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HEALTH AND ADULT SOCIAL CARE TASK AND FINISH GROUP – PLYMOUTH PROVIDER SERVICES

DATE: THURSDAY 17 MARCH 2011
TIME: 3 PM
PLACE: COUNCIL HOUSE, PLYMOUTH

Committee Members–
Councillor Ricketts, Chair
Councillors Delbridge, McDonald, Mrs Nicholson and Wildy

Substitute-
Any Member other than a Member of the Cabinet may act as a substitute member provided that they do not have a personal and prejudicial interest in the matter under review. **However, once a review has commenced, substitutes are not permitted.**

Members are invited to attend the above meeting to consider the items of business overleaf.

Members and Officers are requested to sign the attendance list at the meeting.

Please note that, unless the Chair agrees, mobile phones should be switched off and speech, video and photographic equipment should not be used during meetings.

BARRY KEEL
CHIEF EXECUTIVE

HEALTH AND ADULT SOCIAL CARE OVERVIEW AND SCRUTINY PANEL (REVIEWS)

PART I (PUBLIC COMMITTEE)

1. APOLOGIES

To receive apologies for non-attendance submitted by Panel Members.

2. DECLARATIONS OF INTEREST

Members will be asked to make any declarations of interest in respect of items on this agenda.

3. CHAIR'S URGENT BUSINESS

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

4. TRANSFORMING COMMUNITY SERVICES

The group will consider making recommendations to Plymouth Provider Services on the content of its integrated business plan.

4a Project initiation document (pages 1 - 2)

4b Plymouth Provider Services Business Plan, Strategy (pages 3 - 18)

4c Plymouth Provider Business Plan, Governance, Leadership and Management (pages 19 - 34)

4d Witnesses

5. EVIDENCE REVIEW AND RECOMMENDATIONS

Members will review evidence from witnesses, background papers and will make draft recommendations.

6. EXEMPT BUSINESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve the likely disclosure of exempt information as defined in paragraph(s) of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE COMMITTEE)

MEMBERS OF THE PUBLIC TO NOTE

that under the law, the Panel is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

NIL.

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Request for Scrutiny Work Programme Item

1	Title of Work Programme Item	Transforming Community Services
2	Responsible Director (s)	Steve Waite, Chief Operating Officer, NHS Plymouth
3	Responsible Officer	Steve Waite, Chief Operating Officer, NHS Plymouth
4	Aim	To review the Governance and Strategy aspects of the Plymouth Provider Services Integrated Business Plan and to provide Plymouth Provider Services with recommendations for improvement and changes.
5	Objectives	<ul style="list-style-type: none"> ▪ To assume a critical friend role in reviewing the following aspects of Plymouth Provider Services: <ul style="list-style-type: none"> ○ Vision and Purpose ○ Values ○ Mission ○ Strategic Objectives ▪ To suggest improvements to the Governance, Leadership and Management section of the Integrated Business Plan. ▪ To recommend changes to Plymouth Provider Services and provide comments to the South West Strategic Health Authority.
6	Benefits	<p>The review will ensure that city priorities, as agreed by Plymouth 2020, are incorporated more fully throughout the plan.</p> <p>Elected representatives would be able to apply their experience and knowledge of governance arrangements to help develop the business plan leading to better outcomes for the general public.</p> <p>The review will highlight how the new Plymouth Provider Services would be able to engage with the Plymouth 2020 partnership in the future.</p>
7	Beneficiaries	<p>Patients, carers, staff and the general public.</p> <p>Plymouth Provider Services</p> <p>Plymouth City Council and partners.</p>

8	Criteria for Choosing Topics	Corporate priority area (Reducing Inequalities, Value for Communities and Delivering Growth and Raising Aspiration). New government guidance or legislation (Transforming Community Services Programme, QIPP). High budgetary commitment (A proposed new institution for the City and its travel to work area with a budget in excess of £90 million). Public interest issue covered in local media.		
9	Scope	The review would be restricted to part three (Strategy) and part nine (Governance, Leadership and Management) of Plymouth Provider Services Integrated Business Plan.		
10	Exclusions	All other aspects of the Integrated Business Plan.		
11	Programme Dates	February		
12	Timescales	Milestones Single meeting of the task and finish group.	Target Date for Achievement February	Responsible Officer Ross Jago
13	Links to other projects or initiatives / plans	Plymouth Provider Services link to the Plymouth Priorities: Delivering growth and raising aspiration Reducing inequalities Value for communities Plymouth Provider Services integrated business plans has been developed in response to the NHS Transforming Community Services programme and key to the Quality, Innovation, Productivity and Prevention (QIPP) programme.		
14	Relevant Overview and Scrutiny Panel	Health and Adult Social Care / Children and Young People Membership to be identified from the above panels.		
15	Lead Officer for Panel	Giles Perritt		
16	Reporting arrangements	Health OSP – 2 March 2011 (as the panel with statutory responsibilities as consultee)		
17	Resources	Officer time.		
18	Budget implications	There are no additional budget implications.		
19	Risk analysis	Not proceeding with this review would mean that proposals would not receive adequate scrutiny before being implemented in April.		
20	Project Plan / Actions	Project plan to be prepared by panel		

Chapter Three

Strategy

Strategy

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3.1 Introduction

This chapter of the Integrated Business Plan sets out the aspirations of Plymouth Provider Services, describing what the organisation wants to achieve, the rationale for chasing those achievements and how the organisation intends to secure their delivery.

The new social enterprise has developed a vision, values and mission that focus clearly on establishing and maintaining services to meet the needs of the population that the organisation will serve. The vision, values and mission also acknowledge the major asset of the new organisation; the workforce.

In order to ensure that the vision described by the organisation becomes a reality for the children, young people, and adults that access the services provided by the social enterprise, it will be important to ensure that both the strategic direction and operational performance of the social enterprise are aligned with the described social purpose of the organisation.

The chosen social enterprise model, a Community Interest Company (CIC) Limited by Shares, will enable the active involvement of children, young people, and adults in developing responsive services, working in partnership with other organisations to reduce duplication, delivering services closer to home, helping to avoid hospital admissions and, where that is not possible, actively working to reduce the length of time spent in hospital.

3.2 Vision and Purpose

As a provider of comprehensive community based services, with responsibility for taking care of people's physical and mental health needs, the social enterprise occupies a unique position as an organisation that is able to significantly impact on the physical and emotional wellbeing of the local population.

