective structure and governance. Whilst these have yielded benefits, such as the recovery plan to deliver dedicated ring-fenced wards for elective procedures, they are unfortunately not sufficient to improve the financial outlook. The Health Board continues to have to commit expenditure at a consistent rate to maintain services whilst experiencing significant system demand and challenges. Of the identified savings schemes of £13.9m, only a small number are currently assessed as recurrent, with a full year effect of £2.0m. This is contributing to the deterioration in the underlying deficit to £75.0m from the brought forward 2021/22 position of £68.9m, which presents a challenge to be addressed as part of the TOM. The Committee was advised that financial pressures continue across the Health Board with particular pressures on pay, where the Health Board continue to rely on Agency staff to support high levels of vacancies and in Medicines Management where a combination of prescription growth and the price of Category M and no cheaper stock available (NCSO) drugs are adversely affecting run rates. Opportunity movements remains a concern however Finance Business Partnering teams are facilitating Executive led reviews of the Opportunities Framework, which will update the status of schemes in the coming weeks.

The Committee received a verbal update that the forecast has been addressed following analysis of the M7 position. As a result of the risk pressures across sites, the Health Board is expected to deliver a deficit of up to £67.0m on a gross basis. Anticipating the benefit from annual leave accrual of £8.0m, which would be a non-recurrent reduction, the forecast has been restated to £59.0m. The Committee received assurance that proposals to reduce the deficit to £59.0m, and the challenge to implement a control process to provide assurance that this is a fixed position for the rest of the year, are reported to the Executive Team.

- **A Healthier Mid and West Wales Programme Resources** – the Committee received the A Healthier Mid and West Wales Programme Resources report, attached at Appendix 1, requesting Committee recommendation of the additional resource requirements and use of external consultants for the Public Consultation and further technical work around land acquisition. The Committee scrutinised the proposal and recommended for onward submission to the Board for approval, subject to the following caveats: The

Committee did recommend that the Board approve the additional resources required, recognising that investment is needed to facilitate service change for future financial sustainability, although it was mindful of the financial position of the Health Board and the need to exercise careful judgement in appointing consultants.

- **Planning Objectives Update Report** – the Committee received the Planning Objectives Update Report and received assurance that all Planning Objectives aligned to the Committee are on track to deliver against their key deliverables.
- **Finance Corporate Risks** – the Committee received the Finance Corporate Risks report, providing detail on the 3 risks scored against the Finance impact domain, and received assurance that all planned actions will be implemented within the stated timescales and will reduce the risk further and/or mitigate the impact, if the risk materialises. Referencing Risk 1432 *Risk to the delivery of the Health Board's draft interim Financial Plan for 2022/23*, the Committee was advised that delivery of the Health Board's draft interim Financial Plan for 2022/23 will not be achievable due to the cash consequences of funding the increased deficit, and therefore the risk score has increased from 16 to 25. However, the Committee received assurance that the mitigating actions against this risk will be reviewed and aligned with the actions necessitated as part of the Targeted Intervention work, which will in turn provide collective assurance to Welsh Government.
- **Finance Operational Risks** – the Committee received the Finance Operational Risks report, providing detail on the 8 risks scored against the Finance impact domain. The Committee received assurance that all relevant controls and mitigating actions are in place. In relation to an action from the previous Committee meeting requesting clarification of the roles and responsibilities of the and Finance Business Partners, the Committee received assurance that these operational risks have been returned to Directorate Budget Holders with support provided by the Finance Business Partners.
- **Integrated Performance Assurance Report (IPAR)** – the Committee received the Integrated Performance Assurance Report (IPAR), relating to Month 6 2022/23. With regard to measures for third party spend (with Hywel Dda and Welsh suppliers), the Committee noted the good work being done to promote local suppliers, and recognised the importance of awarding well, in terms of the social value impact of the Health Board's procurement, in addition to awarding locally. The Committee received assurance that a further update regarding the impact on social value would be presented to the Committee in the new year as part of the work on the Procurement strategy.
- **Information Governance Sub-Committee Update Report** – the Committee received the Information Governance Sub-Committee (IGSC) Report, providing an update on items discussed at its meeting on 24th October 2022. The Committee received assurance that Data Quality will feature as a standard agenda item of the IGSC and that any issues would be escalated to the Committee via the IGSC Update Report. With regard to training compliance, the Committee was advised that there are approximately 2,500

staff identified as not having their Mandatory IG training compliance in place on the Electronic Staff Record (ESR). The Committee received assurance that Information Governance (IG) will continue to circulate newsletters to encourage staff to update their compliance on ESR. A revised IGSC Terms of Reference was considered by the Sub-Committee which, subject to minor amendments and approval by the Sub-Committee at its next meeting, will be submitted to the Committee for approval at its meeting on 20th December 2022. The Sub-Committee approved the Information Rights Procedure and the Unauthorised Access Procedure. The Committee received assurance that all four HDdUHB Managed Practices submitted their responses to the IG Toolkit 2021/22 by 30th September 2022, as requested by Digital Health and Care Wales (DHCW).

- **Decarbonisation Task Force Group Update Report** – the Committee received the Decarbonisation Task Force Group Update Report from the meeting held on 20th October 2022 and approved the Decarbonisation Task Force Group Terms of Reference following review by the Group at its meeting on 20th October 2022. A revised Sustainable Resources Committee’s Terms of Reference, attached at Appendix 2, reflecting inclusion of the Decarbonisation Task Force Group as a reporting group of the Committee was presented for information.
- **Consultancy Review** – the Committee received the Consultancy Review report detailing one consultancy contract, Philip Charles Click, entered into during the period 19th August 2022 to 19th September 2022 for the Transforming Mental Health Programme at a value of £13,391. The Committee received assurance that the contract was presented to the Audit and Risk Assurance Committee at its meeting on 18th October 2022.
- **Award of NHS Primary Care Personal Dental Services** – the Committee received the Award of NHS Primary Care Personal Dental Services report, attached at agenda item 6.1.1, requesting Committee consideration of the awarding of the Ammanford General Dental Services Contract to Dental Practice 1, following the completion of the prescribed tender process and recommended for Board approval at its meeting on 24th November 2022.
- **Financial Procedures** – the Committee approved the following financial procedures:
 - 050 Cash Imprest Accounts – Rehabilitation Monies
 - 066 Losses & Special Payments
 - 070 Hospital Travel Cost Scheme
 - 052 Income Cash Collection
 - 078 Patient Properties and Monies
 - 1054 Purchase to PayThe Committee also approved the removal of financial procedure 068 Payment of Pharmacy Invoices, as the principles are now covered within the Purchase to Pay Procedure (FP-1054).
- **Consultancy Tax Reclamation Contract** – the Committee received the Consultancy Tax Reclamation Contract report, attached at Appendix 3, advising Members that the current contract with taxation specialists to provide

a value-added tax (VAT) consultancy service is due to expire shortly. The Committee received assurance that support from external consultants is required to ensure compliance with legislation and that reclaimable VAT is maximised. The indicative value is £200,000, which is an estimate based on the provider receiving a percentage of the VAT reclaim received by the Health Board in line with current contract values. The Committee considered the tender to appoint VAT consultants for a period of 3 years, with an option to extend for a further 2 years and recommended for Board approval at its meeting on 24th November 2022.