The focus of the social enterprise will be the delivery of healthcare for population of Plymouth. However, the organisation will also deliver some services beyond the Plymouth boundary, to an area that is often described as the 'Derriford catchment area'; this extends into south west Devon and north east Cornwall in common with the area covered by the local acute trust.

The social enterprise will continue to deliver across this catchment, contracting with the commissioning bodies that have responsibility for

procuring services on behalf of the population in those areas. It is anticipated that there may be the potential to further extend current service delivery catchment areas; this will be dependent on the ability of the social enterprise to respond to the commissioning strategies and intentions in each of the neighbouring counties.

In developing the vision, values and mission for the social enterprise, recognition was given to the fact that the organisation offers services across the whole age range.

Vision

To develop our business in a new way, working together with others to help the local population to be physically and mentally well, to get better when they are ill, and when they cannot fully recover, to help them stay as well and as independent as they can until the end of their lives.

Values

Our values arise from our commitment to work collaboratively with others to make sure that everyone in the community has the same chance of staying healthy, independent, and safe.

We recognise that offering services across the age range means that we need to develop a 'Think Family' approach to the care that we deliver; this means we will arrange ourselves around the family and not according to perceived boundaries between services for adults, children, and young people.

We will always involve the adults, children, and young people we care for in deciding how we can provide our services to best meet their needs and to make sure they are able to access the right help, at a time that they need it, and in a place that is close to their home.

We recognise the contribution our staff make and believe in making sure that our staff receive the right training and support to help them do their job to the best of their ability every day that they come to work. We recognise the need to empower our workforce and invite them to help the organisation to find creative and innovative solutions to any challenges we may face in the future.

We will use all of the resources we have available to us to provide effective, efficient, high quality, safe, and sustainable health services for the community. We are committed to devoting the public funds we receive solely for the benefit of the people who we serve.

3.3 Strategic Objectives

The creation of the social enterprise will also enable a number of critical benefits to be realised. These benefits have been derived from the areas identified in *The Assurance and Approvals Process* as an essential test of the 'fitness for purpose' of the new organisation. Incorporating these three elements into the future business strategy of the organisation will be vital to ensuring the long term success of the social enterprise and the delivery of services for patients that demonstrate continuous quality improvement. They are:

- **Improved quality** – including development of accurate, measurable and meaningful patient outcomes, service integration and stakeholder engagement;
- **Increased efficiency** – including the improved usage of existing assets and identification of technical and allocative efficiencies in line with the QIPP agenda;
- **Sustainability** – ensuring the ongoing viability of the service by establishing and maintaining a leaner, more efficient organisation that operates with a 'whole system' approach to reducing cost and improving quality.

The strategic objectives of Plymouth Provider Services have been developed with these critical benefits in mind. The vision, values and mission of the organisation, along with these critical benefits, have determined the approach that has been adopted in setting the short, medium, and long term strategic framework within which the organisation will operate in the next five years.

Therefore, all of the strategic objectives have been determined as requiring planning and implementation of service change to take place to enable their delivery in the next five years (from 2011/12 to 2016/17). However, there are some that are more closely linked with programmes of work that require delivery in the next three years, for example strategic objective number eight, which is focused on supporting the achievement of the QIPP plans for the

local health community, will be expected to be delivered within the timeframe for that programme of work (2011/12 – 2013/14).

It is worth noting that the strategic objectives will also be linked to the performance management framework for the organisation, described in more detail in chapter nine. The achievement of these objectives within a defined timescale will mark the success of the new organisation and enable the organisation to operate at the level of ‘elite’ in the context of the assessment of organisation health described in chapter one and set out in more detail in Annexe 1.1.

The strategic objectives, along with the rationale for their adoption and the links to the underpinning enabling strategies developed by the organisation to support their achievement are described below in Figure 3.1:

Figure 3.1

Strategic objective	Rationale	Timescale for delivery	Link to underpinning enabling strategy
1. To reduce health inequality by ensuring that we provide services proportionate to need and close to where people live.	<ul style="list-style-type: none"> There is evidence from the Joint Strategic Needs Assessment and needs assessment undertaken to support the development of the Children and Young People’s Plan that there are marked variations in health outcomes across the city. The direction of national policy, evidenced clearly in <i>Equity and Excellence</i> (and supported in the Public Health White Paper published in December 2010) supports the move towards the delivery of services outside of traditional, acute hospital settings, with a shift to community based provision delivered closer to the homes or workplaces of service users. 	<ul style="list-style-type: none"> 2011/12 – 2016/17 	<ul style="list-style-type: none"> Transformation & Service Development Strategy
2. To increase the physical and mental health of our population, evidencing this through clinical outcome measurement.	<ul style="list-style-type: none"> The direction of national policy, evidenced clearly in <i>Equity and Excellence</i> expects the development of well-defined and meaningful outcome measures that enable organisations to evidence the impact of their intervention. Clinical outcome measurement is already operating across specific service lines and informing clinical practice. Adopting this practice organisation-wide will improve the quality of services provided as well as enabling informed business decisions to be made. 	<ul style="list-style-type: none"> 2011/12 – 2016/17 	<ul style="list-style-type: none"> Transformation & Service Development Strategy

Figure 3.1			
Strategic Objective	Rationale	Timescale for delivery	Link to underpinning enabling strategy
3. To work within a whole system approach to prevent the escalation of need and to address multiple needs in order to reduce risk taking behaviour.	<ul style="list-style-type: none"> • There is a growing international and national evidence base to support the adoption of 'whole system' working, through integration and development of end to end pathways. It is recognised that this will be critical to delivery of the QIPP agenda and to ensure continued efficiency savings to be realised. • Working collaboratively, as part of a designed whole system organisation, and with other partners, will enable an increase in prevention and early intervention work to take place. • A whole system approach will also enable the services to recognise those service users with multiple needs, enabling a joined up approach to be adopted in responding to those needs. 	<ul style="list-style-type: none"> • 2011/12 – 2016/17 	<ul style="list-style-type: none"> • Transformation & Service Development Strategy • 'Think Family' Strategy
4. To empower staff to work in partnership with children, young people, and adults to ensure integrated thinking and practice is central to the care of each person who uses our services.	<ul style="list-style-type: none"> • 'NHS Mutual' recognised that empowerment of the workforce has remained largely rhetoric in NHS organisations. The move to a social enterprise model, supporting an employee ownership approach, will allow more active engagement and involvement of the workforce in both the planning and future direction of services. • An integrated approach to delivery of services, internally and through partnerships with other organisations, will support the achievement of the QIPP agenda. 	<ul style="list-style-type: none"> • 2011/12 – 2014/15 	<ul style="list-style-type: none"> • Workforce & Organisational Development Strategy
5. To enable successful transitions. This means between services for children, young people, educational and social care placements, and in transition to adult care.	<ul style="list-style-type: none"> • Transitions for children and young people to adult services is an area that is recognised by the Kennedy Report – 'Getting it right for children and young people' as one that required improvement. • Reducing handoffs and duplications, internally and when working with other organisations, will improve the experience of care for service users. • Improving transitions between education, health and social care will also support the delivery of the QIPP agenda, by ensuring that only those steps which add value from a quality and an efficiency perspective are adopted as part of a pathway of care. 	<ul style="list-style-type: none"> • 2011/12 – 2014/15 	<ul style="list-style-type: none"> • Transformation & Service Development Strategy • 'Think Family' Strategy