- **Healthcare Contracting, Commissioning and Outsourcing Update** – the Committee discussed the Healthcare Contracting, Commissioning and Outsourcing Update report, and received assurance from the mitigating actions detailed in the report.
- **Balance Sheet** - the Committee noted the content of the Balance Sheet as at the end of Quarter 2 2022-23 and the developments to improve scrutiny of the Balance Sheet.
- **Update on All-Wales Capital Programme: 2022/23 Capital Resource Limit and Capital Financial Management** - the Committee received the Update on All-Wales Capital Programme: 2022/23 Capital Resource Limit and Capital Financial Management report, providing details of the Health Board's Capital Expenditure Plan and Expenditure Profile Forecast for 2022/23, the Capital Resource Limit for 2022/23 and an update regarding capital projects and financial risks.
- **Regional Integration Fund (RIF) Allocation Breakdown** - the Committee received the Regional Integration Fund (RIF) Allocation Breakdown report, providing an update on the Regional Integration Fund (RIF) allocation breakdown and an assessment of the status of approved project plans. With regard to monitoring of the performance aspect of the RIF, the Committee was advised that whilst the focus has been on finance to date, the Regional Partnership Board (RPB) has advised that there will be a focus on performance in the new year with the addition of a performance analyst to the team to develop a set of performance metrics. The Committee received assurance that this would be reported via the Integrated Executive Group (IEG) report to RPB and via the Strategic Development and Operational Delivery Committee.
- **Role of the Energy Price Risk Management Group** - the Committee received the Role of the Energy Price Risk Management Group report, highlighting the work done on an all Wales basis to secure energy supply to NHS Wales and to try to mitigate the costs pressures, including the enhanced monitoring and analysis being undertaken during the current period of extreme volatility and future options for when current contracts terminate.
- **Sustainable Resources Committee Work Programme 2022/23** – the Committee received assurance that the Work Programme would be reviewed in light of the current work regarding Targeted Intervention and will be presented to the Committee at its meeting on 20th December 2022.

Materion y mae angen Ystyriaeth neu Gymeradwyaeth Lefel y Bwrdd ar eu cyfer / Matters Requiring Board Level Consideration or Approval:

- **A Healthier Mid and West Wales – Programme Resources:** The Committee recommends for Board APPROVAL of the additional resource requirements and use of external consultants for the Public Consultation and further technical work around land acquisition, recognising that investment is needed to facilitate service change for future financial sustainability, although it was mindful of the financial position of the Health Board and the need to exercise careful judgement in appointing consultants.
- **Sustainable Resources Committee Terms of Reference:** The Committee recommends for Board APPROVAL of the revised SRC Terms of Reference, reflecting inclusion of the Decarbonisation Task Force Group as a reporting group of the Committee.
- **Award of NHS Primary Care Personal Dental Services:** The Committee recommends for Board APPROVAL of the awarding of the Ammanford General Dental Services Contract to Dental Practice 1, following the completion of the prescribed tender process, at a contract value of £4.87m over 10 years (see agenda item 6.1.1).
- **Consultancy Tax Reclamation Contract:** The Committee recommends for Board APPROVAL of the tender to appoint VAT consultants for a period of 3 years, at the indicative value of £200,000, which is an estimate based on the provider receiving a percentage of the VAT reclaim received by the Health Board in line with current contract values, with an option to extend for a further 2 years.

Risgiau Allweddol a Materion Pryder / Key Risks and Issues/ Matters of Concern:

- The Month 6 financial position, forecasting a financial outturn position of £62.0m in line with the re-submitted draft annual plan, which is £37m higher than the previous planned deficit of £25.0m; noting the verbal update on the improved M7 financial position and the forecast deficit, which is proposed to reduce to £59.0m.
- The potential deterioration of the recurrent/ underlying financial position due to the non-recurrent nature of identified savings.
- Assurance received by the Committee regarding the processes implemented for the delivery of the strategic programmes of change, recognising uncertainties within this to receive assurance regarding the financial challenges.
- Corporate Risk – 1432 *Risk to the delivery of the Health Board's draft interim Financial Plan for 2022/23:* Increase in Risk Score from 16 to 25.

Busnes Cynlluniedig y Pwyllgor ar gyfer y Cyfnod Adrodd Nesaf / Planned Committee Business for the Next Reporting Period:

Adrodd yn y Dyfodol / Future Reporting:

In addition to the items scheduled to be reviewed as part of the Committee's work programme, following up progress of the various actions identified at the previous Committee meeting will be undertaken.

Dyddiad y Cyfarfod Nesaf / Date of Next Meeting:

20th December 2022



PWYLLGOR ADNODDAU CYNALIADWY SUSTAINABLE RESOURCES COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	10 November 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	A Healthier Mid and West Wales – Programme Resources
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies, Director of Strategic Development & Operational Planning
SWYDDOG ADRODD: REPORTING OFFICER:	Elder Rosser, Head of Capital Planning

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

The Board, at its meeting on 4th September 2022, approved the resource requirements for the delivery of the land consultation project and the consultancy costs, recognising that these are within existing budgets for the current financial year, which will allow the programme of work to continue in relation to the shortlisted sites for the proposed new hospital.