Figure 3.1			
Strategic Objective	Rationale	Timescale for delivery	Link to underpinning enabling strategy
6. To engage with other social enterprises and the voluntary and community sector in service delivery and in sharing examples of best practice.	<ul style="list-style-type: none"> In order to ensure that the organisation achieves its vision of 'doing business in a different way' it must learn from other partners in the social enterprise sector. There is recognition within the organisation that collaborative and partnership arrangements with others in the social enterprise and voluntary and community sector may enable innovative service development to take place (e.g. involvement of Routeways charity in the services offered by Children and Families Services has supported the participation agenda). 	<ul style="list-style-type: none"> 2011/12 – 2012/13 	<ul style="list-style-type: none"> Transformation & Service Development Strategy Communications & Engagement Strategy Marketing Strategy
7. To create flexible and attractive working arrangements for existing and new staff, encouraging and nurturing a competent and caring approach to service delivery.	<ul style="list-style-type: none"> There is international and national evidence that indicates that whether staff feel valued, supported and ably directed has a direct impact on the care they are able to provide for service users, as well as on other measures of performance such as sickness absence ('NHS Mutual'). The organisation recognises, and reflects in its values, that staff must be empowered to help address the challenges the organisation may face in the future. Their contribution must be recognised as part of the organisational culture and through the operation of terms and conditions of employment. 	<ul style="list-style-type: none"> 2011/12 – 2012/13 	<ul style="list-style-type: none"> Workforce & Organisational Development Strategy Communications & Engagement Strategy
8. To ensure the long-term financial sustainability of the organisation and to work together with other partners in the local health economy to ensure that the planned transformation of community based services supports the achievement of the local QIPP plans.	<ul style="list-style-type: none"> The long term sustainability of the organisation is integral to the achievement of the seven strategic priorities preceding this one. Achievement of the QIPP plans for the local health economy has been identified as regional and national priority. 	<ul style="list-style-type: none"> 2011/12 – 2014/15 	<ul style="list-style-type: none"> Transformation & Service Development Strategy Investment Strategy Communications & Engagement Strategy

As part of the annual business planning cycle that will be undertaken within the social enterprise, specific business objectives will be developed to support the delivery of services to individual areas of the business (i.e. those for services for adults and those for services for children and young people). This approach recognises that there will be different priority areas for the individual areas of the social enterprise to focus on.

However, the expectation is that the business objectives developed for adult services and those for children and young people are aligned with the overarching objectives for the wider organisation and that they provide evidence that their individual business objectives are enabling achievement of the social enterprise's strategic objectives.

It is anticipated that a further shared objective, to be developed over the course of 2011/12, is the adoption of the 'Think Family' principle referred to in the values. This principle seeks to emphasise and add value to the previous government's cross departmental policy to reduce the risks for vulnerable families. Although the language of the current Coalition Government reflects the focus on multi-complex families, early intervention and prevention, Plymouth Provider Services feels that 'Think Family' as a principle captures the ethos of the organisational approach to operating in partnership across perceived intra-organisational boundaries.

Think Family brought together the work of a small number of agencies to reduce harm and improve outcomes for a family by identifying child vulnerability within a particular scenario e.g. anti-social behaviour or parental mental health. There are a number of protocols to describe this work and a cluster of toolkits which seek to build the capacity of professionals working on the edge of their existing scope of practice.

The new social enterprise vehicle seeks to expand this by developing working practices and pathways that build upon the wider Think Family agenda; arranging a 'team around the family'. This allows the work to cluster around the family as a system and does not expect that system to separate and flag up its concerns via established, and quite separate, routes for children, adults and older adults.

An example may be of the proposed Children and Families Services Locality Health Team working with a child who has been referred to the service and recognising that there is an issue of parental mental ill health. Rather than use a process of referral and separate visit, the child's worker can, with the parent's consent, expect a professional from the appropriate service to join with the children's professional in understanding the risks and needs of the family and establishing appropriate input to the care system around that family.

Rather than limiting this to the needs of a child, the same scenario could be played out around an adult and their older adult carer, the central shift here

being that the social enterprise arranges itself around the family rather than the family arranging itself around a complex health system. This marks a clear move away from the 'silo working' practice identified as a weakness in the SWOT analysis (see chapters one and five for more detail).

By operating around the family, the system will be authentic as 'joined up' and capacity will be built across the piece in understanding the work across the full age range. This means that certain processes that the existing organisation sometime struggle to get right such as transition between services, particularly at critical age points will see rapid improvement. It also allows clear links into the work of partner agencies.

This approach, described as 'Think Family' within Plymouth Provider Services is recognised and understood within the wider context of services for children and young people within the city and it is anticipated that this approach will be supported by the Plymouth Children and Young People's Trust.

Development of a Think Family Strategy will take place over the next six months and will be undertaken in the spirit of collaboration and partnership working with children, young people, parents and carers, as well as partner organisations from across the city. It will be important for this enabling strategy to describe how the organisation can use existing, integrated processes for assessment of children and young people, for example the Common Assessment Framework (CAF), to facilitate the Think Family approach.

3.4 Rationale

The NHS Operating Framework for 2008/09 set out the requirement for all PCTs to "create an internal separation of their operational provider services, [and] agree SLAs based on the same business and financial rules as applied to all other providers".