The Committee is asked to recommend the additional resource requirements and use of external consultants for the Public Consultation and further technical work around land acquisition included in this report for onward submission to the Board for approval at its meeting on 24th November 2022.

Cefndir / Background

Work continues on the range of activities needed to progress land and programme related activities. Primarily, these relate to

- Public consultation
- Land negotiations
- Technical work in support of land negotiations
- Technical work to progress 'planning' related activities.

The letter of the 31st August 2022 from the Welsh Government Deputy Director of Capital, Estates and Facilities references the need for a clinical review and the development of a Strategic Outline Case. Subsequently, it has been indicated that financial support will be available to support these however it is unclear how much support will be forthcoming in this financial year. The possibility of financial support for the land and planning related activities has also been considered but again there is no certainty on the extent and timing of support for this work. Therefore, the resource assumptions set out in this paper are based on the Health Board being required to fund these activities in 2022/23.

Asesiad / Assessment

Slides were presented to the Public and In-Committee Board meetings in September 2022, which set out the resource requirements identified for:

- Public Consultation - £295k
- Land and Planning - £350k

The resource requirements for the Public Consultation have been updated to reflect most recent discussions on resource requirements as follows:

- Expert advice and guidance - £21,448. Advice on all aspects of preparing for and delivering a lawful consultation to best practice standards. The allocation is flexible in that it may be utilised to draw-in the wider expertise.
- External project management support - £38,970 (90 days support) to co-ordinate the pre consultation and consultation activities.

This represents an increase of c£50,000 over the previously approved figure.

Further information has also been received around the additional costs to progress with the technical work associated with land acquisition this now reflects costs to the end of July 2023 as opposed to just the 2022/23 costs.

- Expert technical support for additional transport and highways evaluation and modelling hydraulic modelling - £125,000
- Expert technical project management support - £40,000
- Support to draft and prepare the Strategic Outline Case – £120,000est

This will represent an additional cost of £285k to the previously approved figure

Work is also being undertaken on the development of a resource schedule for Welsh Government to consider on the funding of cost to progress with the next steps of our Programme Business Case this will hopefully mitigate some of the notified costs. The consequences of waiting until we are clear around the level of Welsh Government funding for these costs is a time delay in the appointment of expert support and a subsequent delay in the progression of the land consultation and technical work associated with land acquisition.

The Sustainable Resources Committee and the Board will be kept apprised of the WG and Heath Board contributions to the programme costs.

Further to discussions with the Senior Finance Business Partner it is currently anticipated, that the additional costs will all be incurred in 2023/24. The costs associated with 2023/24 are to be included in the 2023/24 annual plan, at which point clarity should be available from WG on funding availability, and a further decision taken as part of the annual financial plan if costs can be fully committed within the resources available.

Argymhelliad / Recommendation

The Committee is asked to **RECOMMEND**

- the additional resource requirements and
- the use of external consultants

for the Public Consultation and further technical work around land acquisition included in this report to the Board for approval at its meeting on 24th November 2022.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	2.3 To scrutinise and provide oversight of financial and revenue consequences of capital investment planning and significant business cases (both short term and in relation to longer term sustainability).
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Risk 1196 Insufficient investment in facilities/equipment/digital infrastructure
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	1.1 Health Promotion, Protection and Improvement
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	5C_22 Business Cases for A Healthier Mid and West Wales
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	9. All HDdUHB Well-being Objectives apply

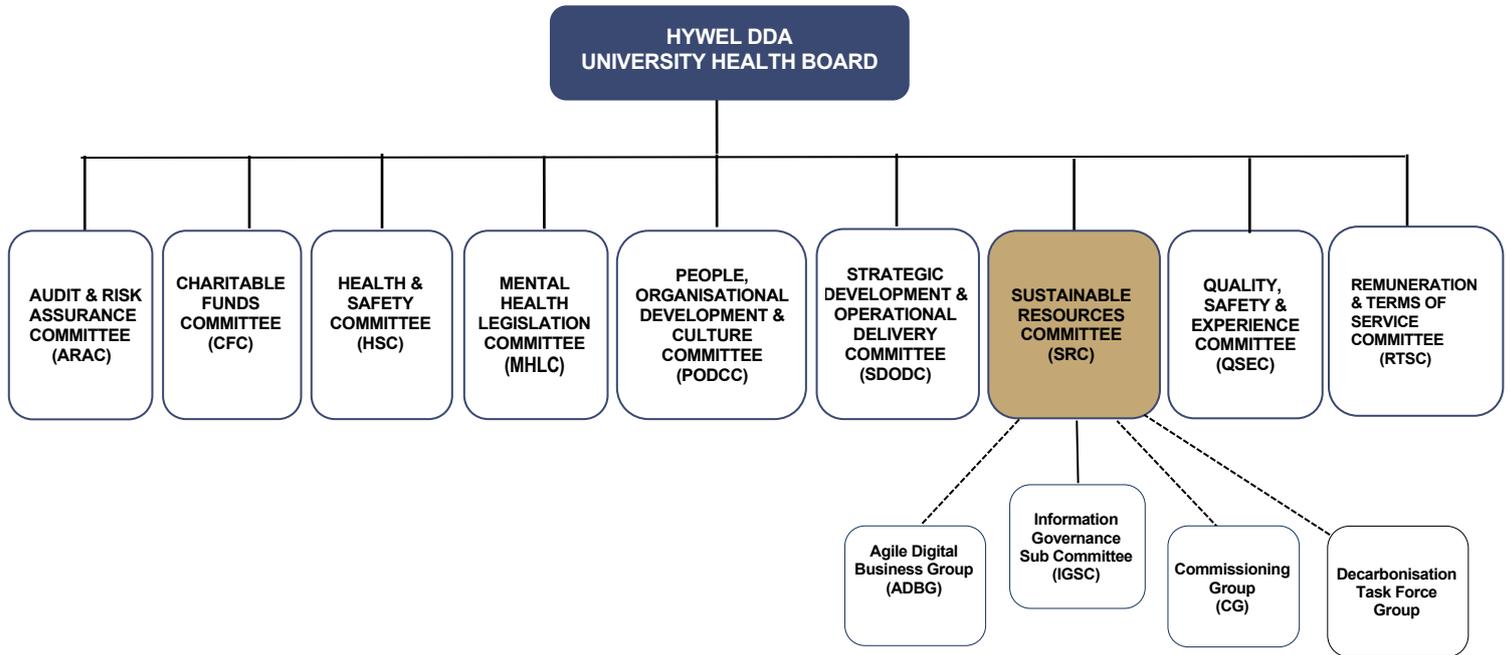
Gwybodaeth Ychwanegol:

Further Information:

Ar sail tystiolaeth: Evidence Base:	Contained within the report
Rhestr Termiau: Glossary of Terms:	Contained within the report
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Adnoddau Cynaliadwy: Parties / Committees consulted prior to Sustainable Resources Committee:	Contained within the report

Effaith: (rhaid cwblhau)

Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Funding sought from Welsh Government
Ansawdd / Gofal Claf: Quality / Patient Care:	Implicit within the Programme Business Case (PBC). This is an integral part of the PBC case for change
Gweithlu: Workforce:	Implicit within the PBC. This is an integral part of the PBC case for change
Risg: Risk:	Risk 1196 Insufficient investment in facilities/equipment/digital infrastructure
Cyfreithiol: Legal:	Implicit within the PBC
Enw Da: Reputational:	Implicit within the PBC
Gyfrinachedd: Privacy:	Implicit within the PBC
Cydraddoldeb: Equality:	Included within the PBC is Equality & Health Impact Assessment which will remain 'live' through the duration of the programme



SUSTAINABLE RESOURCES COMMITTEE

TERMS OF REFERENCE

Version	Issued To	Date	Comments
V0.1	Hywel Dda University Health Board	29.07.2021	Approved
V0.2	Sustainable Resources Committee	28.06.2022	Approved
V0.2	Hywel Dda University Health Board	28.07.2022	Approved