This approach was further strengthened in April 2009, as all PCT provider services moved into a contractual relationship with their PCT commissioners under the 2009/10 NHS standard contract for community services. In order to facilitate this process, there had to be sufficient separation of functions and roles within the PCT to avoid direct conflicts of interest between the commissioner and provider elements of the organisation.

By October 2009, PCT provider services were expected to have reviewed

their long term future, and proposed the most appropriate organisational form for their services. The available organisational forms were outlined in *Enabling New Patterns of Provision*, although it should be noted that some of the options originally available to PCTs were reduced by the recent publication of the White Paper *Equity and Excellence* (e.g. the ability to merge with another, local PCT provider arm).

This policy context, outlining an explicit shift away from PCTs providing care directly to one where their business is solely focused on commissioning provision for the population they serve, means that the current model of delivery within Plymouth needs to be transformed and provided through adoption of a new organisational form.

The creation of the social enterprise has been determined as the most appropriate approach to support the transformation of the provider function across a range of areas. Social enterprise status will aid Plymouth Provider Services to accelerate the implementation of the organisation's strategy, deliver improvements in quality and enabling the organisation to progress the vision, values and mission described above.

There are a range of benefits associated with the chosen social enterprise model. They include:

- Increased opportunity for local people, service users and staff to influence service provision and development and hold the Board of the organisation to account through membership of the organisation;
- Greater financial freedoms for service developments, allowing the reinvestment of any surplus generated by the organisation back into the provision of frontline services;
- The continuation and expansion of the cross team and inter-organisational working that has already developed within the organisation;
- The promotion of mental and physical health and wellbeing, driving social inclusion and acting to minimise stigma and discrimination through the engagement and involvement of service users, the wider community and other organisations;
- The ability to maintain a Plymouth focus, working with partner agencies and operating within a whole system, integrated model to deliver healthcare in the most effective way possible;
- The ability to exploit market opportunities and respond quickly to new opportunities, taking on new business whilst retaining the defining values of the NHS and continuing to serve the local population;

- The development of a single point of access and information for services for adults and one for children and young people's services, working with Sentinel CIC to understand the demand being placed on each cluster of services;
- The establishment of integrated, locality facing teams for children and young people, which are aligned with schools and co-ordinate input to children and young people from across a range of organisations, which may in future be formally incorporated into the children's arm of the new social enterprise;
- The ability to link the locality based adults and children and young people's teams into primary care services, reducing duplication of effort and supporting the principal of a seamless pathway of care from primary to community to secondary to tertiary level services as required; and
- Embracing the government's clearly stated objective of creating the largest and most vibrant social enterprise sector in the world.

Operating as a social enterprise will enable Plymouth Provider Services to engage and involve service users, in line with approach to involving all stakeholders that the organisation has adopted. The ability to engage and involve staff, through a clearly defined employee-ownership model, will support innovation and improvement in services, which will be led from the 'bottom up' in alignment with the stated strategic objectives of the organisation.

It is anticipated that the social enterprise model will also support the diversification of income sources, enabling the organisation to pursue non-NHS income streams or the expansion of NHS income streams through the pursuit of new areas of NHS commissioned business. As there is likely to be an increased level of competition in the local market place, particularly with the expansion and operation of the 'Any Willing Provider' market testing process, the social enterprise model will allow nimbleness and responsiveness in the face of this competition to enable the expansion of the organisation.

The creation of the social enterprise will enable a number of strategic benefits to be delivered to the health community as a whole. This will include contributing to the delivery of NHS Plymouth's ambitions, achieving the desired priority outcomes and helping to achieve a 'Healthy System' for the people of Plymouth.

Those strategic ambitions, captured in the 'Strategic Framework for Improving Health in Plymouth (2010/11 – 2014/15)' are as follows:

"For the city as a whole, we will:

- *Reduce health inequalities – to target services where need is greatest;*
- *Prevent ill health – to focus on prevention, promotion and early intervention in both physical and mental ill health;*
- *Commission modern and innovative services – to best meet the needs of patients and local communities;*
- *Ensure value for money – direct resources to maximise benefit and so make best use of public money.*

For the individual we will focus on:

- *Improving quality – above all else to ensure services are safe, efficient and effective;*
- *More control – to promote independence and put the individual in control of his/her own health;*
- *Wider choice – to ensure services are varied and personalised;*
- *Easier access – to design services in partnership with partners and users to provide seamless integrated care."*

Chapter five contains more information about how the social enterprise will demonstrate responsiveness to commissioner requirements and the needs of service users.

3.5 Transition Process

In order to comply with the policy requirements outlined in *Enabling New Patterns of Provision*, clarity about the timescales to facilitate both the transfer and the transformation of services has been established.

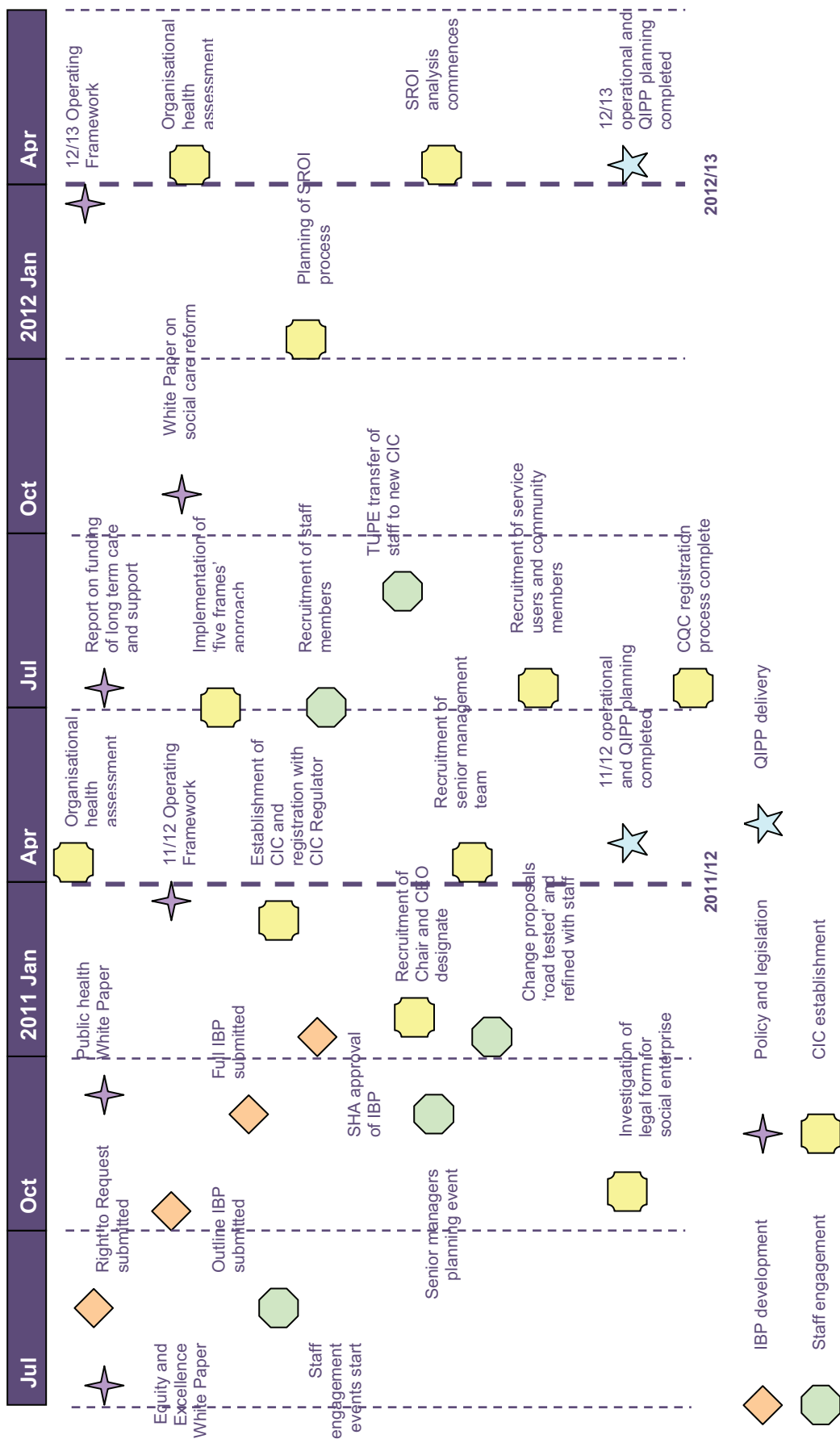
The timetable describing the transfer process is defined by the specific milestones indicated as part of the 'Right to Request' process for third wave social enterprises. This required that significant progress has been made towards enabling the transfer of staff to a new organisational form and this means that the new organisation must be legally constituted by 31 March 2011.

In order to ensure that the new organisation complies with statutory requirements and has the appropriate leadership and management structure to enable the transformation process to be implemented, consultation is underway with professional advisors. It is anticipated that an external organisation will support the due diligence process that will be undertaken to ensure that the new organisation will be fit for purpose.

In order to ensure successful completion of each key task, a high level internal project plan and timeline has been developed to describe the accountability structure to enable delivery against plan. The high level plan is attached as Annexe 3.1 and indicates where the organisation is currently positioned in the transition process.

This high level plan is underpinned by individual, task level project plans for each of the key workstreams identified in the high level project plan. These plans are described in more detail in chapter ten, which focuses on transition planning, and are attached as annexes to that chapter.

Outlined below, in Figure 3.2, are the key milestones associated with the transition process.



An internal assurance process, which has tested the development of the Integrated Business Plan against a pre-defined set of weighted measures, has been developed and implemented. This has allowed the NHS Plymouth Board to review the documents being developed to support the creation of the new organisation and to determine whether they are of sufficient quality to enable both the transfer and transformation of services.

Given the fundamental nature of the changes required to establish a new organisation, both to affect the transfer and transformation of services, a series of engagement events has been developed to engage staff and seek their views about the proposed course of action. These, along with wider stakeholder engagement, communications and consultation, are also described in more detail in chapter ten.

It should be noted that the timetable for the transformation of services has been developed in outline for each of the service development proposals and is included in chapter five. However, the detailed development of a timeline for the transformation will not take place until staff and service users have been involved in 'sense checking' the proposed changes and they have been actively involved in developing the next steps to enable the transformation of services.

3.6 Conclusion

This chapter of the business plan has set out the vision, values and mission of the organisation, as well as describing how these will be realised through the delivery of the identified strategic objectives.

The following two chapters will place these core elements of the new organisation in the context of the local market and the planned service developments, as well as reinforcing the rationale for adopting the social enterprise model.

Chapter Nine

Governance, Leadership and
Management

Governance, Leadership and Management

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9.1 Introduction

Plymouth Provider Services supports the findings of the Independent Commission on Good Governance in Public Services report and recognises that good governance means:

- Focusing on the organisation's purpose and on outcomes for citizens and service users;
- Performing effectively in clearly defined functions and roles;
- Promoting values for the whole organisation and demonstrating the values of good governance through behaviour;
- Taking informed, transparent decisions and managing risk;
- Developing the capacity and capability of the governing body to be effective;
- Engaging stakeholders and making accountability real.

The following chapter details how the social enterprise will establish robust governance arrangements as a social enterprise providing essential public services. It also describes the leadership and management arrangements for the new organisation, detailing how these structures link to the operational delivery of services and how they support the risk management and assurance process.

In order to ensure effective governance, leadership and management arrangements have been put in place, the organisation will need to demonstrate the following qualities:

- **Clinically coherent** – providing a comprehensive range of services, which are most appropriately delivered through an integrated model and with a clear focus on the delivery of care at or as near to a person's home as possible;
- **Transformative** – possessing the necessary skills and capacity to transform existing models of care that are characterised by effectiveness, efficiency and service user focus.

This transformation will reflect the requirements of the QIPP plans for the local health economy and include the adoption of the 'Think Family' philosophy as a core deliverable;

- **Well managed** – enabling the organisation to face a range of challenges relating to the delivery of services, operating and maintaining delivery and supporting the transformational change process.

Managers, clinicians and teams will be fully accountable within an overarching governance and performance framework and will be included in the change process, in line with the methodology adopted by the organisation and described in more detail in chapter five and the Transformation and Service Development Strategy; and

- **Effective interfaces with primary care, acute care and social care** – delivering high quality community care requires close coordination with social care, acute care providers and primary care providers.

The social enterprise will establish appropriate processes to enable this coordination, as well as fostering a culture which supports cooperation, empowerment, freedom for clinical innovation, and integration of service provision across traditional organisational boundaries.