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 capital investment planning and significant business cases (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 significant revenue (all those over £1million requiring Board approval), business cases, projects, and proposed investment decisions on behalf of the Board.
- 2.6 Regularly review contractual performance with significant commissioning partners (requiring Board approval as stated in the Scheme of Delegation).
- 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 medium term financial plans, savings plans and decarbonisation plans, that are developed and implemented, supporting and endorsing these as appropriate (see Appendix 1).
- 3.3 Receive assurances in respect of Directorate performance against annual budgets, capital plans and the Cost Improvement Programme and innovation and productivity plans.
- 3.4 Maintain oversight of, and obtaining assurances on, the robustness of key income sources and contractual safeguards.
- 3.5 Review major procurements and tenders, such as outsourcing, in relation to achieving Referral to Treatment targets.
- 3.6 Commission regular reviews of key contracts, suppliers and partners to ensure they continue to deliver value for money.
- 3.7 Provide assurance to the Board that arrangements for information governance are robust.
- 3.8 Receive reports relating to the Health Board's Digital Programme to ensure benefits realisation from the investment made.
- 3.9 Review any investment/ disinvestment strategy, including Procurement and Contracting 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.
- 3.10 Oversee the development and implementation of a financial management improvement agenda across the organisation.

- 3.11 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.
- 3.12 Seek assurances on the requirements arising from HDdUHB's regulators, WG and professional bodies (PO 3B).
- 3.13 Review and approve financial procedures on behalf of the Health Board.
- 3.14 Review and approve the annual work plans for any Sub-Committee which has delegated responsibility from the Sustainable Resources Committee and oversee delivery.
- 3.15 Approve policies within the scope of the Committee.
- 3.16 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
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 or relevant agenda items.

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

10.3.4 Decarbonisation Task Force 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.

PWYLLGOR ADNODDAU CYNALIADWY SUSTAINABLE RESOURCES COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	10 November 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	Consultancy VAT Reclamation Contract
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Huw Thomas, Director of Finance

Pwrpas yr Adroddiad (dewiswch fel yn addas) Purpose of the Report (select as appropriate)
Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA SBAR REPORT
<u>Sefyllfa / Situation</u>
<p>The use of consultancy is necessary when the specific skills are not available within the Health Board. For this reason, the Health Board engages taxation specialists to provide a value-added tax (VAT) consultancy service. The current contract is due to expire shortly, therefore the Committee is asked to consider the tender to appoint VAT consultants for a period of 3 years, with an option to extend for a further 2 years, and to recommend for Board approval at its meeting on 24th November 2022.</p>
<u>Cefndir / Background</u>
<p>The NHS is subject to a complex VAT regime. To ensure compliance with legislation and reclaimable VAT is maximised, support from external consultants is required.</p>
<u>Asesiad / Assessment</u>
<p>The Health Board wishes to procure a VAT consultancy service to include –</p> <ul style="list-style-type: none"> • recurring VAT reviews • ad-hoc VAT reviews • VAT opportunities identification • ad-hoc expert tax advice • assistance with His Majesty's Revenue and Customs (HMRC) claims • clearance request and enquires • education and updates <p>The current contract is about to expire. A new contract for a period of 3 years with an option to extend for 2 years is proposed. The indicative value is £200,000. This is estimated based on the provider receiving a percentage of the VAT reclaim received by the Health Board in line with current contract values.</p>
<u>Argymhelliad / Recommendation</u>

The Committee is asked to consider the tender to appoint VAT consultants for a period of 3 years, with an option to extend for a further 2 years, and to recommend for Board approval at its meeting on 24th November 2022.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	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.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	7. Staff and Resources
Amcanion Strategol y BIP: UHB Strategic Objectives:	6. Sustainable use of resources
Amcanion Cynllunio Planning Objectives	6K_22 workforce, clinical service and financial sustainability
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Financial benefit from using current VAT advisors
Rhestr Termiau: Glossary of Terms:	Contained within the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Use of Resources Group

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Using VAT consultants produces a net financial gain for the Health Board
Ansawdd / Gofal Claf: Quality / Patient Care:	Not Applicable
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Using VAT consultants minimises the risk of erroneous claims
Cyfreithiol: Legal:	Using VAT consultants aids compliance with relevant legislation
Enw Da: Reputational:	Not Applicable
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	Not Applicable