Delivering these characteristics will require individuals, teams and the organisation as a whole to embrace change, as well as alignment and integration of systems and processes. The most effective way to deliver this change is through involved and engaged service users, staff and other stakeholders in the co-production of services.

The Workforce and Organisational Development Strategy will set out how this will be undertaken, with the engagement of staff, and will explore what these principles mean in practice. It is recognised that this approach is likely to require:

- Transformation skills programme for managers and clinicians across the organisation, based on the ‘five frames’ approach adopted by the organisation;
- Project management, and coaching, to implement QIPP programmes and to offer support for the wider application of the NHS Institute for Innovation and Improvement “Productive Series” (where these have not been deployed already); and
- Workshops to optimise team working arrangements for groups who will be required to coordinate care across organisational boundaries. This

will be based on externally validated programmes, including those delivered by the Health Foundation.

9.2 Governance

The governance arrangements for the social enterprise have been modelled on those already operating in successful, health focused social enterprises. The arrangements take into account the role that service users and the workforce will play in helping to ensure that Plymouth Provider Services is able to demonstrate the social value it adds to the local health economy and wider community.

Although the social enterprise operates as a CIC, it must still comply with the requirements of the UK Corporate Governance Code and must have appropriate Board and committee structures in place to support the successful governance of the organisation. Chapter three contains further details about the governance arrangements associated with establishment of a CIC.

The governance structures for the social enterprise are detailed below.

9.2.1 Executive Board

The Executive Board of the social enterprise will undertake the following functions:

- Manage the strategic focus of the social enterprise's business and exercise all the powers of the company for any purpose connected with the company's business;
- Full accountability for the clinical quality and financial probity of services provided
- The social enterprise has the power to do anything which is incidental or conducive to the furtherance of its objects;
- The social enterprise's objects are to carry on activities which benefit the community (without limitation).
- Ensure that the social purpose is fully met, including the meaningful involvement of stakeholders and users of the service provided.

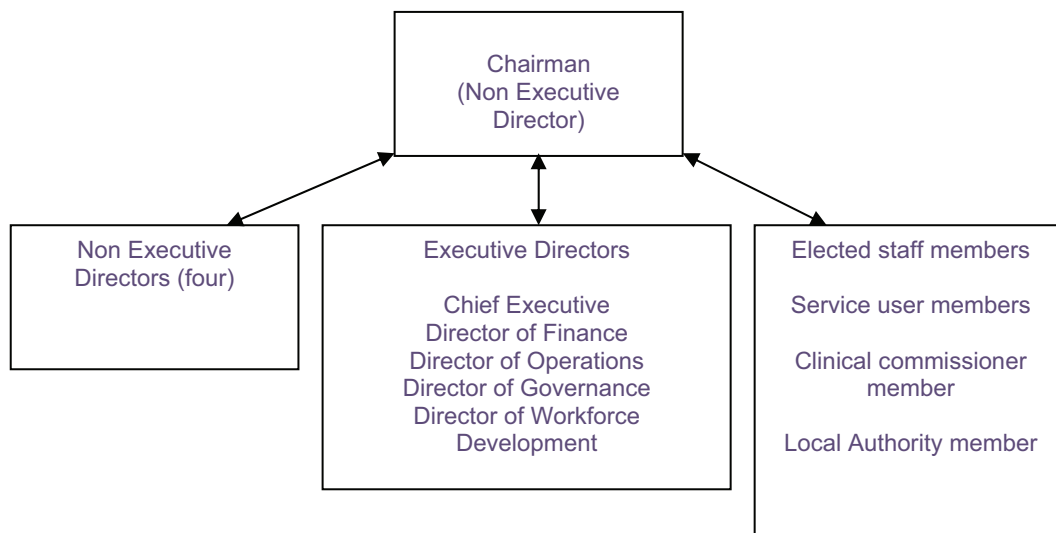
The membership of the Executive Board will comprise of a majority of Non Executive Directors with Executive Directors and elected staff representatives, drawn from a staff council representing all employees. The staff council will

not replace the formal arrangements and recognition of Trade Unions which the social enterprise will have in place. There will be arrangements in place to offer representation on the Board to a nominated individual from the Local Authority, Users of our services and a clinical commissioner.

A number of formal sub-committees will be established, each with an identified senior manager lead and where appropriate, chaired by a Non Executive Director. Key sub-committees are identified within the following paragraphs. There will also be a formal Joint Consultative and Negotiation Committee, chaired by the Director of Workforce Development.

The proposed Executive Board structure is shown below, as Figure 9.1:

Figure 9.1 Executive Board structure



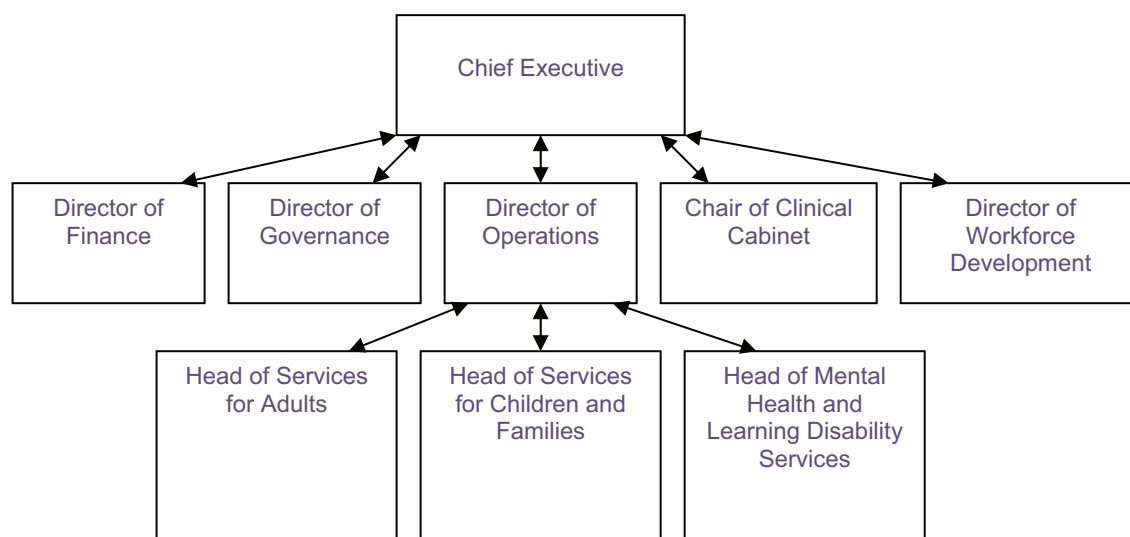
9.2.2 Operational management team

The Operational Management Team is responsible for the implementation of the service delivery strategy approved by the Executive Board. The Operational Management Team membership is drawn from a wide range of managers and clinicians, with a strong emphasis on the contribution of the clinical aspects of care and service delivery, via the Chair of the Clinical Cabinet and Director of Governance.

There will be formal arrangements in place to oversee the performance and governance aspects of day to day service delivery, with formal links to the Performance Committee and the Safety and Quality Committees.

The membership and functions of the Operational Management Team are attached in Annexe 9.1 and the proposed structure is outlined below as Figure 9.2:

Figure 9.2 Operational Management Team structure



9.2.3 Safety and quality committee

The function of the Safety and Quality Committee is to ensure that robust assurance, governance and performance mechanisms are in place and monitored to provide assurances to the Executive Board that essential standards of safety and quality are being met. This will require the Safety and Quality Board:

- To report to the Executive Board the annual integrated governance strategy and structures;
- To develop and oversee the implementation of the quality and governance strategy, including a Quality Account
- To ensure compliance with the NHS Regulatory Framework under the Health and Social Care Act;
- To provide assurance on the safety and quality of clinical services;

- To oversee and manage all clinical and non-clinical risk management including complaints, claims, incidents etc.
- To provide specific assurance on the implementation of the Mental Health Act and the Mental Capacity Act.

Membership of the Safety and Quality Committee will be comprised of the following:

- Non Executive Director (Chair, who is also a member of the Audit Board);
- Director of Operations
- Director of Governance
- Chair of Clinical Cabinet
- Heads of each service
- Staff representative
- User representatives
- Senior managers from each cluster of services;
- Director of Workforce Development

In line with our philosophy of staff involvement, attendance at this committee by interested members of staff will be encouraged, particularly as part of a personal development programme.

9.2.4 Partnership committee

The Partnership Committee is a sub-committee of the Executive Board. The main function of the Partnership Committee is to:

- Develop and monitor any policies that the social enterprise may have in relation to engagement and partnership working;
- To maintain the strategic focus and oversight in relationship to engagement and partnership strategies as a CIC;
- Work for and on behalf of the social enterprise to maximise its wider social benefit through business growth and recommendations to the Business and Performance Board;
- Annually report to the Executive Board, giving a degree of external assurance in relation to its Corporate Social Responsibility Statement and Policy;
- Ensure the delivery of the User Involvement Strategy, covering all individuals receiving services from the social enterprise.

The membership of the Partnership Committee will be comprised of the following:

- Non Executive Director (Chair);
- Six representatives from local organisations who speak for the diversity of the communities;
- Heads of each service areas, plus relevant clinicians;
- Users served by the services of the social enterprise;
- At least three community champions drawn from the staff of the social enterprise; and
- Community representatives, possibly elected from each of the localities in the city.

9.2.5 Business and performance committee

This is a sub committee of the Executive Board and it undertakes the following functions:

- Ensures robust performance and operational framework and assurance mechanisms are in place and monitored;
- Oversees, agrees and manages the implementation of the Integrated Business Plan;
- Develops strategies, plans and new business opportunities for the social enterprise's services; and
- Monitors performance against business and financial plans.

The membership of the Business and Performance Committee is as follows:

- Non Executive Director (Chair);
- Chief Executive;
- Director of Finance;
- Director of Operations
- Heads of Services;
- Director of Workforce Development
- Chair of Clinical Cabinet.

9.2.5.1 Contribution to citywide priorities

In addition, discussions with Health and Adult Social Care Overview and Scrutiny Panel of Plymouth City Council have identified that the following areas would be key contributions to the citywide priorities for Plymouth.

The city has recently adopted overarching priorities to guide key partners across all sectors in their delivery and resource planning. These are based on a firm, up to date and robust evidence base contained within the Plymouth Report, and have agreed targets associated with them.

The Health and Adult Social Care Overview and Scrutiny Panel will be interested to see how the proposed organisation will contribute to delivering against these priorities, which are included below in Figure 9.3:

Figure 9.3 Plymouth Priority	Integrated Business Plan – area for scrutiny
Delivering growth and raising aspiration	<ul style="list-style-type: none"> • Workforce development • Market development • Relationship with independent sector and other providers
Reducing inequalities	<ul style="list-style-type: none"> • Prioritisation and performance management arrangements with respect to key high level health indicators, such as life expectancy, child obesity etc
Value for communities	<ul style="list-style-type: none"> • Access to services • Public and community engagement • Collaborative working over 'back office' support functions • Efficiency proposals over current organisation

It is worth noting that services for children and families will also continue to contribute to the achievement of the strategic priorities identified in the Children and Young People’s Plan as part of the work undertaken by the Plymouth Children and Young People’s Trust.

9.2.6 Audit committee

The Audit Committee advises the Executive Board on the adequacy of audit arrangements (internal and external) and on the implications of assurances provided in respect of risk and control. The Audit Board will review all key risks for the organisation.

The duties undertaken by the Audit Board are:

- Risk Management and Internal Control;
- Internal Audit;
- External Audit;
- Financial reporting;
- Standing Orders/Standing Financial Instructions;

- Whistle Blowing.

The membership of the Audit Board will be comprised of the following:

- One Non Executive Director (Chair, with relevant financial experience)
- One Non Executive Director (Safety and Quality Board)
- One other Non Executive Director

9.2.7 Clinical cabinet

The Clinical Cabinet is a formal committee of the Executive Board with a significant role in developing clinical transformation via empowered and supported clinicians. Whilst membership of this committee is drawn from within the organisation, there is the ability to co-opt and invite membership from clinicians from partner organisations to address specific areas of work, such as those services that cross organisational boundaries.

The role of the Clinical Cabinet is to:

- Provide clear clinical leadership for every service;
- Communicate the organisation's vision and strategic objectives;
- Engage a wide range of stakeholders in the development of the social enterprise's vision, strategy and plans;
- Lead and receive reviews of clinical services; and
- Maintain strong links with frontline health professionals across health services within the social enterprise.

The Clinical Cabinet will be chaired by a senior clinician and have a membership drawn from all professions and practitioners within the organisation.

9.3 Leadership

Previous chapters of this Integrated Business Plan, particularly chapter five, have described an ambitious programme of clinical service transformation. This transformation will deliver improvements in quality and efficiency, and ensure sustainability; these are the three core benefits that will be delivered through the business model that the social enterprise has adopted.

In taking forward the transformational changes, there must be active involvement and engagement of the whole workforce and visibility of the Executive Board and Operational Management Team as part of that process.

Further details about the leadership and management approach that the organisation will adopt, particularly in relation to the engagement of the workforce, are included in chapter six.

9.4 Management structure

This section includes a profile of the Board of the social enterprise and information about the proposed Board development that will take place over the next three years to ensure the continuing success of the social enterprise.

As a new organisation, which will be operating in a competitive environment, it is essential that the Board and senior management team are equipped with the right skills and abilities to enable the sustainability and growth of the social enterprise.

9.4.1 Executive Board profile

The profile and competencies of the Board, for both Executive and Non Executive Directors, is included below:

9.4.1.1 The Chair and Non Executive Directors

The Chair and Non Executive Directors will assist in provide the strategic, visionary leadership qualities that will set the organisation apart. The post holders will embrace the transformational change agenda and provide expertise and an entrepreneurial mindset that will enable the organisation to achieve its stated strategic aims and to deliver improved health outcomes for service users and the wider community.

With board level experience from industry, the voluntary and community sector, or the public sector, the Non Executives will have excellent communication skills and a passion for the value of public service. Able to navigate complex relationships, the ability to motivate and inspire others will come easily.

9.4.1.2 The Executive Directors

Chief Executive

The Chief Executive will have a demonstrable history of leading transformational change within complex health care environments. The post holder will have an absolute passion for enabling the delivery of clinical services to a consistently high quality, reflecting the 'Think Family' philosophy of care, and coupled with a true understanding of how the range of services delivered by the organisation have a significant positive impact on the health and wellbeing of our local population.

The Chief Executive will have the ability to set clear direction, build and maintain effective teams, holding them to account and to ensure that the organisation has responsiveness to meeting patient/carer and commissioners needs in developing services. The post holder will have the ability to synthesise complex and potentially conflicting demands, but always maintain a clear focus on the delivery of high quality care through empowered and competent staff.

Director of Governance

The Director of Governance will have a very clear focus on the development of a clear framework of accountability and service quality. The quality agenda will be all encompassing, with every employee having a very clear requirement to contribute to the safety, quality and accountability agenda. The post holder will have a proven track record in delivering the quality agenda in a complex healthcare environment, a full knowledge of the requirements of CQC as well as the ability to relate to all clinicians and staff, as well as establishing professional and supportive relationships with our partner organisations.

Director of Finance

The Director of Finance will have a comprehensive knowledge of the financial arena in which the social enterprise operates. The post holder will also be accountable for the delivery of a robust and enabling performance framework for the organisation. A clear understanding of the Information Management and Technology (IM&T) agenda will be critical, as will the opportunities for greater cross organisational and agencies infrastructure support sharing arrangements.

Director of Operations

The Director of Operations will have a proven track record of clinical service delivery, including Mental Health as well as General healthcare services. A clear understanding of out of hospital agenda is required, along with an ability to lead and develop services, gaining the confidence of staff, trade unions and members of the public in effecting changes to service delivery.

9.4.2 Board development

The social enterprise intends to arrange for an external, independent evaluation of the Board to take place during the first year of operation as a new social enterprise. The focus of this evaluation will be to review the way that the Board works and identify any developmental requirements arising from this.

It is anticipated that as well as undertaking the formal functions of the Board, as described above in section 9.2.1, the Board will participate in seminars on the key challenges facing the organisation (for example movement towards the management of value rather than management of cost, in line with the transformational change agenda and adoption of a whole systems approach).

It is recognised that development of the Board will necessarily be an iterative process, which will require ongoing evaluation to determine the impact and ensure that the approach being taken continues to align with the strategic objectives of the social enterprise.

The Board will actively work with other established social enterprises to ensure that the values and ethos of this organisational model are incorporated into day to day management. In addition, each Board Director and elected staff representative will have a personal development plan that enables a mentoring arrangement with an existing social enterprise Director, to ensure that we are supported in our venture and that we work successfully for the best provision of services for the communities we serve.

9.4.3 Leadership and management structure

The Leadership, supported by a robust management structure will need to focus on a number of issues:

- Board capacity to manage a complex, integrated organisation with an extensive transformation programme

- Understanding by the executive team and the senior managers and clinicians of the issues across the portfolio of acute, community and social care
- Governance requirements of an integrated organisation and the ways in which these requirements will differ from existing arrangements
- Lessons that can be learnt from comparable organisations
- Clinical leadership in a transformational organisation
- A talent management programme which maximises the potential of future leaders from across the organisation. This will focus work around the support and development required by managers, clinical leaders and teams to sustain a culture of improvement in quality and productivity
- A coaching strategy for key posts and change champions

9.4.3.1 Board capacity and knowledge

Board development will be undertaken in line with the Institute for Innovation and Improvement's Board Development Tool. This approach focuses on:

- Core Business
- Delivery
- Effective Team working
- Engagement with Stakeholders
- Leadership of the Board

This approach is intended to deliver the following outputs:

- Shared vision of what a high performing Board looks and feels like
- Comparison of Board's performance with that vision
- Board and top team development plans
- Agreement on challenges presented by the need to manage a new type of organisation
- Common understanding of the different perspectives of the various types of Board member and the experience that each individual brings to the Board.
- Assessment of Board's performance against Boards of similar organisations and shared learning with other integrated organisations
- Establishing an ongoing process for monitoring the Board's results year-on-year

This work will involve interviews with Board members as well as group work focusing on the way the Board and its individual members work as well as seminars to bring the Board up to speed with key policy and operational issues across the new organisation.

An indication of the relevant responsibilities of the Operational Management Team is attached as Annexe 9.1.

9.5 Conclusion

The new organisation is able to describe the approach that will be taken to running the day to day operations of the business, as well as indicating how the social enterprise will be governed through the Board and the sub committees, which will operate to engage service users, the local population, and staff in the delivery of services.

It is recognised that there are areas where further development will be required to ensure they are able to respond to the challenges that the organisation may face in the future, including those outlined in the SWOT analysis in chapter five (attached as Annexes 5.1 – 5.4). This will provide a robust platform for the future development and long term sustainability of the organisation.